

new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes.

AMENDMENT NO. 1556

At the request of Mrs. LINCOLN, the names of the Senator from Missouri (Mr. BOND), the Senator from North Carolina (Mr. BURR) and the Senator from Minnesota (Mr. COLEMAN) were added as cosponsors of amendment No. 1556 intended to be proposed to H.R. 6, a bill to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes.

AMENDMENT NO. 1557

At the request of Ms. KLOBUCHAR, the names of the Senator from Delaware (Mr. CARPER), the Senator from Massachusetts (Mr. KERRY) and the Senator from Maine (Ms. COLLINS) were added as cosponsors of amendment No. 1557 proposed to H.R. 6, a bill to reduce our Nation's dependency on foreign oil by investing in clean, renewable, and alternative energy resources, promoting new emerging energy technologies, developing greater efficiency, and creating a Strategic Energy Efficiency and Renewables Reserve to invest in alternative energy, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH (for himself, Ms. CANTWELL, Mr. OBAMA, Mr. KERRY, Ms. STABENOW, and Mr. SALAZAR):

S. 1617. A bill to amend the Internal Revenue Code of 1986 to provide incentives for plug-in electric drive motor vehicles; to the Committee on Finance.

Mr. HATCH. Mr. President, I rise to introduce the Fuel Reduction using Electrons to End Our Dependence on the Mideast Act of 2007, or the FREEDOM Act. Senators MARIA CANTWELL, BARACK OBAMA, and I have been working closely together since the beginning of the year to author this very important legislation. We believe the FREEDOM Act will begin a dramatic shift in the transportation sector away from liquid fuels and toward the greater use of electrons.

For years I worked hard to pass a strong tax incentive package for alternative fuel and hybrid electric vehicles in the form of the CLEAR Act, which was passed into law as part of the Energy Policy Act of 2005. When I first introduced the CLEAR Act, more than 7 years ago, there were only two hybrid vehicles available commercially. Today there are dozens of models of hybrids from which consumers can choose.

Already, the move toward hybrid-electric vehicles has helped to reduce

the demand for liquid fuel in this country. It has also set the stage for the next technological step, the plug-in hybrid electric vehicle. This vehicle would have an extra battery pack, recharged from the electricity grid, giving the vehicle all the benefits of a plug-in battery electric vehicle but also the freedom and fuel efficiency of a hybrid electric vehicle once the battery has used up its charge.

With today's advanced plug-in electric and the coming plug-in hybrid electric vehicles, most commuters will be able to make the round trip from home to work and back using very little or no fuel, relying instead on cheap, clean, and abundant electricity.

As you and many of our colleagues know, per mile, electricity can be much cheaper and cleaner than petroleum, and electrons are generated domestically and independent of the global oil market.

It is difficult to overstate the potential the change to plug-in electric vehicles could make in terms of our energy dependence on liquid fuels. R. James Woolsey, who is a member of the National Commission on Energy Policy, testified before the Finance Committee this spring. In his testimony, he cited a Department of Energy study that estimated that adopting plug-in vehicles would not create a need for new base load electricity generation plants until plug-ins constitute over 84 percent of the country's 220 million passenger vehicles. In other words, we already have the power we need to fuel the vast majority of the cars in this country right now, and it exists in the excess capacity of our existing powerplants. Because plug-in vehicles could mostly be charged at night, during the off-peak hours for electric utilities, this technology represents an elegant solution.

In terms of technology and industry focus, the United States is positioned to lead the world into the future with plug-in electric drive motor vehicles. The FREEDOM Act would help our Nation to take up that position by helping to develop the market, the technology, and the domestic production capacity needed to fulfill this role.

The FREEDOM Act's goals would be achieved through four strong tax incentives: First, a tax credit for consumers who purchase plug-in electric or plug-in hybrid electric vehicles; second, for a limited time, a tax credit for consumers who convert their hybrid vehicles to high quality plug-in hybrid vehicles; third, a strong tax incentive for the U.S. manufacture of plug-in vehicles and of major components of plug-in vehicles, such as batteries, electric motors, and electronic controllers; and finally, a tax credit for electric utilities that provide rebates to customers who purchase plug-in electric drive vehicles.

Freedom plug-in credits would cover the consumer purchase of vehicles that use batteries and that plug into the electric grid for at least part of their power. This would include plug-in elec-

trics, plug-in hybrids, and others. The amount of the credit would be based on the kilowatt hours of the vehicle's battery pack, with a cap of \$7,500 for passenger vehicles. The same is true for heavier duty vehicles, except that the caps are scaled up for each vehicle weight class.

Freedom conversion credits would go to hybrid-electric vehicle owners who choose to convert their existing hybrid vehicle to a high quality plug-in hybrid electric vehicle. These credits would also be scaled to the kilowatt-hours of the new battery installed in their vehicle. Only high quality conversion kits, which are certified to meet all highway safety and emissions standards would qualify for a freedom conversion credit, and the credits would be available until the market transitions to commercially available plug-in hybrid vehicles.

The FREEDOM Act also offers first-year expensing for companies setting up production capacity in the United States for plug-in electric drive vehicles and for major components of those vehicles.

Finally, in the case that an electric utility in the U.S. chooses to offer rebates to customers who purchase plug-in electric drive vehicles, the FREEDOM Act would reimburse the utility for part of that rebate in the form of a freedom utility credit. The amount of the Government reimbursement would be based on the rate of greenhouse gas emissions for each utility.

I want to emphasize that like the tax credits available under current law for hybrid electric vehicles, the tax incentives in the FREEDOM Act are temporary. They are needed in order to help get these products over the initial stage of production, when they are quite a bit more expensive than older technology vehicles, to the mass production stage, where economies of scale will drive costs down and the credits will no longer be necessary. Consumer acceptance of this exciting new technology is vital, and these credits will make it easier and more economical for consumers to choose vehicles that will move us away from dependence on less clean and more expensive transportation fuel produced by other nations.

The consumer acceptance of the hybrid electric vehicle has already proven a benefit to our Nation's energy security, and the plug-in hybrid will lead to an even more dramatic reduction in fuel use in this country. Years ago, I argued that the technologies developed to make hybrids possible would eventually lead us to a commercially available hydrogen fuel cell vehicle. I stand by that argument, and I believe that by the time plug-in hybrid electric vehicles become mass produced in this country, we will be ready to use hydrogen fuel cells to disconnect these vehicles from the grid and begin a new age in transportation with much greater freedom of movement and freedom from dependence of foreign oil.

Mr. President, I urge my colleagues to throw their full support for the FREEDOM Act.

By Mr. WYDEN (for himself and Mr. BENNETT):

S. 1619. A bill to amend the Internal Revenue Code of 1986 to provide a credit for fuel-efficient motor vehicles, and for other purposes; to the Committee on Finance.

Mr. WYDEN. Mr. President, today Senator BENNETT and I are reintroducing legislation to provide a significant financial incentive for automakers to produce, and for their customers to buy, more fuel efficient cars and light trucks in the form of consumer tax credits. Reducing our Nation's dependence on oil should not be a partisan issue and Senator BENNETT and I have worked together to come up with a plan that will encourage consumers to buy more energy efficient vehicles even if those vehicles employ technologies, such as electric hybrid drive trains or clean diesels, that cost more to produce.

Under our bipartisan, market-oriented bill, consumers who buy vehicles that are at least 25 percent more fuel efficient than the current corporate fuel economy standards, called CAFE, would get a rebate of at least \$630 and as much as \$1,860 for the most fuel-efficient cars. We have separate standards for cars and trucks so consumers can choose the type of vehicle they want and still get the credit as long as they choose a fuel-efficient model. Similarly, our bill is technology neutral. We don't provide a credit based on the kind of engine or drive train that a car or truck has. We provide a credit based on the level of fuel economy the vehicle achieves. So, manufacturers are free to pursue whichever efficiency technology they want and consumers have a greater choice of vehicles to purchase.

In the past, the automobile industry has said that increasing fuel economy standards is hard to achieve because car buyers place little value on fuel economy, especially if that fuel efficiency comes with added cost. They

also argue that initial purchaser of a new car or truck will not keep that car or truck long enough to recognize the life-cycle fuel savings of a more efficient vehicle. The new program created by our bill directly addresses these concerns by providing tax credits to consumers for purchasing fuel-efficient vehicles.

Providing these credits to purchasers of fuel efficient vehicles will focus consumer attention on fuel efficiency at the time of purchase. For vehicles that qualify, the rebate amount would be printed on the window sticker on new vehicles, so consumers would know exactly how much they would receive at the time they buy a new vehicle.

The consumer would claim that rebate as a tax credit on his or her tax return. Alternatively, the rebate could be transferred to auto dealers, allowing dealers to provide the rebates to consumers as "cash back" at the time of purchase.

This legislation builds on the incentives that were provided in the 2005 energy bill specifically for hybrid gasoline/electric, lean-burn and fuel-cell powered cars. We believe the approach that we are advocating will be simpler and fairer. Unlike the 2005 credits, we don't pick specific technologies. Unlike the 2005 credits, we don't limit the amount of the credits to a specific number of vehicles or manufacturer. This approach does not pick winners and losers among competitive technology or companies. It takes a technology-neutral approach that allows any vehicle that has superior fuel efficiency to qualify for a tax credit, whether it uses hybrid or any other technology.

Finally, legislation already passed by the Senate Commerce Committee calls for the U.S. Department of Transportation to begin to increase the fuel efficiency standards of cars beginning in model year 2011. Our tax credit program, which will cover model years 2009, 2010 and 2011, will help bridge the gap between where we are now and implementation of the new fuel economy standards by encouraging consumers to buy those more fuel efficient vehicles

earlier while helping manufacturers gear up to produce them.

I urge colleagues to help jumpstart our Nation on the road to oil independence and chart a new direction for our Nation's energy policy by supporting the OILSAVE Act.

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. 1619

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 "Oil Independence, Limiting Subsidies, and Accelerating Vehicle Efficiency (OILSAVE) Act".

SEC. 2. TAX CREDIT FOR FUEL-EFFICIENT MOTOR VEHICLES.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to other credits) is amended by inserting after section 30C the following new section:

"SEC. 30D. FUEL-EFFICIENT MOTOR VEHICLE CREDIT.

"(a) ALLOWANCE OF CREDIT.—There shall be allowed a credit against the tax imposed by this chapter for the taxable year an amount equal to the applicable amount for each new qualified fuel-efficient motor vehicle placed in service by the taxpayer during the taxable year.

"(b) NEW QUALIFIED FUEL-EFFICIENT MOTOR VEHICLE.—For purposes of this section, the term 'new qualified fuel-efficient motor vehicle' means a motor vehicle (as defined under section 30(c)(2))—

"(1) which is a passenger automobile or a light truck,

"(2) which—

"(A) in the case of a passenger automobile, achieves a fuel economy of not less than 34.5 miles per gallon, and

"(B) in the case of a light truck, achieves a fuel economy of not less than 27.5 miles per gallon,

"(3) the original use of which commences with the taxpayer,

"(4) which is acquired for use or lease by the taxpayer and not for resale, and

"(5) which is made by a manufacturer for model year 2009, 2010, or 2011.

"(c) APPLICABLE AMOUNT.—For purposes of this section, the applicable amount shall be determined as follows:

If the motor vehicle achieves a fuel economy of:

	In the case of a passenger automobile, the applicable amount is:	In the case of a light truck, the applicable amount is:
27.5 miles per gallon	\$0	\$630
28.5	0	710
29.5	0	780
30.5	0	850
31.5	0	920
32.5	0	980
33.5	0	1,040
34.5	630	1,090
35.5	700	1,140
36.5	760	1,190
37.5	820	1,240
38.5	880	1,280
39.5	940	1,320

If the motor vehicle achieves a fuel economy of:

In the case of a passenger automobile, the applicable amount is:
 In the case of a light truck, the applicable amount is:

	In the case of a passenger automobile, the applicable amount is:	In the case of a light truck, the applicable amount is:
40.5	990	1,360
41.5	1,040	1,400
42.5	1,090	1,430
43.5	1,140	1,470
44.5	1,180	1,500
45.5	1,220	1,530
46.5	1,260	1,560
47.5	1,300	1,590
48.5	1,340	1,620
49.5	1,370	1,640
50.5	1,410	1,670
51.5	1,440	1,690
52.5	1,470	1,720
53.5	1,500	1,740
54.5	1,530	1,760
55.5	1,560	1,780
56.5	1,590	1,800
57.5	1,610	1,820
58.5	1,640	1,840
59.5 or more	1,660	1,860

“(d) OTHER DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

“(1) FUEL ECONOMY.—The term ‘fuel economy’ has the meaning given such term under section 32901(a)(10) of title 49, United States Code.

“(2) MODEL YEAR.—The term ‘model year’ has the meaning given such term under section 32901(a)(14) of such title.

“(3) OTHER TERMS.—The terms ‘passenger automobile’, ‘light truck’, and ‘manufacturer’ have the meaning given such terms in regulations prescribed by the Administrator of the Environmental Protection Agency for purposes of the administration of title II of the Clean Air Act.

“(4) REDUCTION IN BASIS.—For purposes of this subtitle, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit so allowed.

“(5) NO DOUBLE BENEFIT.—

“(A) COORDINATION WITH OTHER VEHICLE CREDITS.—No credit shall be allowed under subsection (a) with respect to any new qualified fuel-efficient motor vehicle for any taxable year if a credit is allowed with respect to such motor vehicle for such taxable year under section 30 or 30B.

“(B) OTHER TAX BENEFITS.—The amount of any deduction or credit (other than the credit allowable under this section and any credit described in subparagraph (A)) allowable under this chapter with respect to any new qualified fuel-efficient motor vehicle shall be reduced by the amount of credit allowed under subsection (a) for such motor vehicle for such taxable year.

“(6) PROPERTY USED OUTSIDE THE UNITED STATES, ETC., NOT QUALIFIED.—No credit shall be allowable under subsection (a) with respect to any property referred to in section 50(b)(1) or with respect to the portion of the cost of any property taken into account under section 179.

“(7) ELECTION NOT TO TAKE CREDIT.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects not to have this section apply to such vehicle.

“(8) INTERACTION WITH AIR QUALITY AND MOTOR VEHICLE SAFETY STANDARDS.—Unless otherwise provided in this section, a motor vehicle shall not be considered eligible for a credit under this section unless such vehicle is in compliance with—

“(A) the applicable provisions of the Clean Air Act for the applicable make and model year of the vehicle (or applicable air quality provisions of State law in the case of a State which has adopted such provision under a waiver under section 209(b) of the Clean Air Act), and

“(B) the motor vehicle safety provisions of sections 30101 through 30169 of title 49, United States Code.

“(e) CREDIT MAY BE TRANSFERRED.—

“(1) IN GENERAL.—A taxpayer may, in connection with the purchase of a new qualified fuel-efficient motor vehicle, transfer any credit allowable under subsection (a) to any person who is in the trade or business of selling new qualified fuel-efficient motor vehicles, but only if such person clearly discloses to such taxpayer, through the use of a window sticker attached to the new qualified fuel-efficient vehicle—

“(A) the amount of any credit allowable under subsection (a) with respect to such vehicle, and

“(B) a notification that the taxpayer will not be eligible for any credit under section 30 or 30B with respect to such vehicle unless the taxpayer elects not to have this section apply with respect to such vehicle.

“(2) CONSENT REQUIRED FOR REVOCATION.—Any transfer under paragraph (1) may be revoked only with the consent of the Secretary.

“(3) REGULATIONS.—The Secretary may prescribe such regulations as necessary to ensure that any credit described in paragraph (1) is claimed once and not retransferred by a transferee.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 1016(a) of the Internal Revenue Code of 1986 is amended by striking “and” at the end of paragraph (36), by striking the period at the end of paragraph (37) and inserting “, and”, and by adding at the end the following new paragraph:

“(38) to the extent provided in section 30D(d)(4).”.

(2) Section 6501(m) of such Code is amended by inserting “30D(d)(7),” after “30C(e)(5).”.

(3) The table of section for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by inserting after the item relating to section 30C the following new item:

“Sec. 30D. Fuel-efficient motor vehicle credit.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act with respect to model years 2009, 2010, and 2011.

SEC. 3. SENSE OF THE SENATE REGARDING OFFSETTING REVENUES.

It is the sense of the Senate that the cost of the amendments made by section 2 shall be offset by equivalent revenues specified in related legislation.

By Ms. CANTWELL (for herself and Mr. KERRY):

S. 1620. A bill to provide the Coast Guard and NOAA with additional authorities under the Oil Pollution Act of 1990, to strengthen the Oil Pollution Act of 1990, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Ms. CANTWELL. Mr. President, I rise today to introduce the Oil Pollution Prevention and Response Act of 2007 with my colleague Senator KERRY. This comprehensive legislation strengthens and builds upon the Oil Pollution Act of 1990, OPA 90. Congress passed OPA 90 shortly after the Exxon Valdez ran aground in 1989, spilling 11 million gallons of crude oil in Alaska's pristine Prince William Sound, the largest spill in U.S. history. OPA 90 revolutionized oilspill risk management and we have OPA 90 to thank or improving oil spill prevention, preparedness, and response.

It is important to recognize that we have come a long way since OPA 90. This is especially true in my home State of Washington. The Coast Guard's District 13 leads the Nation in oilspill prevention and works closely with the State of Washington, tribal governments, and industry.

While we recognize the good work that is already being carried out in Washington and elsewhere, we must also look to continually improve our

ability to prevent and respond to oil spills. While the probability of a major oil spill has been greatly reduced since OPA 90, the potential impact of such a spill is now greater than ever.

According to Coast Guard data, although the number of oil spills from vessels has decreased enormously since passage of OPA 90, the volume of oil spilled nationwide is still significant. In 1992, vessels spilled 665,432 gallons of oil; in 2004, the total was higher, at 722,768 gallons, and a significant number of spills are still occurring. In 2004, there were 36 spills from tank ships, 141 spills from barges, and 1,562 spills from other vessels, including cargo ships. Furthermore, even though the number of spills from tankers declined from 193 spills in 1992 to 36 spills in 2004, a single incident from a vessel like the Exxon Valdez can be devastating.

Again, to use examples from Washington State: endangered species like salmon and southern resident orca whales are increasingly vulnerable to the acute and chronic impacts of an oil spill. We have a National Marine Sanctuary off our coast that demands stepped-up protection, and we must take care to hold up our trust obligations to treaty tribes whose usual and accustomed fishing grounds would be devastated by a major spill. This is all to say that we must factor the consequence major spill into our equations for risk. My colleagues from around the country can, I am sure, point to similar examples.

In August of 2005, I chaired a Commerce Committee Subcommittee on Fisheries and Coast Guard field hearing in Seattle. This hearing focused on improving our oil pollution prevention and response capabilities. As a result of testimony from that hearing and conversations with the Coast Guard and other stakeholders, I introduced the Oil Pollution Prevention and Response Act of 2006 last March.

The bill I introduce today, the Oil Pollution Prevention and Response Act of 2007, updates that effort and includes additional provisions.

New provisions include a requirement that the Coast Guard notify States and tribal governments of maritime incidents in Federal waters that have the potential to impact state resources. The bill would also authorize the Coast Guard to train and work with qualified State vessel inspectors to bolster their existing ability to inspect vessels in port.

Other new provisions include a requirement for the Coast Guard to promulgate regulations allowing vessel owners to form nonprofit cooperatives to streamline their compliance with vessel response plan requirements. Also new is an authorization for an education and outreach grant program to prevent the frequency of small spills that occur from recreational vessels.

The Oil Pollution Prevention and Response Act of 2007 retains key provisions from last year's bill that address

a number of areas to improve prevention and response.

First, my bill directs the Coast Guard to finalize all rulemakings remaining from OPA 90 within 18 months. Remaining OPA 90 rules include the critical salvage and fire-fighting requirements, which would establish a national network of salvage and response vessels and equipment capable of assisting ships in distress. Implementation of the salvage and fire-fighting rule has been consistently pushed back, most recently in February of this year. It has been 17 years since the passage of OPA 90 and finalizing these rules in a timely manner will greatly improve our prevention and response capabilities.

Because human error is the leading cause of accidental oil spills, the Coast Guard would be required to identify and pass regulations to address the most frequent sources of human error that have led to oil spills from vessels as well as "near-misses." It would require the Coast Guard to ensure the safety of single hull tankers and other high-risk vessels by increasing inspections of such vessels. My bill would require the Coast Guard to address and reduce the increased risk of oil spills from oil transfers. It would also make companies that knowingly hire substandard single-hull tank vessels after 2010 "responsible parties" in order to provide a disincentive for such contracts.

Of particular importance to my State, the bill would provide a mechanism for year-round funding of the Neah Bay response tug, a key element of the oil spill prevention safety net for Washington State's Olympic coast. It would also increase oil spill preparedness in the Strait of Juan de Fuca by changing the definition of "High Volume Port" for Puget Sound to make westerly boundary begin at the entrance to the strait. This change would require oil spill response equipment to be stationed along the entire strait and not just east of the current line at Port Angeles. In addition, the Oil Pollution Prevention and Response Act of 2007 would require improved coordination with federally recognized tribes on oil spill prevention, preparedness, and response.

The bill would codify into federal law the establishment of the oil spill Advisory Council, which was created by the Washington State Legislature and Governor Gregoire in the wake of the October 2004 Dalco Passage Oilspill, and provide \$1 million annually to support the council's important work. Finally, this bill would reiterate an OPA 90 directive for the Coast Guard and Department of State to enter into negotiations with Canada to ensure tug escorts for all tank ships with a capacity greater than 40,000 dead weight tons in the Strait of Juan de Fuca, Strait of Georgia, and Haro Strait.

The slow response to the oil spill in Daleo Passage in the Puget Sound was largely attributed to difficulties with

detecting the oil that was spilled. The Oil Pollution Prevention and Response Act of 2007 would reinvigorate a Federal research program on oil spill prevention, detection, and response, and would establish a grant program for the development of cost-effective technologies for detecting discharges of oil from vessels, including infrared, pressure sensors, and remote sensing. It would also require the Secretary of Homeland Security, in conjunction with other Federal agencies, to conduct an analysis of the condition and safety of all aspects of oil transportation in the United States, and provide recommendations to improve such safety. This was a specific recommendation of the U.S. Commission on Ocean Policy.

The Department of Justice has also noted that a major category of oil spills are intentional discharges of oil from vessels. The United States cannot address this problem alone. Thus, the bill would require the Coast Guard to pursue stronger enforcement measures for oil discharges in the International Maritime Organization and other appropriate international organizations.

Oil spill prevention and response is timely for Congress to consider because waterborne transportation of oil in the United States continues to increase, significant volumes of oil continue to be released, and the potential for a major spill remains unacceptably high. Recent spills involving significant quantities of oil have occurred off the coasts of Alaska, Maine, Massachusetts, Oregon, Virginia, Hawaii, and Washington, and involved barges, tankers, nontank vessels, and oil transfer operations.

One thing we have learned from these spills is that prevention is more cost-effective than cleaning up oil once it is released into the environment. We have also learned that although double hulls and redundant steering do increase tanker safety, these technologies are not a panacea and we need to do more to ensure against oil spills.

The Federal Government has a responsibility to protect the Nation's natural resources, public health, and environment by improving Federal measures to prevent and respond to oil spills. I urge my colleagues to consider this legislation.

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. 1620

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 "Oil Pollution Prevention and Response Act of 2007".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

Sec. 3. Findings.
Sec. 4. Definitions.

TITLE I—PREVENTION OF OIL SPILLS
SUBTITLE A—COAST GUARD PROVISIONS

Sec. 101. Rulemakings.
Sec. 102. Oil spill response capability.
Sec. 103. Inspections by Coast Guard.
Sec. 104. Oil transfers from vessels.
Sec. 105. Improvements to reduce human error and near-miss incidents.
Sec. 106. Navigational measures for protection of natural resources.
Sec. 107. Olympic Coast National Marine Sanctuary.
Sec. 108. Higher volume port area regulatory definition change.
Sec. 109. Prevention of small oil spills.
Sec. 110. Improved coordination with tribal governments.
Sec. 111. Oil spill advisory council.
Sec. 112. Notification requirements.
Sec. 113. Cooperative State inspection authority.
Sec. 114. Tug escorts for laden oil tankers.
Sec. 115. Tank and non-tank vessel response plans.
Sec. 116. Report on the availability of technology to detect the loss of oil.

SUBTITLE B—NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION PROVISIONS

Sec. 151. Hydrographic surveys.
Sec. 152. Electronic navigational charts.

TITLE II—RESPONSE

Sec. 201. Rapid response system.
Sec. 202. Coast Guard oil spill database.
Sec. 203. Use of oil spill liability trust fund.
Sec. 204. Extension of financial responsibility.
Sec. 205. Liability for use of unsafe single-hull vessels.
Sec. 206. Response tugs.
Sec. 207. International efforts on enforcement.
Sec. 208. Investment of amounts in damage assessment and restoration revolving fund.

TITLE III—RESEARCH AND MISCELLANEOUS REPORTS

Sec. 301. Federal Oil Spill Research Committee.
Sec. 302. Grant project for development of cost-effective detection technologies.
Sec. 303. Status of implementation of recommendations by the National Research Council.
Sec. 304. GAO report.
Sec. 305. Oil transportation infrastructure analysis.

SEC. 3. FINDINGS.

The Congress finds the following:

(1) Oil released into the Nation's marine waters can cause substantial, and in some cases irreparable, harm to the marine environment.

(2) The economic impact of oil spills is substantial. Billions of dollars have been spent in the United States for cleanup of, and damages due to, oil spills; while many social, cultural, economic, and environmental damages remain uncompensated.

(3) The Oil Pollution Act of 1990, enacted in response to the worst vessel oil spill in United States history, substantially reduced the amount of oil spills from vessels. However, significant volumes of oil continue to be released, and the potential for a major spill remains unacceptably high.

(4) Although the total number of oil spills from vessels has decreased since passage of the Oil Pollution Act of 1990, more oil was spilled in 2004 from vessels nationwide than was spilled from vessels in 1992.

(5) Waterborne transportation of oil in the United States continues to increase.

(6) Although the number of oil spills from tankers declined from 193 in 1992 to 36 in 2004, spills from oil tankers tend to be large with devastating impacts.

(7) While the number of oil spills from tank barges has declined since 1992 (322 spills to 141 spills in 2004), the volume of oil spilled from tank barges has remained constant at approximately 200,000 gallons spilled each year.

(8) Oil spills from non-tank vessels averaged between 125,000 gallons and 400,000 gallons per year from 1992 through 2004 and accounted for over half of the total number of spills from all sources, including vessels and non-vessel sources.

(9) Recent spills involving significant quantities of oil have occurred off the coasts of Alaska, Maine, Massachusetts, Oregon, Virginia, and Washington, and involved barges, tank vessels, and non-tank vessels. The value of waterfront property, sport, commercial and tribal treaty fisheries, recreation, tourism, and threatened and endangered species continue to increase.

(10) It is more cost-effective to prevent oil spills than it is to clean-up oil once it is released into the environment.

(11) Of the 20 major vessel oil spill incidents since 1990 where liability limits have been exceeded, 10 involved tank barges, 8 involved non-tank vessels, 2 involved tankers, and only 1 involved a vessel that was double-hulled.

(12) Although recent technological improvements in oil tanker design, such as double hulls and redundant steering, increase tanker safety, these technologies are not a panacea and cannot ensure against oil spills, the leading cause of which is human error.

(13) The Federal government has a responsibility to protect the Nation's natural resources, public health, and environment by improving Federal measures to prevent and respond to oil spills.

(14) Environmentally fragile coastal areas are vitally important to local economies and the way of life in coastal States and federally recognized tribal governments. These areas are particularly vulnerable to the threat of oil spills. Coastal waters contribute approximately 75 percent of all commercial shellfish and finfish catches, and over 81 percent of all recreational fishing catches in the United States, outside of Alaska and Hawaii.

(15) The northern coast of Washington State and entrance to Puget Sound is the principal corridor conveying Pacific Rim commerce into the State, to Canada's largest port, and to the United States' third largest naval complex. The area contains a National Marine Sanctuary, a National Park, and many National Wildlife Refuges contiguous with marine waters.

(16) State, local, and tribal governments have important human resources and spill response capabilities which can contribute to response efforts in the event of a significant oil spill. State, local, and tribal governments may have unique local knowledge of natural resources which can improve the quality of spill response. For these reasons, State, local and tribal governments need appropriate information to have knowledge of spills, as well as incidents and activities that may result in a spill, which can impact State waters.

SEC. 4. DEFINITIONS.

In this Act:

(1) AREA TO BE AVOIDED.—The term "area to be avoided" means a routing measure established by the International Maritime Organization as an area to be avoided.

(2) COASTAL STATE.—The term "coastal State" has the meaning given that term by section 304(4) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1453(4)).

(3) COMMANDANT.—The term "Commandant" means the Commandant of the Coast Guard.

(4) NON-TANK VESSEL.—The term "non-tank vessel" means a self-propelled vessel other than a tank vessel.

(5) OIL.—The term "oil" has the meaning given that term by section 1001(23) of the Oil Pollution Act of 1990 (33 U.S.C. 2701(23)).

(6) SECRETARY.—The term "Secretary" means the Secretary of the department in which the Coast Guard is operating except where otherwise explicitly stated.

(7) TANK VESSEL.—The term "tank vessel" has the meaning given that term by section 1001(34) of the Oil Pollution Act of 1990 (33 U.S.C. 2701(34)).

(8) WATERS SUBJECT TO THE JURISDICTION OF THE UNITED STATES.—The term "waters subject to the jurisdiction of the United States" means navigable waters (as defined in section 1001(21) of the Oil Pollution Act of 1990 (33 U.S.C. 2701(21))) as well as—

(A) the territorial sea of the United States as defined in Presidential Proclamation Number 5928 of December 27, 1988; and

(B) the Exclusive Economic Zone of the United States established by Presidential Proclamation Number 5030 of March 10, 1983.

(9) OTHER TERMS.—The terms "facility", "gross ton", "exclusive economic zone", "incident", "oil", "tank vessel", "territorial seas", and "vessel" have the meaning given those terms in section 1001 of the Oil Pollution Act of 1990 (33 U.S.C. 2701).

TITLE I—PREVENTION OF OIL SPILLS

Subtitle A—Coast Guard Provisions

SEC. 101. RULEMAKINGS.

(a) STATUS REPORT.—

(1) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary shall provide a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on the status of all Coast Guard rulemakings required (but for which no final rule has been issued as of the date of enactment of this Act)—

(A) under the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.); and

(B) for—

(i) automatic identification systems required under section 70114 of title 46, United States Code; and

(ii) inspection requirements for towing vessels required under section 3306(j) of that title.

(2) INFORMATION REQUIRED.—The Secretary shall include in the report required by paragraph (1)—

(A) a detailed explanation with respect to each such rulemaking as to—

(i) what steps have been completed;

(ii) what areas remain to be addressed; and

(iii) the cause of any delays; and

(B) the date by which a final rule may reasonably be expected to be issued.

(b) FINAL RULES.—The Secretary shall issue a final rule in each pending rulemaking under the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.) as soon as practicable, but in no event later than 18 months after the date of enactment of this Act.

SEC. 102. OIL SPILL RESPONSE CAPABILITY.

(a) SAFETY STANDARDS FOR TOWING VESSELS.—In promulgating regulations for towing vessels under chapter 33 of title 46, United States Code, the Secretary of the department in which the Coast Guard is operating shall—

(1) give priority to completing such regulations for towing operations involving tank vessels; and

(2) consider the possible application of standards that, as of the date of enactment

of this Act, apply to self-propelled tank vessels, and any modifications that may be necessary for application to towing vessels due to ship design, safety, and other relevant factors.

(b) **REDUCTION OF OIL SPILL RISK IN BUZZARDS BAY.**—No later than January 1, 2008, the Secretary of the department in which the Coast Guard is operating shall promulgate a final rule for Buzzards Bay, Massachusetts, pursuant to the notice of proposed rulemaking published on March 29, 2006, (71 Fed. Reg. 15649), after taking into consideration public comments submitted pursuant to that notice, to adopt measures to reduce the risk of oil spills in Buzzards Bay, Massachusetts.

(c) **REPORTING.**—The Secretary shall transmit an annual report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Resources on the extent to which tank vessels in Buzzards Bay, Massachusetts, are using routes recommended by the Coast Guard.

SEC. 103. INSPECTIONS BY COAST GUARD.

(a) **IN GENERAL.**—The Secretary shall ensure that the inspection schedule for all United States and foreign-flag tank vessels that enter a United States port or place increases the frequency and comprehensiveness of Coast Guard safety inspections based on such factors as vessel age, hull configuration, past violations of any applicable discharge and safety regulations under United States and international law, indications that the class societies inspecting such vessels may be substandard, and other factors relevant to the potential risk of an oil spill.

(b) **ENHANCED VERIFICATION OF STRUCTURAL CONDITION.**—The Coast Guard shall adopt, as part of its inspection requirements for tank vessels, additional procedures for enhancing the verification of the reported structural condition of such vessels, taking into account the Condition Assessment Scheme adopted by the International Maritime Organization by Resolution 94(46) on April 27, 2001.

SEC. 104. OIL TRANSFERS FROM VESSELS.

(a) **REGULATIONS.**—Within 1 year after the date of enactment of this Act, the Secretary shall promulgate regulations to reduce the risks of oil spills in operations involving the transfer of oil from or to a tank vessel. The regulations—

(1) shall focus on operations that have the highest risks of discharge, including operations at night and in inclement weather; and

(2) shall consider—

(A) requirements for use of equipment, such as putting booms in place for transfers;

(B) operational procedures such as manning standards, communications protocols, and restrictions on operations in high-risk areas; or

(C) both such requirements and operational procedures.

(b) **APPLICATION WITH STATE LAWS.**—The regulations promulgated under subsection (a) do not preclude the enforcement of any State law or regulation the requirements of which are at least as stringent as requirements under the regulations (as determined by the Secretary) that—

(1) applies in State waters;

(2) does not conflict with, or interfere with the enforcement of, requirements and operational procedures under the regulations; and

(3) has been enacted or promulgated before the date of enactment of this Act.

SEC. 105. IMPROVEMENTS TO REDUCE HUMAN ERROR AND NEAR-MISS INCIDENTS.

(a) **REPORT.**—Within 1 year after the date of enactment of this Act, the Secretary shall

transmit a report to the Senate Committee on Commerce, Science, and Transportation, the Senate Committee on Environment and Public Works, and the House of Representatives Committee on Transportation and Infrastructure that, using available data—

(1) identifies the types of human errors that, combined, account for over 50 percent of all oil spills involving vessels that have been caused by human error in the past 10 years;

(2) identifies the most frequent types of near-miss oil spill incidents involving vessels such as collisions, groundings, and loss of propulsion in the past 10 years;

(3) describes the extent to which there are gaps in the data with respect to the information required under paragraphs (1) and (2) and explains the reason for those gaps; and

(4) includes recommendations by the Secretary to address the identified types of errors and incidents and to address any such gaps in the data.

(b) **MEASURES.**—Based on the findings contained in the report required by subsection (a), the Secretary shall take appropriate action, both domestically and at the International Maritime Organization, to reduce the risk of oil spills from human errors.

SEC. 106. NAVIGATIONAL MEASURES FOR PROTECTION OF NATURAL RESOURCES.

(a) **DESIGNATION OF AT-RISK AREAS.**—The Secretary and the Under Secretary of Commerce for Oceans and Atmosphere shall jointly identify areas where routing or other navigational measures are warranted in waters subject to the jurisdiction of the United States to reduce the risk of oil spills and potential damage to natural resources. In identifying those areas, the Secretary and the Under Secretary shall give priority consideration to natural resources of particular ecological importance or economic importance, including commercial fisheries, aquaculture facilities, marine sanctuaries designated by the Secretary of Commerce pursuant to the National Marine Sanctuaries Act (16 U.S.C. 1431 et seq.), estuaries of national significance designated under section 319 of the Federal Water Pollution Control Act (33 U.S.C. 1330), critical habitats (as defined in section 3(5) of the Endangered Species Act of 1973 (16 U.S.C. 1532(5))), estuarine research reserves within the National Estuarine Research Reserve System established by section 315 of the Coastal Zone Management Act of 1972, and national parks and national seashores administered by the National Park Service under the National Park Service Organic Act (16 U.S.C. 1 et seq.).

(b) **FACTORS CONSIDERED.**—In determining whether navigational measures are warranted, the Secretary and the Under Secretary shall consider, at a minimum—

(1) the frequency of transits of vessels required to prepare a response plan under section 311(j) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j));

(2) the type and quantity of oil transported as cargo or fuel;

(3) the expected benefits of routing measures in reducing risks of spills;

(4) the costs of such measures;

(5) the safety implications of such measures; and

(6) the nature and value of the resources to be protected by such measures.

(c) **ESTABLISHMENT OF ROUTING AND OTHER NAVIGATIONAL MEASURES.**—The Secretary shall establish such routing or other navigational measures for areas identified under subsection (a).

(d) **ESTABLISHMENT OF AVOIDANCE AREAS.**—To the extent that the Secretary and the Under Secretary conclude that the establishment of areas to be avoided is warranted under this section, they shall seek to establish such areas through the International

Maritime Organization or establish comparable areas pursuant to regulations and in a manner that is consistent with international law.

(e) **OIL SHIPMENT DATA AND REPORT.**—

(1) **DATA COLLECTION.**—The Secretary, through the Commandant and in consultation with the Army Corps of Engineers, shall analyze data on oil transported as cargo on vessels in the navigable waters of the United States, including information on—

(A) the quantity and type of oil being transported;

(B) the vessels used for such transportation;

(C) the frequency with which each type of oil is being transported; and

(D) the point of origin, transit route, and destination of each such shipment of oil.

(2) **REPORT.**—The Secretary shall transmit a report, not less frequently than quarterly, to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce, on the data collected and analyzed under paragraph (1) in a format that does not disclose information exempted from disclosure under section 552b(e) of title 5, United States Code.

SEC. 107. OLYMPIC COAST NATIONAL MARINE SANCTUARY.

(a) **OLYMPIC COAST NATIONAL MARINE SANCTUARY AREA TO BE AVOIDED.**—The Secretary and the Under Secretary of Commerce for Oceans and Atmosphere shall revise the area to be avoided off the coast of the State of Washington so that restrictions apply to all vessels required to prepare a response plan under section 311(j) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j)) (other than fishing or research vessels while engaged in fishing or research within the area to be avoided).

(b) **EMERGENCY OIL SPILL DRILL.**—

(1) **IN GENERAL.**—In cooperation with the Secretary, the Under Secretary of Commerce for Oceans and Atmosphere shall conduct a Safe Seas oil spill drill in the Olympic Coast National Marine Sanctuary in fiscal year 2008. The Secretary and the Under Secretary of Commerce for Oceans and Atmosphere jointly shall coordinate with other Federal agencies, State, local, and tribal governmental entities, and other appropriate entities, in conducting this drill.

(2) **OTHER REQUIRED DRILLS.**—Nothing in this subsection supersedes any Coast Guard requirement for conducting emergency oil spill drills in the Olympic Coast National Marine Sanctuary. The Secretary shall consider conducting regular field exercises, such as National Preparedness for Response Exercise Program (PREP) in other national marine sanctuaries as well as areas identified in section 106(a) of this bill.

(3) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Under Secretary of Commerce for Oceans and Atmosphere for fiscal year 2008 \$700,000 to carry out this subsection.

SEC. 108. HIGHER VOLUME PORT AREA REGULATORY DEFINITION CHANGE.

(a) **IN GENERAL.**—Within 30 days after the date of enactment of this Act, notwithstanding subchapter 5 of title 5, United States Code, the Commandant shall modify the definition of the term “higher volume port area” in section 155.1020 of the Coast Guard regulations (33 C.F.R. 155.1020) by striking “Port Angeles, WA” in paragraph (13) of that section and inserting “Cape Flattery, WA” without initiating a rulemaking proceeding.

(b) **EMERGENCY RESPONSE PLAN REVIEWS.**—Within 5 years after the date of enactment of this Act, the Coast Guard shall complete its review of any changes to emergency response

plans pursuant to the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) resulting from the modification of the higher volume port area definition required by subsection (a).

SEC. 109. PREVENTION OF SMALL OIL SPILLS.

(a) IN GENERAL.—The Under Secretary of Commerce for Oceans and Atmosphere, in consultation with other appropriate agencies, shall establish an oil spill prevention and education program for small vessels. The program shall provide for assessment, outreach, and training and voluntary compliance activities to prevent and improve the effective response to oil spills from vessels and facilities not required to prepare a vessel response plan under the Federal Water Pollution Control Act, including recreational vessels, commercial fishing vessels, marinas, and aquaculture facilities. The Under Secretary may provide grants to sea grant colleges and institutes designated under section 207 of the National Sea Grant College Program Act (33 U.S.C. 1126) and to State agencies, tribal governments, and other appropriate entities to carry out—

(1) regional assessments to quantify the source, incidence and volume of small oil spills, focusing initially on regions in the country where, in the past 10 years, the incidence of such spills is estimated to be the highest;

(2) voluntary, incentive-based clean marina programs that encourage marina operators, recreational boaters and small commercial vessel operators to engage in environmentally sound operating and maintenance procedures and best management practices to prevent or reduce pollution from oil spills and other sources;

(3) cooperative oil spill prevention education programs that promote public understanding of the impacts of spilled oil and provide useful information and techniques to minimize pollution including methods to remove oil and reduce oil contamination of bilge water, prevent accidental spills during maintenance and refueling and properly cleanup and dispose of oil and hazardous substances; and

(4) support for programs, including outreach and education to address derelict vessels and the threat of such vessels sinking and discharging oil and other hazardous substances, including outreach and education to involve efforts to the owners of such vessels.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Under Secretary of Commerce for Oceans and Atmosphere to carry out this section, \$10,000,000 annually for each of fiscal years 2008 through 2012.

SEC. 110. IMPROVED COORDINATION WITH TRIBAL GOVERNMENTS.

(a) IN GENERAL.—Within 6 months after the date of enactment of this Act, the Secretary shall complete the development of a tribal consultation policy, which recognizes and protects to the maximum extent practicable tribal treaty rights and trust assets in order to improve the Coast Guard's consultation and coordination with the tribal governments of federally recognized Indian tribes with respect to oil spill prevention, preparedness, response and natural resource damage assessment.

(b) NATIONAL PLANNING.—The Secretary shall assist tribal governments to participate in the development and capacity to implement the National Contingency Plan and local Area Contingency Plans to the extent they affect tribal lands, cultural and natural resources. The Secretary shall ensure that in regions where oil spills are likely to have an impact on natural or cultural resources owned or utilized by a federally recognized Indian tribe, the Coast Guard will—

(1) ensure that representatives of the tribal government of the potentially affected tribes are included as part of the regional response team cochaired by the Coast Guard and the Environmental Protection Agency to establish policies for responding to oil spills; and

(2) provide training of tribal incident commanders and spill responders.

(c) INCLUSION OF TRIBAL GOVERNMENT.—The Secretary shall ensure that, as soon as practicable after identifying an oil spill that is likely to have an impact on natural or cultural resources owned or utilized by a federally recognized Indian tribe, the Coast Guard will—

(1) ensure that representatives of the tribal government of the affected tribes are included as part of the incident command system established by the Coast Guard to respond to the spill;

(2) share information about the oil spill with the tribal government of the affected tribe; and

(3) to the extent practicable, involve tribal governments in deciding how to respond to such spill.

(d) COOPERATIVE ARRANGEMENTS.—The Coast Guard may enter into memoranda of agreement and associated protocols with Indian tribal governments in order to establish cooperative arrangements for oil pollution prevention, preparedness, and response. Such memoranda may be entered into prior to the development of the tribal consultation and coordination policy to provide Indian tribes grant and contract assistance and may include training for preparedness and response and provisions on coordination in the event of a spill. As part of these memoranda of agreement, the Secretary may carry out demonstration projects to assist tribal governments in building the capacity to protect tribal treaty rights and trust assets from oil spills to the maximum extent possible.

(e) FUNDING FOR TRIBAL PARTICIPATION.—Subject to the availability of appropriations, the Commandant of the Coast Guard shall provide assistance to participating tribal governments in order to facilitate the implementation of cooperative arrangements under subsection (d) and ensure the participation of tribal governments in such arrangements. There are authorized to be appropriated to the Commandant \$500,000 for each of fiscal years 2008 through 2012 to be used to carry out this section.

SEC. 111. OIL SPILL ADVISORY COUNCIL.

Section 5002(k) of the Oil Pollution Act of 1990 (33 U.S.C. 2732(k)) is amended by adding at the end the following:

“(4) WASHINGTON STATE PROGRAM.—

“(A) IN GENERAL.—For purposes of this paragraph, the oil spill advisory council established by section 90.56.120 of title 90 of the Revised Code of Washington is deemed to be an advisory council established under this section. The provisions of this section, other than this paragraph, do not apply to that oil spill advisory council.

“(B) FUNDING.—The owners or operators of terminal facilities or crude oil tankers operating in Washington State waters shall provide, on an annual basis, an aggregate amount of not more than \$1,000,000, as determined by the Secretary. Such amount—

“(i) shall be made available to the oil spill advisory council established by section 90.56.120 of title 90 of the Revised Code of Washington;

“(ii) shall be adjusted annually by the Consumer Price Index; and

“(iii) may be adjusted periodically upon the mutual consent of the owners or operators of terminal facilities or crude oil tankers operating in Washington State waters and the Council.”.

SEC. 112. NOTIFICATION REQUIREMENTS.

(a) MARINE CASUALTIES.—Section 6101 of title 46, United States Code, is amended by adding at the end the following:

“(j) NOTICE TO STATES AND TRIBAL GOVERNMENTS.—Within 1 hour after receiving a report under this section, the Secretary shall forward the report to each State and federally recognized Indian tribal government that has jurisdiction concurrent with the United States or adjacent to waters in which the casualty occurred. Each State shall identify for the Secretary the agency to which such reports shall be forwarded and shall be responsible for forwarding appropriate information to local and tribal governments within its jurisdiction.”.

(b) STATE-REQUIRED NOTICE OF BULK OIL TRANSFERS.—Notwithstanding any other provision of law, a coastal State may, by law, require a person to provide notice of 24 hours or more to the State and to the United States Coast Guard before transferring oil in bulk in an amount equivalent to 250 barrels or more to, from, or within a vessel in State waters. The Commandant may assist coastal States in developing appropriate methodologies for joint Federal and State notification of any such transfers to minimize any potential burden to vessels.

SEC. 113. COOPERATIVE STATE INSPECTION AUTHORITY.

(a) IN GENERAL.—The Secretary is authorized to execute a joint enforcement agreement with the Governor of a coastal state that meets the requirements of subsection (b) under which—

(1) State law enforcement officers with marine law enforcement responsibilities may be authorized to perform duties of the Secretary relating to law enforcement provisions under this title or any other marine resource law enforced by the Secretary; and

(2) State inspectors are authorized to conduct inspections of United States and foreign-flag vessels in United States ports under the supervision of the Coast Guard and report and refer any documented deficiencies or violations to the Coast Guard for action.

(b) STATE QUALIFICATIONS.—To be eligible to participate in a joint enforcement agreement under subsection (a), a coastal state shall—

(1) submit an application to the Secretary at such time, in such form, and containing such information as the Secretary may require; and

(2) demonstrate to the satisfaction of the Secretary that—

(A) its State inspectors possess, or qualify for, a merchant mariner officer or engineer license for at least a 1600 gross-ton vessel under subchapter B of title 46, Code of Federal Regulations;

(B) it has established support for its inspection program to track, schedule, and monitor shipping traffic within its waters; and

(C) it has a funding mechanism to maintain an inspection program for at least 5 years.

(c) TECHNICAL SUPPORT AND TRAINING.—The Secretary may provide technical support and training for State inspectors who participate in a joint enforcement agreement under this section.

SEC. 114. TUG ESCORTS FOR LADEN OIL TANKERS.

Within 1 year after the date of enactment of this Act, the Secretary of State, in consultation with the Commandant, shall enter into negotiations with the Government of Canada to ensure that tugboat escorts are required for all tank ships with a capacity over 40,000 deadweight tons in the Strait of Juan de Fuca, Strait of Georgia, and in Haro Strait. The Commandant shall consult with

the State of Washington and affected tribal governments during negotiations with the Government of Canada.

SEC. 115. TANK AND NON-TANK VESSEL RESPONSE PLANS.

Within 1 year after the date of enactment of this Act, the Secretary shall promulgate regulations authorizing owners and operators of tank and non-tank vessel to form non-profit cooperatives for the purpose of complying with section 311(j) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j)).

SEC. 116. REPORT ON THE AVAILABILITY OF TECHNOLOGY TO DETECT THE LOSS OF OIL.

Within 1 year after the date of enactment of this Act, the Secretary shall submit a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Energy and Commerce on the availability, feasibility, and potential cost of technology to detect the loss of oil carried as cargo or as fuel on tank and non-tank vessels greater than 400 gross tons.

Subtitle B—National Oceanic and Atmospheric Administration Provisions

SEC. 151. HYDROGRAPHIC SURVEYS.

(a) **REDUCTION OF BACKLOG.**—The Under Secretary of Commerce for Oceans and Atmosphere shall continue survey operations to reduce the survey backlog in navigationally significant waters outlined in its National Survey Plan, concentrating on areas where oil and other hazardous materials are transported.

(b) **NEW SURVEYS.**—By no later than January 1, 2010, the Under Secretary shall complete new surveys, together with necessary data processing, analysis, and dissemination, for all areas in United States coastal areas determined by the Under Secretary to be critical areas.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Under Secretary for the purpose of carrying out the new surveys required by subsection (b) such sums as may be necessary for each of fiscal years 2008 through 2012.

SEC. 152. ELECTRONIC NAVIGATIONAL CHARTS.

(a) **IN GENERAL.**—By no later than September 1, 2008, the Under Secretary of Commerce for Oceans and Atmosphere shall complete the electronic navigation chart suite for all coastal waters of the United States.

(b) **PRIORITIES.**—In completing the suite, the Under Secretary shall give priority to producing and maintaining the electronic navigation charts of the entrances to major ports and the coastal transportation routes for oil and hazardous materials, and for estuaries of national significance designated under section 319 of the Federal Water Pollution Control Act (33 U.S.C. 1330).

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Under Secretary for the purpose of completing the electronic navigation chart suite \$6,200,000 for fiscal years 2008 and 2009.

TITLE II—RESPONSE

SEC. 201. RAPID RESPONSE SYSTEM.

The Under Secretary of Commerce for Oceans and Atmosphere shall develop and implement a rapid response system to collect and predict in situ information about oil spill behavior, trajectory and impacts, and a mechanism to provide such information rapidly to Federal, State, tribal, and other entities involved in a response to an oil spill.

SEC. 202. COAST GUARD OIL SPILL DATABASE.

The Secretary shall modify the Coast Guard's oil spill database as necessary to ensure that it—

(1) includes information on the cause of oil spills maintained in the database;

(2) is capable of facilitating the analysis of trends and the comparison of accidents involving oil spills; and

(3) makes the data available to the public.

SEC. 203. USE OF OIL SPILL LIABILITY TRUST FUND.

(a) **IN GENERAL.**—Section 1012(a)(5) of the Oil Pollution Act of 1990 (33 U.S.C. 2712(a)(5)) is amended—

(1) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(2) by inserting after subparagraph (A) the following:

“(B) not more than \$15,000,000 in each fiscal year shall be available to the Under Secretary of Commerce for Oceans and Atmosphere for expenses incurred by, and activities related to, response and damage assessment capabilities of the National Oceanic and Atmospheric Administration;”.

(b) **USE OF FUND IN NATIONAL EMERGENCIES.**—Notwithstanding any provision of the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.) to the contrary, no amount may be made available from the Oil Spill Liability Trust Fund established by section 9509 of the Internal Revenue Code of 1986 for claims described in section 1012(a)(4) of that Act (33 U.S.C. 2712(a)(4)) attributable to any national emergency or major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

SEC. 204. EXTENSION OF FINANCIAL RESPONSIBILITY.

Section 1016(a) of the Oil Pollution Act of 1990 (33 U.S.C. 2716(a)) is amended—

(1) by striking “or” after the semicolon in paragraph (1);

(2) by inserting “or” after the semicolon in paragraph (2); and

(3) by inserting after paragraph (2) the following:

“(3) any tank vessel over 100 gross tons (except a non-self-propelled vessel that does not carry oil as cargo) using any place subject to the jurisdiction of the United States;”.

SEC. 205. LIABILITY FOR USE OF UNSAFE SINGLE-HULL VESSELS.

Section 1001(32) of the Oil Pollution Act of 1990 (33 U.S.C. 2702(d)) is amended by striking subparagraph (A) and inserting the following:

“(A) **VESSELS.**—In the case of a vessel—

“(i) any person owning, operating, or demise chartering the vessel; and

“(ii) the owner of oil being transported in a tank vessel with a single hull after December 31, 2010, if the owner of the oil knew, or should have known, from publicly available information that the vessel had a poor safety or operational record.”.

SEC. 206. RESPONSE TUGS.

(a) **IN GENERAL.**—Paragraph (5) of section 311(j) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j)) is amended by adding at the end the following:

“(J) **RESPONSE TUG.**—

“(i) **IN GENERAL.**—The Secretary shall require the stationing of a year round response tug of a minimum of 70-tons bollard pull in the entry to the Strait of Juan de Fuca at Neah Bay capable of providing rapid assistance and towing capability to disabled vessels during severe weather conditions.

“(ii) **SHARED RESOURCES.**—The Secretary may authorize compliance with the response tug stationing requirement of clause (i) through joint or shared resources between or among entities to which this subsection applies.

“(iii) **EXISTING STATE AUTHORITY NOT AFFECTED.**—Nothing in this subparagraph supersedes or interferes with any existing authority of a State with respect to the stationing of rescue tugs in any area under State law or regulations.

“(iv) **ADMINISTRATION.**—In carrying out this subparagraph, the Secretary—

“(I) shall require the vessel response plan holders to negotiate and adopt a cost-sharing formula and a schedule for carrying out this subparagraph by no later than June 1, 2008;

“(II) shall establish a cost-sharing formula and a schedule for carrying out this subparagraph by no later than July 1, 2008 (without regard to the requirements of chapter 5 of title 5, United States Code) if the vessel response plan holders fail to adopt the cost-sharing formula and schedule required by subclause (I) of this clause by June 1, 2008; and

“(III) shall implement clauses (i) and (ii) of this subparagraph by June 1, 2008, without a rulemaking and without regard to the requirements of chapter 5 of title 5, United States Code.

“(v) **LONG TERM TUG CAPABILITIES.**—Within 6 months after implementing clauses (i) and (ii), and section 110 of the Oil Pollution Prevention and Response Act of 2007, the Secretary shall execute a contract with the National Academy of Sciences to conduct a study of regional response tug and salvage needs for Washington's Olympic coast. In developing the scope of the study, the National Academy of Sciences shall consult with Federal, State, and Tribal trustees as well as relevant stakeholders. The study—

“(I) shall define the needed capabilities, equipment, and facilities for a response tug in the entry to the Strait of Juan de Fuca at Neah Bay in order to optimize oil spill protection on Washington's Olympic coast, provide rescue towing services, oil spill response, and salvage and fire-fighting capabilities;

“(II) shall analyze the tug's multi-mission capabilities as well as its ability to utilize cached salvage, oil spill response, and oil storage equipment while responding to a spill or a vessel in distress and make recommendations as to the placement of this equipment;

“(III) shall address scenarios that consider all vessel types and weather conditions and compare current Neah Bay tug capabilities, costs, and benefits with other United States industry funded response tugs, including those currently operating in Alaska's Prince William Sound;

“(IV) shall determine whether the current level of protection afforded by the Neah Bay response tug and associated response equipment is comparable to protection in other locations where response tugs operate, including Prince William Sound, and if it is not comparable, shall make recommendations as to how capabilities, equipment, and facilities should be modified to achieve optimum protection.”.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary for fiscal year 2008 such sums as necessary to carry out section 311(j)(5)(J)(v) of the Federal Water Pollution Control Act (33 U.S.C. 1321(j)(5)(J)(v)).

SEC. 207. INTERNATIONAL EFFORTS ON ENFORCEMENT.

The Secretary, in consultation with the heads of other appropriate Federal agencies, shall ensure that the Coast Guard pursues stronger enforcement in the International Maritime Organization of agreements related to oil discharges, including joint enforcement operations, training, and stronger compliance mechanisms.

SEC. 208. INVESTMENT OF AMOUNTS IN DAMAGE ASSESSMENT AND RESTORATION REVOLVING FUND.

The Secretary of the Treasury shall invest such portion of the damage assessment and restoration revolving fund described in title I of the Departments of Commerce, Justice,

and State, the Judiciary, and Related Agencies Appropriations Act, 1991 (33 U.S.C. 2706 note) as is not, in the Secretary's judgment, required to meet current withdrawals in interest-bearing obligations of the United States in accordance with section 9602 of the Internal Revenue Code of 1986.

TITLE III—RESEARCH AND MISCELLANEOUS REPORTS

SEC. 301. FEDERAL OIL SPILL RESEARCH COMMITTEE.

(a) ESTABLISHMENT.—There is established a committee to be known as the Federal Oil Spill Research Committee.

(b) MEMBERSHIP.—The members of the Committee shall be designated by the Under Secretary of Commerce for Oceans and Atmosphere and shall include representatives from the National Oceanic and Atmospheric Administration, the United States Coast Guard, the Environmental Protection Agency, and such other Federal agencies as the President may designate. A representative of the National Oceanic and Atmospheric Administration, designated by the Under Secretary, shall serve as Chairman.

(c) DUTIES.—The Committee shall coordinate a comprehensive program of oil pollution research, technology development, and demonstration among the Federal agencies, in cooperation and coordination with industry, universities, research institutions, State governments, tribal governments, and other nations, as appropriate, and shall foster cost-effective research mechanisms, including the joint funding of research.

(d) REPORTS TO CONGRESS.—

(1) Not later than 180 days after the date of enactment of this Act, the Committee shall submit to Congress a report on the current state of oil spill prevention and response capabilities that—

(A) identifies current research programs conducted by governments, universities, and corporate entities;

(B) assesses the current status of knowledge on oil pollution prevention, response, and mitigation technologies;

(C) establishes national research priorities and goals for oil pollution technology development related to prevention, response, mitigation, and environmental effects;

(D) identifies regional oil pollution research needs and priorities for a coordinated program of research at the regional level developed in consultation with the State and local governments, tribes;

(E) assesses the current state of spill response equipment, and determines areas in need of improvement including amount, age, quality, effectiveness, or necessary technological improvements;

(F) assesses the current state of real time data available to mariners, including water level, currents and weather information and predictions, and assesses whether lack of timely information increases the risk of oil spills; and

(G) includes such recommendations as the Committee deems appropriate.

(2) QUINQUENNIAL UPDATES.—The Committee shall submit a report every fifth year after its first report under paragraph (1) updating the information contained in its previous report under this subsection.

(e) ADVICE AND GUIDANCE.—The Committee shall accept comments and input from State and local governments, Indian tribes, industry representatives, and other stakeholders.

(f) NATIONAL ACADEMY OF SCIENCE PARTICIPATION.—The Chairman, through the National Oceanic and Atmospheric Administration, shall contract with the National Academy of Sciences to—

(1) provide advice and guidance in the preparation and development of the research plan; and

(2) assess the adequacy of the plan as submitted, and submit a report to Congress on the conclusions of such assessment.

(g) RESEARCH AND DEVELOPMENT PROGRAM.—

(1) IN GENERAL.—The Committee shall establish a program for conducting oil pollution research and development. Within 180 days after submitting its report to the Congress under subsection (d), the Committee shall submit to Congress a plan for the implementation of the program.

(2) PROGRAM ELEMENTS.—The program established under paragraph (1) shall provide for research, development, and demonstration of new or improved technologies which are effective in preventing, detecting, or mitigating oil discharges and which protect the environment, and include—

(A) high priority research areas described in the report;

(B) environmental effects of acute and chronic oil spills;

(C) long-term effects of major spills and the long-term cumulative effects of smaller endemic spills;

(D) new technologies to detect accidental or intentional overboard discharges;

(E) response capabilities, such as improved booms, oil skimmers, and storage capacity;

(F) methods to restore and rehabilitate natural resources damaged by oil discharges; and

(G) research and training, in consultation with the National Response Team, to improve industry's and Government's ability to remove an oil discharge quickly and effectively.

(h) GRANT PROGRAM.—

(1) IN GENERAL.—The Under Secretary of Commerce for Oceans and Atmosphere shall manage a program of competitive grants to universities or other research institutions, or groups of universities or research institutions, for the purposes of conducting the program established under subsection (g).

(2) APPLICATIONS AND CONDITIONS.—In conducting the program, the Under Secretary—

(A) shall establish a notification and application procedure;

(B) may establish such conditions, and require such assurances, as may be appropriate to ensure the efficiency and integrity of the grant program; and

(C) may make grants under the program on a matching or nonmatching basis.

(i) FACILITATION.—The Committee may develop memoranda of agreement or memoranda of understanding with universities, States, or other entities to facilitate the research program.

(j) ANNUAL REPORTS.—The chairman of the Committee shall submit an annual report to Congress on the activities carried out under this section in the preceding fiscal year, and on activities proposed to be carried out under this section in the current fiscal year.

(k) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Commerce to carry out this section—

(1) \$200,000 for fiscal year 2008, to remain available until expended, for contracting with the National Academy of Sciences and other expenses associated with developing the report and research program; and

(2) \$2,000,000 for each of fiscal years 2008, 2009, and 2010, to remain available until expended, to fund grants under subsection (h).

(l) COMMITTEE REPLACES EXISTING AUTHORITY.—The authority provided by this section supersedes the authority provided by section 7001 of the Oil Pollution Act of 1990 (33 U.S.C. 2761) for the establishment of the Interagency Committee on Oil Pollution Research under subsection (a) of that section, and that Committee shall cease operations and terminate on the date of enactment of this Act.

SEC. 302. GRANT PROJECT FOR DEVELOPMENT OF COST-EFFECTIVE DETECTION TECHNOLOGIES.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Commandant shall establish a grant program for the development of cost-effective technologies, such as infrared, pressure sensors, and remote sensing, for detecting discharges of oil from vessels as well as methods and technologies for improving detection and recovery of submerged and sinking oils.

(b) MATCHING REQUIREMENT.—The Federal share of any project funded under subsection (a) may not exceed 50 percent of the total cost of the project.

(c) REPORT TO CONGRESS.—Not later than 3 years after the date of enactment of this Act the Secretary shall provide a report to the Senate Committee on Commerce, Science, and Transportation, and to the House of Representatives Committee on Transportation and Infrastructure on the results of the program.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commandant to carry out this section \$2,000,000 for each of fiscal years 2008, 2009, and 2010, to remain available until expended.

(e) TRANSFER PROHIBITED.—Administration of the program established under subsection (a) may not be transferred within the Department of Homeland Security or to another department or Federal agency.

SEC. 303. STATUS OF IMPLEMENTATION OF RECOMMENDATIONS BY THE NATIONAL RESEARCH COUNCIL.

(a) IN GENERAL.—Within 90 days after the date of enactment of this Act, the Secretary shall provide a report to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure on whether the Coast Guard has implemented each of the recommendations directed at the Coast Guard, or at the Coast Guard and other entities, in the following National Research Council reports:

(1) "Double-Hull Tanker Legislation, An Assessment of the Oil Pollution Act of 1990", dated 1998.

(2) "Oil in the Sea III, Inputs, Fates and Effects", dated 2003.

(b) CONTENT.—The report shall contain a detailed explanation of the actions taken by the Coast Guard pursuant to the National Research Council reports. If the Secretary determines that the Coast Guard has not fully implemented the recommendations, the Secretary shall include a detailed explanation of the reasons any such recommendation has not been fully implemented, together with any recommendations the Secretary deems appropriate for implementing any such non-implemented recommendation.

SEC. 304. GAO REPORT.

Within 1 year after the date of enactment of this Act, the Comptroller General shall provide a written report with recommendations for reducing the risks and frequency of releases of oil from vessels (both intentional and accidental) to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Transportation and Infrastructure that includes the following:

(1) CONTINUING OIL RELEASES.—A summary of continuing sources of oil pollution from vessels, the major causes of such pollution, the extent to which the Coast Guard or other Federal or State entities regulate such sources and enforce such regulations, possible measures that could reduce such releases of oil.

(2) DOUBLE HULLS.—

(A) A description of the various types of double hulls, including designs, construction, and materials, authorized by the Coast

Guard for United States flag vessels, and by foreign flag vessels pursuant to international law, and any changes with respect to what is now authorized compared to the what was authorized in the past.

(B) A comparison of the potential structural and design safety risks of the various types of double hulls described in subparagraph (A) that have been observed or identified by the Coast Guard, or in public documents readily available to the Coast Guard, including susceptibility to corrosion and other structural concerns, unsafe temperatures within the hulls, the build-up of gases within the hulls, ease of inspection, and any other factors affecting reliability and safety.

(3) ALTERNATIVE DESIGNS FOR NON-TANK VESSELS.—A description of the various types of alternative designs for non-tank vessels to reduce risk of an oil spill, known effectiveness in reducing oil spills, and a summary of how extensively such designs are being used in the United States and elsewhere.

(4) RESPONSE EQUIPMENT.—An assessment of the sufficiency of oil pollution response and salvage equipment, the quality of existing equipment, new developments in the United States and elsewhere, and whether new technologies are being used in the United States.

SEC. 305. OIL TRANSPORTATION INFRASTRUCTURE ANALYSIS.

The Secretary of the Department of Homeland Security shall, in conjunction with the Secretary of Commerce, the Secretary of Transportation, the Administrator of the Environmental Protection Agency, and the heads of other appropriate Federal agencies, contract with the National Research Council to conduct an analysis of the condition and safety of all aspects of oil transportation infrastructure in the United States, and provide recommendations to improve such safety, including an assessment of the adequacy of contingency and emergency plans in the event of a natural disaster or emergency.

By Ms. SNOWE:

S. 1622. A bill to require the Federal Communications Commission to re-evaluate the band plans for the upper 700 megaHertz band and the un-auctioned portions of the lower 700 megaHertz band and reconfigure them to include spectrum to be licensed for small geographic areas; to the Committee on Commerce, Science, and Transportation.

Ms. SNOWE. Mr. President, I rise today to once again introduce legislation to encourage the deployment of next generation wireless services in rural areas. Cell phones have become a vital part of so many lives. Today, there are more than 200 million wireless subscribers in the United States alone, a subscribership that continues to grow. This burgeoning success makes it all the more imperative that we foster an environment where this technology and future wireless advancements can flourish and thrive.

As we consider the myriad issues affecting this debate, we must bear in mind that along with mobility, convenience and safety, cell phones today engender countless additional benefits from access to information, global satellite positioning, to entertainment. While wireless phones have been rapidly adopted by the general public, wireless service faces flaws that could

hinder further adoption. I can tell you from firsthand experience how frustrated it can be when I am at home in Maine when I cannot get cellular service. Something must be done in order to improve advance the capability of wireless service that people across my State and others are relying on in increasing numbers every day.

We must be vigilant in safeguarding our smaller communities from remaining under served and strive to ensure that they are taken into account as the Federal Government shapes policy in response to this changing technological landscape. As many of my colleagues are well aware, wireless services, such as cell phones, handheld devices, and some Internet services use frequencies on the radio spectrum to transfer voice and data from one user to another. It is the job of the service provider to convert these airwaves into the valuable services that consumers demand. The quality of service in a given place depends on how much investment the service provider has put into infrastructure. More urban locations tend to have better service because the return on investment is much higher because of the concentration of customers. This reality does not mean that rural areas are left without service. Viable business models exist that can sustain service in these more remote locations. Oftentimes smaller, local wireless companies can serve these areas better than nationwide service providers.

But one of the greatest barriers to entry in the wireless industry is acquiring a spectrum license in which a service can be operated. Companies bid billions of dollars for rights to be one of the Nation's most critical technological resources. The digital television transition is on the verge of releasing new spectrum into the marketplace, the much-anticipated 700 megaHertz spectrum auction. While I am grateful that the Federal Communications Commission has stated its intention to auction off the spectrum in licenses that cover both large and small geographic areas, without this consideration, smaller companies will be unable to compete in the bidding process. That is patently unacceptable.

The bill I introduce today aims to address this problem by reiterating to the Federal Communications Commission the necessity of protecting smaller communities during the 700 MHz spectrum that will be auctioned as a result of the digital television transition. In the final auction rules, the FCC must divide some of the frequency allocations into smaller area licenses so that local and regional wireless companies can have an opportunity to compete in the bidding process. The proper balance of large and small licenses will encourage the deployment of advanced services throughout all parts of the United States.

This bill is not meant to circumvent the expertise or purview of the Federal Communications Commission, nor call

into question its intentions. It merely directs the FCC to use its acumen and good offices to develop a plan that will benefit the entire Nation. Rural America deserves the same benefits of wireless technologies that are available in urban areas. This act gives those best able to serve remote areas the required tools to deploy those services.

By Mr. INHOFE (for himself, Mr. NELSON of Nebraska, Ms. SNOWE, Mr. STEVENS, Mr. BUNNING, Mr. CRAPO, Mr. CRAIG, Mr. KYL, Mr. ENSIGN, Mr. COBURN, Mr. SHELBY, Mr. CHAMBLISS, Mrs. HUTCHISON, Mr. VITTER, Mr. SESSIONS, Mr. THUNE, Mr. BOND, Mr. COCHRAN, Mr. BURR, Mrs. DOLE, and Mr. ALLARD):

S. 1623. A bill to require the withholding of United States contributions to the United Nations until the President certifies that the United Nations is not engaged in global taxation schemes; to the Committee on Foreign Relations.

Mr. INHOFE. Mr. President, today I introduce S. 1623. I introduce this bill to prevent the imposition of global taxes on the United States. The current efforts of the United Nations and other international organizations are to develop and advocate a type of tax system that will keep them from having to answer to anybody.

Last year, I introduced legislation, S. 3633, which garnered the support of 31 cosponsors, and I am pleased to re-introduce this bill today with 23 cosponsors.

This bill states if the United Nations or other international organizations continue to pursue global taxation, the United States will withhold 20 percent of the assessed contributions to the regular budget of these organizations. This measure will last until certification is given by the President to the Congress that no international organization has legal taxation authority in the United States, that no taxes or fees have been imposed on the United States, and that no taxes have been proposed by any of these international organizations.

One has to wonder sometimes what has happened to sovereignty in America. There are people in this body who don't think anything is good unless it is somehow proposed by some international organization, and quite often the interests of international organizations are not the same interests of our Nation. Our Government's primary leverage with the United Nations is controlling the flow of our regular contributions. By collecting enormous and global taxes on top of our regular contributions, the United Nations, or any other of these international organizations, would be accountable to no one. The United Nations' abuse of international trust, rampant corruption, and widespread waste are now all well-known. Allowing this clearly dysfunctional institution to extract U.S. dollars is absurd. Permitting this would

condone the U.N.'s long sought-after goal of a U.N.-led global governance—something not in the best interest of the United States.

The United States already pays 27 percent of the U.N. Peacekeeping budget and 22 percent of the regular U.N. dues and special assessments, the majority of which our Government tracks very poorly. To further loosen the reins on the United Nations would be disastrous. We can't allow this to happen.

It is fascinating to watch the various things that are not in the best interests of this country and the fact that we are paying for 25 percent of that. This is a way we would be able to inject into this system something that would be far better and would take care of just the sovereignty of the United States; those things that are in our best interests and not just in the best interests of some international organization.

By Mr. BAUCUS (for himself and Mr. GRASSLEY):

S. 1624. A bill to amend the Internal Revenue Code of 1986 to provide that the exception from the treatment of publicly traded partnerships as corporations for partnerships with passive-type income shall not apply to partnerships directly or indirectly deriving income from providing investment adviser and related asset management services; to the Committee on Finance.

Mr. BAUCUS. Mr. President, I am pleased to join my friend and colleague, Senator GRASSLEY, in introducing legislation to preserve the corporate tax base.

The Federal Government taxes corporations. The tax law treats corporations as economic entities, and taxes them separately from the corporation's shareholders. And the tax law treats partnerships differently from corporations.

Recently, some private equity and hedge fund entities have sought to go public without paying a corporate tax. The bill that we introduce today would treat all publicly traded partnerships that directly or indirectly receive income from providing investment advisory or asset management services as corporations. The tax law ought to treat as corporations entities that function as corporations.

Congress enacted the publicly traded partnership rules in 1987 to preserve the corporate tax base. Congress was concerned that publicly traded partnerships might be able to enjoy the privilege of going public like a corporation without the corporate toll charge. The House committee report stated:

These changes [referring to the corporate minimum tax included in the 1986 Act] reflect an intent to preserve the corporate level tax. The committee is concerned that the intent of these changes is being circumvented by the growth of publicly traded partnerships that are taking advantage of an unintended opportunity for disincorporation and elective integration of the corporate and shareholder levels of tax.

Congress carved out an exception for those partnerships that receive 90 percent or more of their income from passive income. Passive income includes dividends, rents, royalties, interest, and the sale of capital gains. But Congress generally treated publicly traded partnerships that derive income from active businesses as corporations.

To emphasize that point, in 1987, the House committee report stated:

In general, the purpose of distinguishing between passive-type income and other income is to distinguish those partnerships that are engaged in activities commonly considered as essentially no more than investments, and those activities more typically conducted in corporate form that are in the nature of active business activities.

This year, some private equity and hedge fund management firms are attempting to qualify for partnership tax treatment. They seek to do so even though they derive virtually all of their income from providing asset management and financial advisory services. These management firms argue that they are able to achieve this result by claiming that all of their income from asset management and investment advisory services is passive. But objective observers would say that this income actually arises from active businesses. Congress's intent in 1987 was to treat such publicly traded partnerships as corporations. In the legislation that we introduce today, we seek to ensure that Congress's original intent is carried out.

This legislation is also important to ensure that some corporations are not disadvantaged because they conduct business in the corporate form and pay taxes as a corporation. Asset management service and investment advisory partnerships provide the same types of active business services as their corporate competitors. Our tax system functions best when it is fair. The tax law ought to treat similarly situated taxpayers the same. Thus, these publicly traded partnerships should be taxed as corporations.

The legislation that we introduce today would clarify the purpose of the publicly traded partnership rules. Our bill would deny the ability of an active financial advisory and asset management business to go public and avoid a corporate level tax on a significant amount of its income.

Senator GRASSLEY and I have asked the staff of the Treasury Department for their views on these transactions, how they plan to address this issue, and whether they think additional statutory changes are necessary to clarify the intent of the publicly traded partnership rules. If a statutory change is needed, then this legislation will accomplish that change. If a change is not needed, then this legislation does not alter the ability of Treasury Department and the Internal Revenue Service to issue guidance and enforce congressional intent.

I urge my colleagues to join with Senator GRASSLEY and me to protect

the original intent of Congress, to protect the tax base, and to treat similarly situated entities similarly. I urge my colleagues to support this bill.

I ask unanimous consent that the text of the bill and an explanation and reasons for change be printed in the RECORD.

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

S. 1624

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

SECTION 1. EXCEPTION FROM TREATMENT OF PUBLICLY TRADED PARTNERSHIPS AS CORPORATIONS NOT TO APPLY TO PARTNERSHIPS DIRECTLY OR INDIRECTLY DERIVING INCOME FROM PROVIDING INVESTMENT ADVISER AND RELATED ASSET MANAGEMENT SERVICES.

(a) IN GENERAL.—Section 7704(c) of the Internal Revenue Code of 1986 (relating to exception for partnerships with passive-type income) is amended by adding at the end the following new paragraph:

“(4) EXCEPTION NOT TO APPLY TO PARTNERSHIPS PROVIDING CERTAIN INVESTMENT ADVISER AND RELATED ASSET MANAGEMENT SERVICES.—This subsection shall not apply to any partnership which directly or indirectly has any item of income or gain (including capital gains or dividends), the rights to which are derived from—

“(A) services provided by any person as an investment adviser (as defined in section 202(a)(11) of the Investment Advisers Act of 1940, 15 U.S.C. 80b-2(a)(11)) or as a person associated with an investment adviser (as defined in section 202(a)(17) of the Investment Advisers Act of 1940, 15 U.S.C. 80b-2(a)(17)), or

“(B) asset management services provided by any person described in subparagraph (A) (or any related person) in connection with the management of assets with respect to which services described in subparagraph (A) were provided.

For purposes of subparagraph (A), the determination as to whether services provided by any person were provided as an investment adviser shall be made without regard to whether the person is required to register as an investment adviser under the Investment Advisers Act of 1940.”

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall apply to taxable years of a partnership beginning on or after June 14, 2007.

(2) TRANSITION RULE FOR CERTAIN PARTNERSHIPS.—In the case of a partnership—

(A) the interests in which on June 14, 2007, were—

(i) traded on an established securities market, or

(ii) readily tradeable on a secondary market (or the substantial equivalent thereof), or

(B) which, on or before June 14, 2007, filed a registration statement with the Securities and Exchange Commission under section 6 of the Securities Act of 1933 (15 U.S.C. 77f) which was required solely by reason of an initial public offering of interests in the partnership,

the amendment made by this section shall apply to taxable years of the partnership beginning on or after June 14, 2012. Subparagraph (B) shall not apply to a registration statement which is filed with respect to securities which are to be issued on a delayed or continuous basis (as determined under the rules of the Securities and Exchange Commission promulgated under such Act).

A. TREATMENT OF PUBLICLY TRADED PARTNERSHIPS DIRECTLY OR INDIRECTLY DERIVING INCOME FROM INVESTMENT ADVISER SERVICES AND RELATED ASSET MANAGEMENT SERVICES

PRESENT LAW

Under present law, a publicly traded partnership generally is treated as a corporation for Federal tax purposes (sec. 7704(a)). For this purpose, a publicly traded partnership means any partnership if interests in the partnership are traded on an established securities market, or interests in the partnership are readily tradable on a secondary market (or the substantial equivalent thereof).

An exception from corporate treatment is provided for certain publicly traded partnerships, 90 percent or more of whose gross income is qualifying income (sec. 7704(c)(2)). However, this exception does not apply to any partnership that would be described in section 851 (a) if it were a domestic corporation, which includes a corporation registered under the Investment Company Act of 1940 as a management company or unit investment trust.

Qualifying income includes interest, dividends, and gains from the disposition of a capital asset (or of property described in section 1231 (b)) that is held for the production of income that is qualifying income. Qualifying income also includes rents from real property, gains from the sale or other disposition of real property, and income and gains from the exploration, development, mining or production, processing, refining, transportation (including pipelines transporting gas, oil, or products thereof), or the marketing of any mineral or natural resource (including fertilizer, geothermal energy, and timber). It also includes income and gains from commodities (not described in section 1221 (a)(1)) or futures, options, or forward contracts with respect to such commodities (including foreign currency transactions of a commodity pool) in the case of partnership, a principal activity of which is the buying and selling of such commodities, futures, options or forward contracts.

REASONS FOR CHANGE

The rules generally treating publicly traded partnerships as corporations were enacted in 1987 to address concern about long-term erosion of the corporate tax base. At that time, Congress stated, "[t]o the extent that activities would otherwise be conducted in corporate form, and earnings would be subject to two levels of tax (at the corporate and shareholder levels), the growth of publicly traded partnerships engaged in such activities tends to jeopardize the corporate tax base." (H.R. Rep. No. 100-391, 100th Cong., 1st Sess. 1065.) Referring to recent tax law changes affecting corporations, the Congress stated, "[t]hese changes reflect an intent to preserve the corporate level tax. The committee is concerned that the intent of these changes is being circumvented by the growth of publicly traded partnerships that are taking advantage of an unintended opportunity for disincorporation and elective integration of the corporate and shareholder levels of tax." (H.R. Rep. No. 100-391, 100th Cong., 1st Sess. 1066.)

These same concerns hold true today, as industry sectors that have never conducted business as publicly traded partnerships start to shift into that form of doing business. News reports have called attention to transactions set in motion in recent months in which partnerships earning income from investment adviser and related asset management services made or will make their interests available on an exchange or market. This trend causes deep concern about preservation of the corporate tax base as it pres-

ages the transfer of corporate assets to publicly traded partnerships. When corporate assets are moved to partnership form without relinquishing that hallmark of corporate status, access to capital markets, some businesses are able to lower their cost of capital at the expense of the Federal Treasury. This result subverts a principal purpose and policy of the present-law rules treating publicly traded partnerships as corporations: to preserve the corporate tax base.

To the extent these transactions represent a trend toward increased utilization of publicly traded partnerships in the case of businesses earning income from investment adviser and related asset management services, there is the additional concern of distortions caused by inconsistent treatment under the tax law. The present-law exception in the case of partnerships, 90 percent or more of whose gross income is qualifying income, is not intended to encompass income from investment adviser and related asset management services. The bill serves to address this troubling trend by strengthening the rules treating publicly traded partnerships as corporations.

EXPLANATION OF PROVISION

The bill provides generally that the exception from corporate treatment for a publicly traded partnership, 90 percent or more of whose gross income is qualifying income, does not apply in the case of a partnership that directly or indirectly derives income from investment adviser services or related asset management services. Thus, such a partnership is treated as a corporation for Federal tax purposes and is subject to the corporate income tax.

Under the bill, the exception from corporate treatment for a publicly traded partnership does not apply to any partnership that, directly or indirectly, has any item of income or gain (including capital gains or dividends), the rights to which are derived from services provided by any person as an investment adviser, as defined in the Investment Advisers Act of 1940, or as a person associated with an investment adviser, as defined in that Act. Further, the exception from corporate treatment does not apply to a partnership that, directly or indirectly, has any item of income or gain (including capital gains or dividends), the rights to which are derived from asset management services provided by an investment adviser, a person associated with an investment adviser, or any person related to either, in connection with the management of assets with respect to which investment adviser services were provided. For purposes of the bill, these determinations are made without regard to whether the person is required to register as an investment adviser under the Investment Advisers Act of 1940. In the absence of regulatory guidance as to the definition of a related person, it is intended that the definition of a related person in section 197(f)(9)(C)(i) apply.

For example, a publicly traded partnership that has income (including capital gains or dividend income) from a profits interest in a partnership, the rights to which income are derived from the performance of services by any person as an investment adviser, is treated as a corporation for Federal tax purposes under the bill. As a further example, a publicly traded partnership that receives a dividend from a corporation that receives or accrues income, the rights to which are derived from services provided by any person as an investment adviser, is treated as a corporation for Federal tax purposes under the bill.

Under the Investment Advisers Act of 1940 definition, an investment adviser means any person who, for compensation, engages in the

business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Under this definition, exceptions are provided in the case of certain banks, certain brokers or dealers, as well as certain others, provided criteria specified in that Act are met. These exceptions apply for purposes of the bill. No inference is intended that income from activities described in the exceptions is qualifying income for purposes of section 7704.

EFFECTIVE DATE

The bill generally is effective for taxable years of a partnership beginning on or after June 14, 2007.

Under a transition rule for certain partnerships, the bill applies for taxable years beginning on or after June 14, 2012. The transition rule applies in the case of a partnership the interests in which on June 14, 2007, were traded on an established securities market, or were readily tradable on a secondary market (or the substantial equivalent thereof). In addition, the transition rule generally applies in the case of a partnership which, on or before June 14, 2007, filed a registration statement with the Securities and Exchange Commission under section 6 of the Securities Act of 1933 (15 U.S.C. 77f) that was required solely by reason of an initial public offering of interests in the partnership. However, the transition rule does not apply if the registration statement is filed with respect to securities that are to be issued on a delayed or continuous basis (pursuant to Rule 415 under the Securities Act of 1933). Thus, a shelf registration on or before June 14, 2007, of interests in a partnership does not cause the partnership to be eligible for the transition rule. Rather, in the case of such a partnership, the bill is effective for taxable years of the partnership beginning on or after June 14, 2007.

Mr. GRASSLEY. Mr. President, this legislation that Senator BAUCUS and I are introducing addresses an important issue—preserving the integrity of the Tax Code. Recent public offerings, effected and announced, by private equity and hedge fund management firms have raised serious tax concerns that if left unaddressed have the potential to fundamentally reduce the corporate tax base over the long run, leading other individuals and business taxpayers with a greater share of the Nation's tax burden.

Congress enacted the publicly traded partnership rules in 1987 out of concern with erosion of the corporate tax base. Given the ease with which taxpayers can choose the type of entity for their business, an appropriate "bright line" to define entities that should be subject to a corporate level tax was considered to be those entities that are publicly traded. A hallmark of corporate status is access to public markets. Another concern was that the ability to be publicly traded without paying an entity level tax would create an unwarranted competitive advantage over publicly traded corporations.

These concerns—corporate tax base erosion and a tax-created competitive advantage—were not considered to be implicated in cases where the partnership's income is from passive investments because investors could earn

such income directly—e.g., interest—or because the income is already subject to a corporate level tax—e.g., dividends. The following key quote from the legislative history illustrates this point:

In general, the purpose of distinguishing between passive-type income and other income is to distinguish those partnerships that are engaged in activities commonly considered as essentially no more than investments, and those activities more typically conducted in corporate form that are in the nature of active business activities.

The recent and proposed public offerings of private equity and hedge fund management firms claim to qualify for partnership tax treatment, even though virtually all of their income is derived from providing asset management and financial advisory services. This result is claimed to be accomplished by structuring service fees in a way that purports to characterize those fees as passive-type income. Whether or not these structures comply with the letter of the law, they are inconsistent with the purposes of the publicly traded partnership rules.

This legislation clarifies the purpose of the publicly traded partnership rules by denying the ability of an active financial advisory and asset management business to go public and avoid a corporate level tax on a significant amount of its income. Senator BAUCUS and I have asked Treasury for their views on these structures, how they plan to address this issue, and whether they think additional statutory changes are necessary to clarify the intent of the publicly traded partnership rules. If a change is necessary, this legislation will accomplish that change. If a change isn't necessary, this legislation does not alter the ability of Treasury and the Internal Revenue Service to issue guidance and enforce Congressional intent.

In his introductory remarks, Senator BAUCUS gave a technical description of this legislation and reasons for change, which reflects my understanding and intent in introducing this bill.

By Mr. BINGAMAN (for himself, Mr. COLEMAN, Mrs. LINCOLN, Mr. NELSON of Nebraska, Mr. KERRY, and Ms. COLLINS):

S. 1628. A bill to amend the Public Health Service Act to authorize programs to increase the number of nurse faculty and to increase the domestic nursing and physical therapy workforce, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. BINGAMAN. Mr. President, today I introduce legislation with my colleagues, Senator COLEMAN, Senator LINCOLN, Senator BEN NELSON, Senator KERRY, and Senator COLLINS, that will help to address the critical shortage of nurse faculty and physical therapists that is facing our Nation. The nationwide nursing shortage is growing rapidly, because the average age of the nursing workforce is near retirement and because the aging population has

increasing health care needs. And the shortage is one that affects the entire Nation. A 2006 Health Resources and Services Administration report estimated that the national nursing shortage would more than triple, to more than 1 million nurses, by the year 2020. The report also predicts that all 50 States will experience nursing shortages by 2015. Quite simply, we need to educate more nurses, or we, as a Nation, will not have enough trained nurses to meet the needs of our aging society.

One of the biggest constraints to educating more nurses is a shortage of nursing faculty. Almost three-quarters of nursing programs surveyed by the American Association of Colleges of Nursing cited faculty shortages as a reason for turning away qualified applicants. Although applications to nursing programs have surged 59 percent over the past decade, the National League for Nursing estimates that 147,000 qualified applications were turned away in 2004. This represents a 27 percent decrease in admissions over the previous year, indicating the need to scale up capacity in nursing programs is more critical than ever.

I know that in my home state of New Mexico, nursing programs turned down almost half of qualified applicants, even though the Health Resources and Services Administration predicts that New Mexico will only be able to meet 64 percent of its demand for nurses by 2020. With a national nurse faculty workforce that averages 53.5 years of age, and an average nurse faculty retirement age of 62.5 years, we cannot and must not wait any longer to address nurse faculty shortages.

Nursing faculty are not the only segment of the population that is aging. As the baby boom generation ages, there will be an increased need for nurses to care for the elderly. However, less than 1 percent of practicing nurses have a certification in geriatrics.

The Nurse Faculty and Physical Therapist Education Act will amend the Public Health Service Act, to help alleviate the faculty shortage by providing funds to help nursing schools increase enrollment and graduation from nursing doctoral programs. The act will increase partnering opportunities between academic institutions and medical practices, enhance cooperative education, support marketing outreach, and strengthen mentoring programs. The bill will increase the number of nurses who complete nursing doctoral programs and seek employment as faculty members and nursing leaders in academic institutions. In addition, the bill authorizes awards to train nursing faculty in clinical geriatrics, so that more nursing students will be equipped for our aging population.

By addressing the faculty shortage, we are addressing the nursing shortage.

The aging population will also require additional health workers in other fields. Physical therapy was list-

ed as one of the fastest growing occupations by the U.S. Department of Labor, with a projected job growth of greater than 36 percent between 2004 and 2014. The need for physical therapists is particularly acute in rural and urban underserved areas, which have three to four times fewer physical therapists per capita than suburban areas. To address this need, the bill also authorizes a distance education pilot program to improve access to educational opportunity for both nursing and physical therapy students. Finally, the bill calls for a study by the Institute of Medicine at the National Academy of Sciences which will recommend how to balance education, labor, and immigration policies to meet the demand for qualified nurses and physical therapists.

The provisions of the Nurse Faculty and Physical Therapist Education Act are vital to overcoming workforce challenges. By addressing nurse faculty and physical therapist shortages, we will enhance both access to care and the quality of care. I would like to thank my colleagues, Senator COLEMAN, Senator LINCOLN, and Senator BEN NELSON, for their leadership and hard work on this important issue.

I ask unanimous consent that the text of 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. 1628

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

SECTION 1. SHORT TITLE; FINDINGS.

(a) **SHORT TITLE.**—This Act may be cited as the "Nurse Faculty and Physical Therapist Education Act of 2007".

(b) **FINDINGS.**—Congress makes the following findings:

(1) The Nurse Reinvestment Act (Public Law 107-205) has helped to support students preparing to be nurse educators. Yet, nursing schools nationwide are forced to deny admission to individuals seeking to become nurses and nurse educators due to the lack of qualified nurse faculty.

(2) The American Association of Colleges of Nursing reported that 42,866 qualified applicants were denied admission to nursing baccalaureate and graduate programs in 2006, with faculty shortages identified as a major reason for turning away students.

(3) Seventy-one percent of schools have reported insufficient faculty as the primary reason for not accepting qualified applicants. The primary reasons for lack of faculty are lack of funds to hire new faculty, inability to identify, recruit and hire faculty in the competitive job market as of May 2007, and lack of nursing faculty available in different geographic areas.

(4) Despite the fact that in 2006, 52.4 percent of graduates of doctoral nursing programs enter education roles, the 103 doctoral programs nationwide produced only 437 graduates, which is only an additional 6 graduates from 2005. This annual graduation rate is insufficient to meet the needs for nurse faculty. In keeping with other professional academic disciplines, nurse faculty at colleges and universities are typically doctorally prepared.

(5) The nursing faculty workforce is aging and will be retiring.

(6) With the average retirement age of nurse faculty at 62.5 years of age, and the average age of doctorally prepared faculty, as of May 2007, that hold the rank of professor, associate professor, and assistant professor is 58.6, 55.8, and 51.6 years, respectively, the health care system faces unprecedented workforce and health access challenges with current and future shortages of deans, nurse educators, and nurses.

(7) Research by the National League of Nursing indicates that by 2019 approximately 75 percent of the nursing faculty population (as of May 2007) is expected to retire.

(8) A wave of nurses will be retiring from the profession in the near future. As of May 2007, the average age of a nurse in the United States is 46.8 years old. The Bureau of Labor Statistics estimates that more than 1,200,000 new and replacement registered nurses will be needed by 2014.

(9) By 2030, the number of adults age 65 and older is expected to double to 70,000,000, accounting for 20 percent of the population. As the population ages, the demand for nurses and nursing faculty will increase.

(10) Despite the need for nurses to treat an aging population, few registered nurses in the United States are trained in geriatrics. Less than 1 percent of practicing nurses have a certification in geriatrics and 3 percent of advanced practice nurses specialize in geriatrics.

(11) Specialized training in geriatrics is needed to treat older adults with multiple health conditions and improve health outcomes. Approximately 80 percent of Medicare beneficiaries have 1 chronic condition, more than 60 percent have 2 or more chronic conditions, and at least 10 percent have coexisting Alzheimer's disease or other dementias that complicate their care and worsen health outcomes. Two-thirds of Medicare spending is attributed to 20 percent of beneficiaries who have 5 or more chronic conditions. Research indicates that older persons receiving care from nurses trained in geriatrics are less frequently readmitted to hospitals or transferred from nursing facilities to hospitals than those who did not receive care from a nurse trained in geriatrics.

(12) The Department of Labor projected that the need for physical therapists would increase by 36.7 percent between 2004 and 2014.

(13) The need for physical therapists is particularly acute rural and urban underserved areas, which have 3 to 4 times fewer physical therapists per capita than suburban areas.

TITLE I—GRANTS FOR NURSING EDUCATION

SEC. 101. NURSE FACULTY EDUCATION.

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. NURSE FACULTY EDUCATION.

“(a) ESTABLISHMENT.—The Secretary, acting through the Health Resources and Services Administration, shall establish a Nurse Faculty Education Program to ensure an adequate supply of nurse faculty through the awarding of grants to eligible entities to—

“(1) provide support for the hiring of new faculty, the retaining of existing faculty, and the purchase of educational resources;

“(2) provide for increasing enrollment and graduation rates for students from doctoral programs; and

“(3) assist graduates from the entity in serving as nurse faculty in schools of nursing;

“(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), an entity shall—

“(1) be an accredited school of nursing that offers a doctoral degree in nursing in a State or territory;

“(2) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require;

“(3) develop and implement a plan in accordance with subsection (c);

“(4) agree to submit an annual report to the Secretary that includes updated information on the doctoral program involved, including information with respect to—

“(A) student enrollment;

“(B) student retention;

“(C) graduation rates;

“(D) the number of graduates employed part-time or full-time in a nursing faculty position; and

“(E) retention in nursing faculty positions within 1 year and 2 years of employment;

“(5) agree to permit the Secretary to make on-site inspections, and to comply with the requests of the Secretary for information, to determine the extent to which the school is complying with the requirements of this section; and

“(6) meet such other requirements as determined appropriate by the Secretary.

“(c) USE OF FUNDS.—Not later than 1 year after the receipt of a grant under this section, an entity shall develop and implement a plan for using amounts received under this grant in a manner that establishes not less than 2 of the following:

“(1) Partnering opportunities with practice and academic institutions to facilitate doctoral education and research experiences that are mutually beneficial.

“(2) Partnering opportunities with educational institutions to facilitate the hiring of graduates from the entity into nurse faculty, prior to, and upon completion of the program.

“(3) Partnering opportunities with nursing schools to place students into internship programs which provide hands-on opportunity to learn about the nurse faculty role.

“(4) Cooperative education programs among schools of nursing to share use of technological resources and distance learning technologies that serve rural students and underserved areas.

“(5) Opportunities for minority and diverse student populations (including aging nurses in clinical roles) interested in pursuing doctoral education.

“(6) Pre-entry preparation opportunities including programs that assist returning students in standardized test preparation, use of information technology, and the statistical tools necessary for program enrollment.

“(7) A nurse faculty mentoring program.

“(8) A Registered Nurse baccalaureate to Ph.D. program to expedite the completion of a doctoral degree and entry to nurse faculty role.

“(9) Career path opportunities for 2nd degree students to become nurse faculty.

“(10) Marketing outreach activities to attract students committed to becoming nurse faculty.

“(d) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to entities from States and territories that have a lower number of employed nurses per 100,000 population.

“(e) NUMBER AND AMOUNT OF GRANTS.—Grants under this section shall be awarded as follows:

“(1) In fiscal year 2008, the Secretary shall award 10 grants of \$100,000 each.

“(2) In fiscal year 2009, the Secretary shall award an additional 10 grants of \$100,000 each and provide continued funding for the existing grantees under paragraph (1) in the amount of \$100,000 each.

“(3) In fiscal year 2010, the Secretary shall award an additional 10 grants of \$100,000 each and provide continued funding for the exist-

ing grantees under paragraphs (1) and (2) in the amount of \$100,000 each.

“(4) In fiscal year 2011, the Secretary shall provide continued funding for each of the existing grantees under paragraphs (1) through (3) in the amount of \$100,000 each.

“(5) In fiscal year 2012, the Secretary shall provide continued funding for each of the existing grantees under paragraphs (1) through (3) in the amount of \$100,000 each.

“(f) LIMITATIONS.—

“(1) PAYMENT.—Payments to an entity under a grant under this section shall be for a period of not to exceed 5 years.

“(2) IMPROPER USE OF FUNDS.—An entity that fails to use amounts received under a grant under this section as provided for in subsection (c) shall, at the discretion of the Secretary, be required to remit to the Federal Government not less than 80 percent of the amounts received under the grant.

“(g) REPORTS.—

“(1) EVALUATION.—The Secretary shall conduct an evaluation of the results of the activities carried out under grants under this section.

“(2) REPORTS.—Not later than 3 years after the date of the enactment of this section, the Secretary shall submit to Congress an interim report on the results of the evaluation conducted under paragraph (1). Not later than 6 months after the end of the program under this section, the Secretary shall submit to Congress a final report on the results of such evaluation.

“(h) STUDY.—

“(1) IN GENERAL.—Not later than 3 years after the date of the enactment of this section, the Comptroller General of the United States shall conduct a study and submit a report to Congress concerning activities to increase participation in the nurse educator program under the section.

“(2) CONTENTS.—The report under paragraph (1) shall include the following:

“(A) An examination of the capacity of nursing schools to meet workforce needs on a nationwide basis.

“(B) An analysis and discussion of sustainability options for continuing programs beyond the initial funding period.

“(C) An examination and understanding of the doctoral degree programs that are successful in placing graduates as faculty in schools of nursing.

“(D) An analysis of program design under this section and the impact of such design on nurse faculty retention and workforce shortages.

“(E) An analysis of compensation disparities between nursing clinical practitioners and nurse faculty and between higher education nurse faculty and higher education faculty overall.

“(F) Recommendations to enhance faculty retention and the nursing workforce.

“(i) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—For the costs of carrying out this section (except the costs described in paragraph (2)), there are authorized to be appropriated \$1,000,000 for fiscal year 2008, \$2,000,000 for fiscal year 2009, and \$3,000,000 for each of fiscal years 2010 through 2012.

“(2) ADMINISTRATIVE COSTS.—For the costs of administering this section, including the costs of evaluating the results of grants and submitting reports to the Congress, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2008 through 2012.”.

SEC. 102. GERIATRIC ACADEMIC CAREER AWARDS FOR NURSES.

Part I of title VIII of the Public Health Service Act (42 U.S.C. 298 et seq.) is amended by adding at the end the following:

“SEC. 856. GERIATRIC FACULTY FELLOWSHIPS.

“(a) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to provide Geriatric Academic Career Awards to eligible individuals to promote the career development of such individuals as geriatric nurse faculty.

“(b) ELIGIBLE INDIVIDUALS.—To be eligible to receive an Award under subsection (a), an individual shall—

“(1) be a registered nurse with a doctorate degree in nursing;

“(2)(A) have completed an approved advanced education nursing program in geriatric nursing or geropsychiatric nursing; or

“(B) have a State or professional nursing certification in geriatric nursing or geropsychiatric nursing; and

“(3) have a faculty appointment at an accredited school of nursing, school of public health, or school of medicine.

“(c) APPLICATION.—An eligible individual desiring to receive an Award under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, which shall include an assurance that the individual will meet the service requirement described in subsection (d).

“(d) SERVICE REQUIREMENT.—An individual who receives an Award under this section shall provide training in clinical geriatrics, including the training of interdisciplinary teams of health care professionals. The provision of such training shall constitute at least 50 percent of the obligations of such individual under the Award.

“(e) AMOUNT AND NUMBER.—

“(1) AMOUNT.—The amount of an Award under this section shall equal \$75,000 annually, adjusted for inflation on the basis of the Consumer Price Index. The Secretary may increase the amount of an Award by not more than 25 percent, taking into account the fringe benefits and other research expenses, at the recipient’s institutional rate.

“(2) NUMBER.—The Secretary shall award up to 125 Awards under this section from 2008 through 2016.

“(3) REGIONAL DISTRIBUTION.—

“(A) IN GENERAL.—The Secretary shall provide Awards to individuals from 5 regions in the United States, of which—

“(i) 2 regions shall be an urban area;

“(ii) 2 regions shall be a rural area; and

“(iii) 1 region shall include a State with—

“(I) a medical school that has a department of geriatrics that manages rural outreach sites and is capable of managing patients with multiple chronic conditions, 1 of which is dementia; and

“(II) a college of nursing that has a required course in geriatric nursing in the baccalaureate program.

“(B) GEOGRAPHIC DIVERSITY.—The Secretary shall ensure that the 5 regions established under subparagraph (A) are located in different geographic areas of the United States.

“(f) TERM OF AWARD.—The term of an Award made under this section shall be 5 years.

“(g) REPORTS.—

“(1) EVALUATION.—

“(A) IN GENERAL.—The Secretary shall conduct an evaluation of the results of the activities carried out under the Awards established under this section.

“(B) REPORTS TO CONGRESS.—Not later than 3 years after the date of the enactment of this section, the Secretary shall submit to Congress an interim report on the results of the evaluation conducted under this paragraph. Not later than 180 days after the expiration of the program under this section, the Secretary shall submit to Congress a final report on the results of such evaluation.

“(2) CONTENT.—The evaluation under paragraph (1) shall examine—

“(A) the program design under this section and the impact of the design on nurse faculty retention; and

“(B) options for continuing the program beyond fiscal year 2016.

“(h) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—To fund Awards under subsection (e), there are authorized to be appropriated \$1,875,000 for each of fiscal years 2008 through 2016.

“(2) ADMINISTRATIVE COSTS.—To carry out this section (except to fund Awards under subsection (e)), there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2008 through 2016.

“(3) SEPARATION OF FUNDS.—The Secretary shall ensure that the amounts appropriated pursuant to paragraph (1) are held in a separate account from the amounts appropriated pursuant to paragraph (2).”

TITLE II—DISTANCE EDUCATION PILOT PROGRAM AND OTHER PROVISIONS TO INCREASE THE NURSING AND PHYSICAL THERAPY WORKFORCE

SEC. 201. INCREASING THE DOMESTIC SUPPLY OF NURSES AND PHYSICAL THERAPISTS.

(a) ESTABLISHMENT OF NURSE AND PHYSICAL THERAPISTS DISTANCE EDUCATION PILOT PROGRAM.—

(1) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the “Secretary”), in conjunction with the Secretary of Education, shall establish a Nurse and Physical Therapist Distance Education Pilot Program through which grants may be awarded for the conduct of activities to increase accessibility to nursing and physical therapy education.

(2) PURPOSE.—The purpose of the Nurse and Physical Therapist Distance Education Pilot Program established under paragraph (1) shall be to increase accessibility to nursing and physical therapy education to—

(A) provide assistance to individuals in rural areas who want to study nursing or physical therapy to enable such individuals to receive appropriate nursing education and physical therapy education;

(B) promote the study of nursing and physical therapy at all educational levels;

(C) establish additional slots for nursing and physical therapy students at existing accredited schools of nursing and physical therapy education programs; and

(D) establish new nursing and physical therapy education programs at institutions of higher education.

(3) APPLICATION.—To be eligible to receive a grant under the Pilot Program under paragraph (1), an entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this subsection.

(b) INCREASING THE DOMESTIC SUPPLY OF NURSES AND PHYSICAL THERAPISTS.—

(1) IN GENERAL.—Not later than January 1, 2008, the Secretary, in conjunction with the Secretary of Education, shall—

(A) submit to Congress a report concerning the country of origin or professional school of origin of newly licensed nurses and physical therapists in each State, that shall include—

(i) for the most recent 3-year period for which data is available—

(I) separate data relating to teachers at institutions of higher education for each related occupation who have been teaching for not more than 5 years; and

(II) separate data relating to all teachers at institutions of higher education for each

related occupation regardless of length of service;

(ii) for the most recent 3-year period for which data is available, separate data for each related occupation and for each State;

(iii) a separate identification of those individuals receiving their initial professional license and those individuals licensed by endorsement from another State;

(iv) with respect to those individuals receiving their initial professional license in each year, a description of the number of individuals who received their professional education in the United States and the number of individuals who received such education outside the United States; and

(v) to the extent practicable, a description, by State of residence and country of education, of the number of nurses and physical therapists who were educated in any of the 5 countries (other than the United States) from which the most nurses and physical therapists arrived;

(B) in consultation with the Department of Labor, enter into a contract with the Institute of Medicine of the National Academy of Sciences for the conduct of a study and submission of a report that includes—

(i) a description of how the United States can balance health, education, labor, and immigration policies to meet the respective policy goals and ensure an adequate and well-trained nursing and physical therapy workforce;

(ii) a description of the barriers to increasing the supply of nursing and physical therapy faculty, domestically trained nurses, and domestically trained physical therapists;

(iii) recommendations of strategies to be utilized by Federal and State governments that would be effective in removing the barriers described in clause (ii), including strategies that address barriers to advancement to become registered nurses for other health care workers, such as home health aides and nurses assistants;

(iv) recommendations for amendments to Federal laws that would increase the supply of nursing faculty, domestically trained nurses, and domestically trained physical therapists;

(v) recommendations for Federal grants, loans, and other incentives that would provide increases in nurse and physical therapist educators and training facilities, and other measures to increase the domestic education of new nurses and physical therapists;

(vi) an identification of the effects of nurse and physical therapist emigration on the health care systems in their countries of origin; and

(vii) recommendations for amendments to Federal law that would minimize the effects of health care shortages in the countries of origin from which immigrant nurses arrived; and

(C) collaborate with the heads of other Federal agencies, as appropriate, in working with ministers of health or other appropriate officials of the 5 countries from which the most nurses and physical therapists arrived into the United States, to—

(i) address health worker shortages caused by emigration; and

(ii) ensure that there is sufficient human resource planning or other technical assistance needed to reduce further health worker shortages in such countries.

(2) ACCESS TO DATA.—The Secretary shall grant the Institute of Medicine access to the data described under paragraph (1)(A), as such data becomes available to the Secretary for use by the Institute in carrying out the activities under paragraph (1)(B).

(3) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated \$1,400,000 to carry out paragraph (1)(B).

By Mr. CRAPO (for himself and Mr. CRAIG):

S. 1630. A bill to amend the Internal Revenue Code of 1986 to exclude certain tax-exempt financing of electric transmission facilities from the private business use test; to the Committee on Finance.

Mr. CRAPO. Mr. President, I am pleased to introduce today a bill to address the increasing need for electric power transmission in our country.

The Nation's network of transmission lines is the super-highway of the electric utility industry and the backbone of the electric grid. It serves as the means of moving large amounts of electricity continuously from powerplants to substations where it is distributed to homes and businesses.

A vibrant transmission system helps prevent reliability problems such as blackouts which have wreaked havoc in California, the Northeast, and the Midwest in the last 5 years. It enables regions rich in energy resources like wind, coal, natural gas, and hydropower, to export energy to power-starved regions of the country. It also serves as the engine of our Nation's economic well-being.

It has been widely acknowledged by Government and industry experts that investment in the transmission system has tapered off significantly and more investment is needed. Planning for the Nation's future electricity needs is a key consideration as adding transmission can take many years, even in the most streamlined process. Decisions on system enhancements needed in the next decade must be made today. As with other components of utility infrastructure, siting and building transmission lines is both difficult and very expensive, often costing much more than \$1 million per mile.

Over the last two decades, transmission investment has decreased by \$115 million a year, dropping from \$5 billion annually in 1975 to \$2 billion in 2000. The electric transmission line grid capacity has not been upgraded to meet growth demands, particularly in the rapidly growing West. In 2001, the estimated cost for infrastructure renewal was \$1.3 trillion over a 5-year period. Today, that cost has risen to over \$2 trillion.

Other investment barriers include lack of regional integrated planning and difficulty in siting new transmission lines. The process can involve acquiring land easements from property owners, and creating a cleared corridor, 70 to 100 feet wide and often many miles long. On top of all this is the uncertainty regarding investment risks and returns.

Adding large transmission lines also requires State regulatory approval, which involves significant permitting, research and modeling data, environmental information, cost comparisons, analyses of various options, discussions of scenarios and criteria used in evaluation, and other information.

Lack of new transmission directly affects the price of retail electricity as a

decrease in available transmission lines leads to more limited access to electric generation plants. Any addition of powerplants, including nuclear facilities and renewables such as wind, would also require new transmission lines and facilities.

In short our Nation's economy and population are still growing, and so too are its power needs, but without new transmission, access to new power generation is static, which will in turn lead to rising retail and industrial power costs.

The Energy Policy Act of 2005 included several important provisions to encourage transmission investment. I believe there is more that we can do to accelerate the pace of investment in transmission infrastructure and to lower the cost of those investments.

My State of Idaho and several others have created State infrastructure authorities to finance and promote needed transmission investments. The creation of these State authorities is a new and innovative development that could be the appropriate catalyst for this needed investment. However, the full potential of these State authorities will not be realized under existing law.

As instrumentalities of the State, these authorities can issue tax-exempt bonds to finance transmission projects. But under current law, only a very limited number of industry participants such as other governmental entities, can use these facilities built with tax-exempt bonds. Clearly, we need a system in which new transmission facilities, regardless of the source of financing, are available for use by industry participants.

The legislation I am introducing today amends section 141 of the Internal Revenue Code to modify the so-called private use restrictions on tax-exempt financing of transmission facilities. Under this legislation, any issuer of tax-exempt bonds to finance transmission facilities would continue to be required to own the facilities. However, the operation or use of those facilities by a nongovernmental private party would not jeopardize the tax-exempt status of the bonds. As an example from my State, the Idaho Energy Resources Authority could issue tax-exempt bonds to finance a transmission line and all parties, private utilities, rural electric cooperatives, municipal utilities, independent power producers, could move power across that facility.

Thus, all segments of the industry benefit from new, low-cost investment in transmission. The basic requirement of section 141 that tax-exempt financed facilities serve a general public purpose and are owned by an eligible issuer is retained. And our whole Nation benefits from a transmission system that is more robust, reliable and cost effective.

My legislation sunsets in 5 years. This will provide Congress an opportunity to review the effectiveness and implications of this change in the code.

In addition to support for this proposal from various parties in Idaho, this concept has been endorsed by the Western Governors Association.

It is my hope that this commonsense proposal can be quickly enacted and that lower cost investments in the Nation's transmission grid can be made.

By Mr. KERRY (for himself and Ms. CANTWELL):

S. 1631. A bill to establish an emergency fuel assistance grant program for small businesses during energy emergencies; to the Committee on Environment and Public Works.

Mr. KERRY. Mr. President, last month, Americans emptied their wallets at the pump, paying record prices that reached \$3.22 a gallon according to the Department of Energy's Energy Information Administration. This price represented a 28-percent increase over a period of just 2 months, and 52-percent increase since the end of January. Rising prices underscore the increased attention that small business owners are paying to this issue. According to a survey conducted by the National Small Business Association, NSBA, 62 percent of small businesses use vehicles for delivery or customer transportation, and a majority of those who use vehicles travel more than 50 mile a day.

According to the Energy Information Administration's June 12 update to the "Short Term Energy Outlook," gas prices are expected to average \$3.05 through the 2007 summer months, an increase of 21-cents over last summer's average price. Meanwhile, small businesses that operate close to the margin and that rely on vehicles every day to remain competitive are struggling to keep up.

These are the same businesses coping with considerable increases in the cost of providing their employees health care, the same burgeoning entrepreneurs that we count on to create roughly two-thirds of the new jobs in this country. These businesses can no longer be expected to shoulder a burden created by a Government that has been reluctant to shift its priorities from serving the same old special interests.

The good news is that right now, the Senate is debating legislation that would put the country on a clear path towards energy independence. In a single month, we could rewrite the shameful story of procrastination, manipulation and, most of all, failed leadership that has defined our energy policy for 30 years.

Democrats in the Senate are working to develop a comprehensive energy policy that will make America safer and will stabilize and lower fuel costs for small businesses and all Americans. But in order to effectively address energy security, the final legislation must include three components: 1. a major increase in the efficiency of all sources and uses of energy, from pickup trucks to fluorescent light bulbs; 2. dramatic incentives for all renewable

energy sources, including the requirement that at least 20 percent of our energy come from renewable sources like wind and solar by 2020; and 3. a comprehensive plan to get clean coal technologies and carbon sequestration off the drawing board and under construction.

These are the first steps Congress must take to address the long term security and stability of this country's fuel supply. But there are other steps we can take in the short term to make sure our small businesses are protected against dramatic interruptions in fuel.

Today, I am introducing legislation that creates an emergency fuel assistance program for small businesses in the event of a severe fuel interruption. Under this program, small businesses and farms that rely on fuel as a key operating cost would be eligible to receive grants to help them stay afloat during periods of extraordinarily high gas prices. This program could go a long way toward helping businesses operating close to the margin deal with costs that are beyond their control.

Specifically, the Small Business Emergency Fuel Assistance Act of 2007 would create a program within the Economic Development Agency at the Department of Commerce to assist small businesses through State grants during declarations of fuel emergency. The program is triggered by a Presidential declaration of fuel emergency, and would authorize the Secretary of Commerce to give grants to States to provide assistance to fuel-dependent small businesses. Eligibility for these grants is restricted to businesses with fewer than 50 employees or less than \$5 million in annual gross receipts. Furthermore, to ensure that these businesses are also contributing to America's energy conservation efforts, eligibility would be contingent upon a business having a plan to become more energy efficient. The program would be authorized at \$100 million per year, for 5 years.

For too long, we have asked Americans to put up with an energy supply that is unstable and flat out dangerous. The path to energy security, a path that is being cut in the Senate as we speak, will lead to stability and lower prices at the pump. In the meantime, this is a commonsense policy to aid our small business and small farm owners in the short term, so that they can continue to do what they do best, grow the American economy.

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. 1631

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 "Small Business Emergency Fuel Assistance Act of 2007".

SEC. 2. EMERGENCY FUEL ASSISTANCE PROGRAM.

There is established within the Economic Development Administration of the Department of Commerce, an emergency assistance program for small businesses and small farms dependent on fuel.

SEC. 3. PRESIDENTIAL DECLARATION OF EMERGENCY EMERGENCY.

(a) IN GENERAL.—If the President determines that the health, safety, welfare, or economic well-being of the citizens of the United States is at risk because of a shortage or imminent shortage of adequate supplies of crude oil, gasoline or petroleum distillates due to a disruption in the national distribution system for crude oil, gasoline or petroleum distillates (including such a shortage related to a major disaster (as defined in section 102(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(2))), or significant pricing anomalies in national energy markets for crude oil, gasoline, or petroleum distillates, the President may declare that a Federal energy emergency exists.

(b) SCOPE AND DURATION.—The emergency declaration declared pursuant to subsection (a) shall specify—

(1) the period, not to exceed 30 days, for which the declaration applies;

(2) the circumstance or condition necessitating the declaration; and

(3) the area or region to which it applies which may not be limited to a single State; and

(4) the product or products to which it applies.

(c) EXTENSIONS.—The President may—

(1) extend a declaration under subsection (a) for a period of not more than 30 days;

(2) extend such a declaration more than once; and

(3) discontinue such a declaration before its expiration.

SEC. 4. AUTHORIZATION OF GRANTS.

(a) IN GENERAL.—During any energy emergency declared by the President under section 3, the Secretary of Commerce is authorized to award grants to States under a declaration of fuel supply interruption in accordance with this Act.

(b) ALLOCATION FORMULA.—Subject to subsection (c), the Secretary shall award grants to States, in accordance with an allocation formula established by the Secretary, that is based on the pro rata share of each State of the total need among all States, as applicable, for emergency assistance for fuel interruption, as determined on the basis of—

(1) the number and percentage of qualifying small businesses and small farms operating within a State;

(2) the increase in price of fuel in a State; and

(3) such other factors as the Secretary determines to be appropriate.

(c) STATE ALLOCATION PLAN.—Each State shall establish, after giving notice to the public, an opportunity for public comment, and consideration of public comments received, an allocation plan for the distribution of financial assistance under this section, which shall be submitted to the Secretary and shall be made available to the public by the State, and shall include—

(1) application requirements for qualifying small businesses and small farms seeking to receive financial assistance under this section, including a requirement that each application include—

(A) demonstration of need for assistance under this section;

(B) a plan to decrease the total commercial energy usage of the small business through energy efficiency measures, such as those promoted through the Energy Star Program; and

(C) if a small business or small farm has previously received assistance under this section, evidence that the small business or small farm has implemented the plan previously documented under subparagraph (B); and

(2) factors for selecting among small businesses and small farms that meet the application requirements, with preference given to small businesses and small farms based on the percentage of operating costs expended on fuel.

SEC. 5. ELIGIBILITY.

A small business or small farm is eligible for a grant under this Act if—

(a) the average gross receipts of the small business or small farm for the 3 preceding taxable years does not exceed \$5,000,000; or

(b) the small business or small farm employed an average of more than 1 and fewer than 50 qualified employees on business days during the preceding taxable year.

SEC. 6. DEFINED TERM.

In this Act, the term "aggregate gross assets" has the meaning given such term in section 1202(d)(2) of the Internal Revenue Code of 1986.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Department of Commerce \$100,000,000 for each of the fiscal years 2008 through 2012 to carry out this Act.

By Ms. SNOWE:

S. 1632. A bill to ensure that vessels of the United States conveyed to eligible recipients for educational, cultural, historical, charitable, recreational, or other public purposes are maintained and utilized for the purposes for which they were conveyed; to the Committee on Commerce, Science, and Transportation.

Ms. SNOWE. Mr. President, I rise today to introduce the Vessel Conveyance Act, a bill which would prevent inappropriate transfers of surplus United States vessels to nongovernmental organizations.

It has recently come to my attention that two decommissioned U.S. Coast Guard ships that had been conveyed in legislation to a certain charitable organization are no longer being used for the purpose explicitly stated by law. In fact, the ships are no longer in the organization's possession. Unaware of the costs affiliated with maintenance of the ships, the recipient found itself unable to afford the upkeep. Against the spirit, if not the letter, of the law, the charity sold first one, and then the second ship, and pocketed the proceeds, which totaled \$415,000.

Though the U.S. General Services Administration has a process in place for disposal of surplus vessels, I understand the value of dedicated vessel conveyances under certain circumstances. But we must recognize that these assets are the property of the American people, and they represent a significant investment of public funds. When Congress acts to convey such valuable items to a private entity, it also conveys the responsibility to use the vessel for a specific purpose. In cases where that responsibility has not been carried out, we must be able to seek recourse, and this bill would provide that tool.

Specifically, this legislation would expressly prohibit the recipient of a conveyed vessel from either selling it, or using it for commercial purposes. It would require the Administrator of the GSA to monitor conveyed vessels the same way he monitors ships dispersed under the standard GSA process to ensure that they are being used appropriately, and it gives her the power to reclaim the ship if she determines that those conditions have been violated. The bill would also eliminate the possibility of transfer to an organization lacking sufficient financial stability to maintain a given vessel. Finally, it includes civil enforcement provisions making recipients liable for fines of up to \$10,000 per day that they are in violation of their conveyance agreement.

On the rare occasions when Congress determines that a certain asset is uniquely suited to assist a worthy and capable organization, I do not oppose a legislative conveyance. But I will not allow any organization to fleece the American taxpayers by biting the hand that has provided such a generous gift. I am pleased to introduce this bill today, and I urge my colleagues to support it.

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. 1632

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 "Vessel Conveyance Act".

SEC. 2. CONVEYANCE OF UNITED STATES VESSELS FOR PUBLIC PURPOSES.

(a) IN GENERAL.—The conveyance of a United States Government vessel to an eligible entity for use as an educational, cultural, historical, charitable, or recreational or other public purpose shall be made subject to any conditions, including the reservation of such rights on behalf of the United States, as the Secretary considers necessary to ensure that the vessel will be maintained and used in accordance with the purposes for which it was conveyed, including conditions necessary to ensure that unless approved by the Secretary—

(1) the eligible entity to which the vessel is conveyed may not sell, convey, assign, exchange, or encumber the vessel, any part thereof, or any associated historic artifact conveyed to the eligible entity in conjunction with the vessel; and

(2) the eligible entity to which the vessel is conveyed may not conduct any commercial activities at the vessel, any part thereof, or in connection with any associated historic artifact conveyed to the eligible entity in conjunction with the vessel, in any manner.

(b) REVERSION.—In addition to any term or condition established pursuant to this section, the conveyance of a United States Government vessel shall include a condition that the vessel, or any associated historic artifact conveyed to the eligible entity in conjunction with the vessel, at the option of the Secretary, shall revert to the United States and be placed under the administrative control of the Administrator if, without approval of the Secretary—

(1) the vessel, any part thereof, or any associated historic artifact ceases to be available for the educational, cultural, historical, charitable, or recreational or other public purpose for which it was conveyed under reasonable conditions which shall be set forth in the eligible entity's application;

(2) the vessel or any part thereof ceases to be maintained in a manner consistent with the commitments made by the eligible entity to which it was conveyed;

(3) the eligible entity to which the vessel is conveyed, sells, conveys, assigns, exchanges, or encumbers the vessel, any part thereof, or any associated historic artifact; or

(4) the eligible entity to which the vessel is conveyed, conducts any commercial activities at the vessel, any part thereof, or in conjunction with any associated historic artifact.

(c) AGREEMENT REQUIRED.—Except as may be otherwise explicitly provided by statute, a United States Government vessel may not be conveyed to an entity unless that entity agrees to comply with any terms or conditions imposed on the conveyance under this section.

(d) RECORDS AND MONITORING.—

(1) COMPILATION AND TRANSFER.—The Secretary shall provide a written or electronic record for each vessel conveyed pursuant to the Secretary's authority, including the vessel registration, the application for conveyance, the terms and conditions of conveyance, and any other documents associated with the conveyance, and any post-conveyance correspondence or other documentation, to the Administrator.

(2) MONITORING.—For a period not less than 5 years after the date of conveyance the Administrator shall monitor the eligible entity's use of the vessel conveyed to ensure that the vessel is being used in accordance with the purpose for which it was conveyed. The Administrator shall create a written or electronic record of such monitoring activities and their findings.

(3) MAINTENANCE.—The Administrator shall maintain vessel conveyance records provided under paragraph (1), and monitoring records created under paragraph (2), on each vessel conveyed until such time as the vessel is destroyed, scuttled, recycled, or otherwise disposed of. The Administrator may make the records available to the public.

(e) COST ESTIMATES.—The Secretary may provide an estimate to an eligible entity of the cost of maintaining and operating any vessel to be conveyed to that entity.

(f) GUIDANCE.—The Secretary may issue guidance concerning the types and extent of commercial activities, including the sale of goods or services incidental to, and consistent with, the purposes for which a vessel was conveyed, that are approved by the Secretary for purposes of subsections (a)(2) and (b)(4) of this section.

SEC. 3. WORKING GROUP ON CONVEYANCE OF UNITED STATES VESSELS.

Within 180 days after the date of enactment of this Act, the Secretary of Transportation shall convene a working group, composed of representatives from the Maritime Administration, the Coast Guard, and the United States Navy to review and to make recommendations on a common set of conditions for the conveyance of vessels of the United States to eligible entities (as defined in section 2(d)(2)). The Secretary may request the participation of senior representatives of any other Federal department or agency, as appropriate.

SEC. 4. CIVIL ENFORCEMENT OF CONVEYANCE CONDITIONS.

(a) CIVIL ADMINISTRATIVE PENALTIES.—

(1) Any eligible entity found by the Secretary, after notice and opportunity for a

hearing in accordance with section 554 of title 5, United States Code, to have failed to comply with the terms and conditions under which a vessel was conveyed to it shall be liable to the United States for a civil penalty. The amount of the civil penalty under this paragraph shall not exceed \$10,000 for each violation. Each day of a continuing violation shall constitute a separate violation.

(2) COMPROMISE OR OTHER ACTION BY THE SECRETARY.—The Secretary may compromise, modify, or remit, with or without conditions, any civil administrative penalty imposed under this section that has not been referred to the Attorney General for further enforcement action.

(b) HEARING.—For the purposes of conducting any investigation or hearing under this section, the Secretary may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and may administer oaths. Witnesses summoned shall be paid the same fees and mileage that are paid to witnesses in the courts of the United States. In case of contempt or refusal to obey a subpoena served upon any person pursuant to this subsection, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Secretary or to appear and produce documents before the Secretary, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof. Nothing in this Act shall be construed to grant jurisdiction to a district court to entertain an application for an order to enforce a subpoena issued by the Secretary of Commerce to the Federal Government or any entity thereof.

(c) JURISDICTION.—The United States district courts shall have original jurisdiction of any action under this section arising out of or in connection with the operation, maintenance, or disposition of a conveyed vessel, and proceedings with respect to any such action may be instituted in the judicial district in which any defendant resides or may be found. For the purpose of this section, American Samoa shall be included within the judicial district of the District Court of the United States for the District of Hawaii.

(d) COLLECTION.—If an eligible entity fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court has entered final judgment in favor of the Secretary, the matter may be referred to the Attorney General, who may recover the amount (plus interest at currently prevailing rates from the date of the final order). In such action the validity, amount, and appropriateness of the final order imposing the civil penalty shall not be subject to review. Any eligible entity that fails to pay, on a timely basis, the amount of an assessment of a civil penalty shall be required to pay, in addition to such amount and interest, attorney's fees and costs for collection proceedings and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be in an amount equal to 20 percent of the aggregate amount of such the entity's penalties and nonpayment penalties which are unpaid as of the beginning of such quarter.

(e) NATIONWIDE SERVICE OF PROCESS.—In any action by the United States under this Act, process may be served in any district where the defendant is found, resides, transacts business or has appointed an agent for the service of process, and for civil cases may also be served in a place not within the United States in accordance with Rule 4 of the Federal Rules of Civil Procedure.

SEC. 5. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of General Services.

(2) ELIGIBLE ENTITY.—The term “eligible entity” means a State or local government, nonprofit corporation, educational agency, community development organization, or other entity that agrees to comply with the conditions established under this section.

(3) SECRETARY.—The term “Secretary” means the Secretary of the department or agency on whose authority a vessel is conveyed to an eligible entity.

(4) UNITED STATES GOVERNMENT VESSEL.—The term “United States government vessel” means a vessel owned by the United States Government.

By Mr. MCCONNELL (for himself, Mrs. FEINSTEIN, Mr. MCCAIN, Mr. ALLARD, Mr. BENNETT, Mr. BIDEN, Mr. BINGAMAN, Mrs. BOXER, Mr. BROWN, Mr. BROWNBACK, Mr. BUNNING, Mr. BURR, Ms. CANTWELL, Mr. CHAMBLISS, Mrs. CLINTON, Mr. COBURN, Mr. COCHRAN, Mr. COLEMAN, Ms. COLLINS, Mr. CORNYN, Mrs. DOLE, Mr. DOMENICI, Mr. DURBIN, Mr. ENSIGN, Mr. FEINGOLD, Mr. HAGEL, Mr. HARKIN, Mrs. HUTCHISON, Mr. KENNEDY, Mr. KERRY, Ms. KLOBUCHAR, Mr. KOHL, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEAHY, Mr. LIEBERMAN, Mr. LOTT, Mr. LUGAR, Mr. MARTINEZ, Mrs. MCCASKILL, Mr. MENENDEZ, Ms. MIKULSKI, Ms. MURKOWSKI, Mrs. MURRAY, Mr. OBAMA, Mr. REID, Mr. SALAZAR, Mr. SANDERS, Mr. SCHUMER, Mr. SMITH, Ms. SNOWE, Mr. SPECTER, Ms. STABENOW, Mr. STEVENS, Mr. SUNUNU, Mr. VOINOVICH, Mr. WHITEHOUSE, and Mr. WYDEN:)

S.J. Res. 16. A joint resolution approving the renewal of import restrictions contained in the Burmese Freedom and Democracy Act of 2003; to the Committee on Finance.

Mr. MCCONNELL. Mr. President, earlier this year, while the Senate was resuming its business in a new Congress, two dozen families on the other side of the world were fleeing their homes. Ninety-four men and women, some young some old, grabbed whatever belongings they could carry and headed north along the eastern Burmese border to escape the torment of a brutal regime.

Human rights officials tell us what happened next. Late last month, these families were forced to move again. And as I stand here today, they are cramped inside the homes of other refugees. We are looking forward to summer vacations. They are looking ahead at the bitter work of building new homes in the rain, with their hands, in a remote corner of a stark, isolated wasteland the world seems to have forgotten.

Mr. President, I am here to report that the United States has not forgotten. We will continue to shine a light

on the oppressive and illegitimate military regime that drove these families from their homes. And I will rise every year, as I do today, with my good friend the senior Senator from California, to reintroduce a bill that extends for another year a ban on imports from Burma.

Republicans and Democrats work together proudly on some things in the Senate. The Burmese Freedom and Democracy Act is one of them. I am pleased to say that even though the control of Congress has changed, its commitment to the people of Burma has not. Senator FEINSTEIN and I are joined this year by 57 cosponsors, more than last year and the year before that. On the Republican side, for example, the people of Burma have no better friend than the senior Senator from Arizona, Mr. MCCAIN.

Support for the people of Burma is growing on Capitol Hill. Senator FEINSTEIN and the senior Senator from Texas recently formed the Women's Caucus on Burma. The First Lady attended its first meeting last month, adding her voice to a growing chorus of those opposed to the Burmese regime. The voices are not just coming from Washington. But the words and actions of Washington are beginning to cause others to take note of this dire situation.

Last year, the United Nations Security Council agreed for the first time to put Burma on its agenda. In January, a U.N. Security Council resolution that enjoyed the support of a majority of the Council's member nations was unfortunately blocked by Russian and Chinese vetoes. We remain encouraged by the fact that nine countries agreed to hold the regime accountable. We urge Russia and China to reconsider their stance.

We know others are beginning to notice Burma because 3 years ago the Association of Southeast Asian nations called the sufferings in Burma “an internal matter.” Yet today ASEAN recognizes that the “Burma problem” is its problem, too.

Southeast Asian leaders have spoken out more frequently and forcefully over the last year in calling for democratic reforms. They join the United States and other freedom-loving people who have demanded for years that the military thugs who control Burma loosen their grip.

We know others are starting taking notice because earlier this year the United Nations Secretary General, Ban Ki-Moon, urged the release of Burma's roughly 1,300 political prisoners, including the world's only imprisoned Nobel Laureate, Aung San Suu Kyi.

And we know others are starting to take notice because that effort was followed by a letter signed by 59 former heads of state.

The Burmese military regime, the State Peace and Development Council, is on notice: the wider international community, including its neighbors, are increasingly aware and increasingly outraged by its behavior.

Mr. President, The purpose of sanctions is to change behavior. And the changes we seek, in partnership with the Burmese people, are these: concrete, irreversible steps toward reconciliation and democratization that include the full, unfettered participation of the National League for Democracy and ethnic minorities; ending attacks on ethnic minorities; and the immediate, unconditional release of all prisoners of conscience, including Suu Kyi. The regime also needs to know that a sham constitutional process and token prisoner releases will not be regarded by anyone as progress toward these goals.

The argument against sanctions—that they are most harmful to those they are meant to help—is well known. But it does not apply to Burma. It has long been the policy of the NLD, the winner of Burma's last democratic election, to seek reform through sanctions against the current regime.

And for good reason. Burma's military junta has maintained an iron grip on every aspect of the country's economy. Its leaders flaunt and squander whatever wealth they can squeeze from Burmese workers, leaving the country's economy in ruins—but leaving enough aside for its current leader, GEN Than Shwe, to impulsively relocate the Burmese capital from Rangoon at a cost of millions, or to throw a wedding for his daughter that is reported to have cost millions more.

The military junta has complete control over the flow of goods and money in and out of Burma. And every dollar that is spent on Burmese products is money spent on financing the regime. It is the SPDC, not the allies of the Burmese people, who are responsible for Burma's economic woes.

As diplomatic pressure intensifies, as the rest of the international community undertakes the kind of change we have seen in ASEAN, the supporters of the Burmese Freedom and Democracy Act are confident this regime will be forced to change its ways.

The situation is urgent. Burma's military regime has become increasingly reckless. And the humanitarian situation is grave and deteriorating: the junta has intensified its abuse of minority groups through rape and forced labor. It continues to harass and detain a new generation of peaceful activists, activists like a young woman named Su Su Nway, who has inspired the world with her resolute defiance of forced labor practices.

In standing up to the Burmese regime, Su Su Nway drew inspiration from Suu Kyi. Now she is inspiring another generation of Burmese activists who are willing to defend their rights and, despite the danger to themselves, refuse to remain silent in the face of the abuses they see.

According to the Los Angeles Times, Su Su Nway was asked by a radio reporter last year whether she feared imprisonment. Her simple but eloquent response should give us hope in the determination of this new generation of

activists. "I will stand for the truth," she said.

The crimes of the Burmese government are well documented. Here is what we know: nearly 70,000 children have been taken from their homes and forcibly conscripted—that's more children than live in all of Lexington, the second-largest city in my State.

Forced labor is a daily threat in the southeastern Karen State, where military personnel force villagers to build roads and shelters, without food or pay, and to leave their homes and farms to do the work. Some are used as human shields against democratic insurgents.

These are the lucky ones. Others are forced to walk ahead of military convoys to act as human minesweepers. If there is a landmine, they blow up. It is from diabolical thugs like these that desperate, exhausted families are fleeing their homes.

Drugs and disease are spreading across Burma's borders along with its people, and it is no secret why. According to the World Health Organization, Burma is home to one of the worst AIDS epidemics in Southeast Asia. Yet it spent just \$137,000 last year on the care and treatment of people with HIV/AIDS, even as it spends countless millions on Chinese and Russian tanks and jets.

You can tell a lot about a man from the company he keeps. We could say the same about governments. In late April, Burma established diplomatic relations with the government of North Korea for the first time in two decades. It was reported last month that a North Korean cargo ship docked in Burma. This is a disturbing development to those of us on the outside looking in. It can only be discouraging to democratic reformers inside Burma.

News of North Korea's presence on the Burmese coast came shortly after another troubling piece of news. In early April, Burma's second in command led a delegation on the nation's first-ever high-level trip to Russia. And last month, the Burmese government announced an agreement with Russia to build a nuclear research reactor in Burma.

This should send a chill up the spine of every one of us. Even peaceful nations that lack the proper legal and regulatory framework should not be allowed to have a nuclear program. Those that torture and abuse their own people and consort with rogue regimes such as North Korea should not be allowed to even contemplate it.

And this is how this rogue regime has held onto its power: Internal efforts at reform are violently stamped out, as they were when thousands of peaceful prodemocracy protesters were slaughtered in 1988. In response to a national election in 1990, in which Suu Kyi's party, the NLD, won 80 percent of the seats in a new parliament, the regime simply threw out the results.

By refusing to accept imports from a regime that terrorizes people like Suu

Kyi, Su Su Nway, and so many others, we are standing up and facing these tyrants at our own borders and turning them back—until they release these prisoners and begin the process of democratization and reconciliation. Every dollar we keep out of the hands of this junta is one less dollar it can use to fund the conscription of children, its nuclear program, and the war it has waged against its own people for nearly two decades.

Later this month, Suu Kyi will celebrate her 62nd birthday, alone. I urge my colleagues to stand with her as that day approaches. By denying support for those who imprison her, we will pressure them to change.

There are fresh signs that these sanctions have begun to do their work. But we need to keep the pressure on. So I ask my colleagues to join me in supporting the Burmese Freedom and Democracy Act.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

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

S.J. RES. 16

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress approves the renewal of the import restrictions contained in section 3(a)(1) of the Burmese Freedom and Democracy Act of 2003.

Mrs. FEINSTEIN. Mr. President, I rise today with Senator MCCONNELL and 54 of our colleagues to introduce a joint resolution renewing the ban on all imports from Burma for another year.

Simply put, the ruling State Peace and Development Council—SPDC—has not taken the necessary actions to warrant a lifting of the sanctions at this time.

Indeed, Burma represents one of the most critical human rights situations in the world today.

Aung San Suu Kyi, Nobel Peace Prize recipient and leader of the National League for Democracy, is confined to her home by orders of the military junta.

She has spent the better part of the past 17 years imprisoned or under house arrest and on May 25, 2003 her sentence was extended for another year.

There is no indication that the regime will free her anytime soon.

This is simply unacceptable. She should be released immediately and unconditionally and the regime should begin real and substantive national reconciliation talks with Suu Kyi's National League for Democracy—NLD.

The NLD, the winning party in Burma's last free elections in 1990 with 82 percent of the seats in parliament, is forbidden from participating in public life. For over 20 years, the military junta has been unwilling to take meaningful steps towards political reconciliation.

And let us not forget: 4 years ago government sponsored thugs attempted

to assassinate Suu Kyi and other members of the National League for Democracy by attacking her motorcade in northern Burma.

Indeed, the human rights situation in Burma is deplorable and demands a clear, unified response from the international community: 1,300 political prisoners are still in jail; according to the U.N. Special Rapporteur, over 3,000 villages have been destroyed by the military junta; 70,000 child soldiers have been forcibly recruited; over 500,000 people are internally displaced in Burma today, and over 1 million people have fled Burma over the past two decades, destabilizing Burma's neighbors. Also, the practice of rape as a form of repression has been sanctioned by the Burmese military; use of forced labor is widespread; human trafficking is rampant; Burma is the world's second-largest opium producer after Afghanistan and increasingly a source of trafficking of synthetic narcotics.

Some may argue that while the human rights situation is indeed deplorable, sanctions are not the proper solution and we should try a new course.

I agree that sanctions are not a panacea for every foreign policy concern. I am disappointed that Aung San Suu Kyi remains under house arrest and we still have not realized our goal of a free and democratic Burma.

Yet now is not the time to lift the import ban on Burma. First, the military junta has not fulfilled any of the obligations of the "Burmese Freedom and Democracy Act of 2003" that would allow a lifting of the ban. It has not made "substantial and measurable progress" towards: ending violations of internationally recognized human rights; releasing all political prisoners; allowing freedom of speech and press; allowing freedom of association; permitting the peaceful exercise of religion and; bringing to a conclusion an agreement between the SPDC and the National League for Democracy and Burma's ethnic nationalities on the restoration of a democratic government.

If we were to allow the import ban to expire, we would reward the military junta for its inaction, its failure to fulfill these basic obligations, and its continued brutal crackdown on the human rights of the citizens of Burma.

We simply cannot afford to send that message to those who bravely stand up to the SPDC and reject their abuses.

I remind my colleagues that we are not voting to enact the import ban in perpetuity.

We are renewing it for one more year and we will have another opportunity to review its effectiveness next year.

Second, Aung San Suu Kyi and the democratic opposition continue to support the import ban.

They recognize that it is not directed at the people of Burma, but at the military junta that dominates economic and political activity in their country and denies them their rights.

Third, we are seeing progress in the international community in putting additional pressure on Burma.

In a recent letter addressed to the State Peace and Development Council, a distinguished group of 59 former heads of state—including former Filipino president Corazon Aquino, former Czech president Vaclav Havel, former British prime minister John Major and former Presidents Bill Clinton, Jimmy Carter, and George H.W. Bush—called for the regime to release Aung San Suu Kyi.

They correctly noted that “Aung San Suu Kyi is not calling for revolution in Burma, but rather peaceful, nonviolent dialogue between the military, National League for Democracy, and Burma’s ethnic groups.”

The calls for Suu Kyi’s release are also coming from Burma’s neighbors.

The Association of Southeast Asian Nations—ASEAN—now recognizes that Burma’s actions are not an “internal matter” but a significant threat to peace and stability in the region.

At a meeting of senior diplomats last month, ASEAN made a clear call for Aung San Suu Kyi’s release.

As Philippine foreign under secretary Erlinda Basilio said: “It’s a consensus that we want to see her early release.”

An editorial in the Jakarta Post recently commented that the regime’s refusal to heed these calls “shows its complete disregard for the growing values of ASEAN.” That is from the Jakarta Post, May 29, 2007.

We are also seeing progress at the United Nations. In January, for the first time, the United Nations debated a binding, non-punitive resolution on Burma.

Among other things that resolution called on the military junta:

... to take concrete steps to allow full freedom of expression, association, and movement by unconditionally releasing Daw Aung San Suu Kyi and all political prisoners, lifting all constraints on all political leaders and citizens, and allowing the National League for Democracy (NLD) and other political parties to operate freely.

While nine countries voted in favor of the resolution, I am extremely disappointed that China and Russia exercised their veto.

A report by former Czech President Vaclav Havel and retired archbishop Desmond Tutu of South Africa—“Threat to Peace: A Call for the U.N. Security Council to Act on Burma”—confirms the need for U.N. intervention. It details how the situation in Burma fulfills each of the criteria used for past intervention by the Security Council: overthrow of an elected government; armed conflicts with ethnic minorities; widespread human rights violations; outflow of refugees—over 700,000; and drug production and trafficking and the spread of HIV/AIDS.

I firmly believe that momentum for United Nations Security Council action is on our side and I am confident that body will revisit this resolution again this year.

I am also hopeful that the new United Nations Secretary General Ban Ki-moon will personally get involved in putting pressure on the military junta to respect the wishes of the people of Burma and the international community by releasing Aung San Suu Kyi and restoring democratic government.

In a letter signed by myself, Senator MCCONNELL and a bipartisan group of 43 other U.S. Senators we wrote:

We urge you to personally intervene with the regime on a regular basis to establish concrete benchmarks and timetables for democratic progress in Burma. We also urge you to hold the Burmese government accountable for achieving those goals. The Burmese people deserve more than talk—they deserve action.

We can demonstrate to the Secretary General that we too are committed to action by passing this joint resolution promptly.

In conclusion, let me say that I believe the women of the U.S. Senate have a special obligation to speak out on this issue. Last month we came together to form the United States Senate Women’s Caucus on Burma and hold our inaugural event with First Lady Laura Bush. I am proud to co-chair that caucus with my friend and colleague from Texas, Senator KAY BAILEY HUTCHISON. Together we expressed our solidarity with Aung San Suu Kyi and called for her immediate and unconditional release so that a peaceful transition to a democratic government may begin.

It is my great hope that one day the United States Senate Women’s Caucus on Burma will welcome Aung San Suu Kyi to Washington, DC, as the woman who led her nation from repression to freedom.

Archbishop Desmond Tutu has rightly said, “As long as [Suu Kyi] remains under house arrest, not one of us is truly free.”

Today, I urge the State Peace and Development Council to release Aung San Suu Kyi immediately and unconditionally.

I urge the United Nations Security Council to pass a binding resolution on Burma.

And I urge the U.S. Senate to pass this joint resolution to renew the import ban on Burma for another year.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 235—DESIGNATING JULY 1, 2007, AS “NATIONAL BOATING DAY”

Mr. WHITEHOUSE (for himself and Mr. VITTER) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 235

Whereas the United States boating population exceeds 73,000,000 individuals utilizing and enjoying nearly 18,000,000 recreational watercraft;

Whereas the recreational boating industry provides more than \$39,000,000,000 in sales and services to the United States economy

and provides nearly 380,000 manufacturing jobs;

Whereas there are approximately 1,400 active boat builders in the United States with parts and materials being contributed from all fifty States;

Whereas boating appeals to all age groups and is a haven for relaxation that includes sailing, diving, fishing, water skiing, tubing, sightseeing, swimming, and more;

Whereas boaters serve as monitors and stewards of the environment, educating future generations in the value of this country’s abundant water and other natural resources; and

Whereas Congress passed the Federal Boat Safety Act of 1971 and later created the Aquatic Resources Trust Fund in 1984, both of these actions having resulted in a decline in the rate of boating injuries: Now, therefore, be it

Resolved, That the Senate—

(1) designates July 1, 2007, as “National Boating Day”;

(2) recognizes the value of recreational boating and commemorates the boating industry of the United States for its environmental stewardship and innumerable contributions to the economy and to the mental and physical health of those who enjoy boats; and

(3) urges citizens, policy makers, and elected officials to celebrate National Boating Day and to become more aware of the overall contributions of boating to the lives of the people of the United States and to the Nation.

SENATE RESOLUTION 236—SUPPORTING THE GOALS AND IDEALS OF THE NATIONAL ANTHEM PROJECT, WHICH HAS WORKED TO RESTORE AMERICA’S VOICE BY RE-TEACHING AMERICANS TO SING THE NATIONAL ANTHEM

Mr. BAYH (for himself, Mr. CRAIG, Mr. KENNEDY, Mr. HAGEL, Mr. CRAPO, Mr. NELSON of Nebraska, Mr. CARDIN, Mr. BYRD, Mr. DURBIN, Ms. SNOWE, Mr. ROBERTS, Mr. LOTT, Mr. COLEMAN, Mr. MENENDEZ, and Mr. AKAKA) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 236

Whereas a Harris Interactive Survey discovered that of men and women 18 years of age and older, 61 percent of those surveyed did not know all the lyrics of the first stanza of the national anthem, and of those who answered the question affirmatively, 58 percent had received at least 5 years of music education while growing up;

Whereas an ABC News poll revealed that more than 1 in 3 Americans (38 percent) do not know that the official name of the national anthem is “The Star-Spangled Banner”, less than 35 percent of American teenagers can name Francis Scott Key as the author of the national anthem, and as few as 15 percent of American youth can sing the words to the anthem from memory;

Whereas the national anthem, “The Star-Spangled Banner”, holds a special place in the hearts and minds of the American people as a symbol of national unity, resolve, and willingness to sacrifice in order to preserve the Nation’s sacred heritage of freedom;

Whereas the National Anthem Project has inspired the American people to have a greater appreciation of their patriotic musical heritage while learning American history;