

the facts of the failure of Karl Rove to appear and testify before the Committee on the Judiciary and to produce documents as required by Committee subpoena; from the Committee on the Judiciary; placed on the calendar.

By Mr. KERRY (for himself, Ms. SNOWE, Mrs. BOXER, Ms. CANTWELL, and Mr. REED):

S. Res. 709. A resolution expressing the sense of the Senate that the United States should pursue the adoption of bluefin tuna conservation and management measures at the 16th Special Meeting of the International Commission on the Conservation of Atlantic Tunas; to the Committee on Commerce, Science, and Transportation.

#### ADDITIONAL COSPONSORS

S. 1130

At the request of Mr. SMITH, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 1130, a bill to amend the Internal Revenue Code of 1986 to restore, increase, and make permanent the exclusion from gross income for amounts received under qualified group legal services plans.

S. 1359

At the request of Mrs. MURRAY, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 1359, a bill to amend the Public Health Service Act to enhance public and health professional awareness and understanding of lupus and to strengthen the Nation's research efforts to identify the causes and cure of lupus.

S. 2063

At the request of Mr. CONRAD, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 2063, a bill to establish a Bipartisan Task Force for Responsible Fiscal Action, to assure the economic security of the United States, and to expand future prosperity and growth for all Americans.

S. 2173

At the request of Mr. HARKIN, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 2173, a bill to amend the Elementary and Secondary Education Act of 1965 to improve standards for physical education.

S. 2372

At the request of Ms. CANTWELL, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 2372, a bill to amend the Harmonized Tariff Schedule of the United States to modify the tariffs on certain footwear.

S. 2723

At the request of Mr. BROWN, the name of the Senator from New Jersey (Mr. MENENDEZ) was added as a cosponsor of S. 2723, a bill to expand the dental workforce and improve dental access, prevention, and data reporting, and for other purposes.

S. 3256

At the request of Mrs. BOXER, the name of the Senator from Washington

(Ms. CANTWELL) was added as a cosponsor of S. 3256, a bill to provide a supplemental funding source for catastrophic emergency wildland fire suppression activities on Department of the Interior and National Forest System lands, to require the Secretary of the Interior and the Secretary of Agriculture to develop a cohesive wildland fire management strategy, and for other purposes.

S. 3331

At the request of Mr. BAUCUS, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 3331, a bill to amend the Internal Revenue Code of 1986 to require that the payment of the manufacturers' excise tax on recreational equipment be paid quarterly.

S. 3359

At the request of Ms. CANTWELL, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 3359, a bill to amend the Internal Revenue Code of 1986 to repeal the shipping investment withdrawal rules in section 955 and to provide an incentive to reinvest foreign shipping earnings in the United States.

S. 3364

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 3364, a bill to increase the recruitment and retention of school counselors, school social workers, and school psychologists by low-income local educational agencies.

S. 3398

At the request of Mr. KENNEDY, the name of the Senator from Pennsylvania (Mr. CASEY) was added as a cosponsor of S. 3398, a bill to amend the Federal Food, Drug, and Cosmetic Act with respect to liability under State and local requirements respecting devices.

S. 3483

At the request of Mr. ENSIGN, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 3483, a bill to improve consumer access to passenger vehicle loss data held by insurers.

S. 3487

At the request of Mr. KENNEDY, the names of the Senator from Nevada (Mr. REID) and the Senator from West Virginia (Mr. ROCKEFELLER) were added as cosponsors of S. 3487, a bill to amend the National and Community Service Act of 1990 to expand and improve opportunities for service, and for other purposes.

S. 3539

At the request of Ms. COLLINS, the names of the Senator from Tennessee (Mr. CORKER) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 3539, a bill to require the Secretary of the Treasury to mint coins in commemoration of the centennial of the establishment of the Girl Scouts of the United States of America.

S. 3663

At the request of Mr. ROCKEFELLER, the name of the Senator from North

Dakota (Mr. DORGAN) was added as a cosponsor of S. 3663, a bill to require the Federal Communications Commission to provide for a short-term extension of the analog television broadcasting authority so that essential public safety announcements and digital television transition information may be provided for a short time during the transition to digital television broadcasting.

S. 3683

At the request of Mr. INHOFE, the names of the Senator from South Carolina (Mr. DEMINT), the Senator from Vermont (Mr. SANDERS), the Senator from Kansas (Mr. ROBERTS) and the Senator from Louisiana (Mr. VITTER) were added as cosponsors of S. 3683, a bill to amend the Emergency Economic Stabilization Act to require approval by the Congress for certain expenditures for the Troubled Asset Relief Program.

S. 3684

At the request of Ms. MIKULSKI, the names of the Senator from Maryland (Mr. CARDIN) and the Senator from Ohio (Mr. BROWN) were added as cosponsors of S. 3684, a bill to amend the Internal Revenue Code of 1986 to allow an above-the-line deduction against individual income tax for interest in indebtedness and for State sales and excise taxes with respect to the purchase of certain motor vehicles.

S. 3685

At the request of Mrs. FEINSTEIN, the names of the Senator from New York (Mr. SCHUMER) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 3685, a bill to prohibit the selling and counterfeiting of tickets for a Presidential inaugural ceremony.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. FEINSTEIN (for herself and Ms. SNOWE):

S. 3698. A bill to prohibit any recipient of emergency Federal economic assistance from using such funds for lobbying expenditures or political contributions, to improve transparency, enhance accountability, encourage responsible corporate governance, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mrs. FEINSTEIN. Mr. President, I rise today on behalf of myself and Senator SNOWE to introduce legislation that will enhance transparency, strengthen oversight, and encourage responsible corporate governance for firms receiving financial lifelines from the Federal Government.

Our bill—the Accountability for Economic Rescue Assistance Act—will achieve four essential objectives.

It will prohibit firms receiving loans from the Federal Reserve or any of the \$700 billion economic rescue funds from Treasury from using this money for lobbying expenditures or political contributions; require that firms receiving

government assistance provide detailed, publically available quarterly reports to Treasury outlining how taxpayer dollars have been used; establish corporate governance standards to ensure that firms receiving federal assistance do not waste money on unnecessary expenditures; and, create penalties of at least \$100,000 per violation for firms that fail to meet the corporate governance standards established in the bill.

The need for such legislation has become apparent in the weeks since Congress approved the economic rescue plan.

Since then, news reports have uncovered multiple instances in which rescued firms have been caught making unnecessary and outrageous expenditures, which calls their assistance from taxpayers into question.

Last week, Treasury Secretary Paulson announced that the \$700 billion approved by Congress to stabilize financial markets would not be used to purchase illiquid assets but rather to make direct capital injections into financial institutions.

Given this new mission, the need for additional transparency and disclosure is striking.

We have learned that we cannot necessarily count on these firms and their executives to act sensibly and do what is right.

The public needs to know that their tax dollars are being put to good use. A simple "trust me" from the bank executives is not enough.

On October 16th, the Wall Street Journal reported that American Insurance Group, AIG, which received billions of dollars in Federal rescue funds, was continuing to lobby state regulators to delay implementation of strengthened licensing standards for mortgage brokers and lenders.

AIG was lobbying against sensible standards created by the SAFE Mortgage Licensing Act of 2008. This bill, introduced by Senator MARTINEZ and myself, established basic minimum regulations for the mortgage industry to ensure consumers were adequately protected.

Before this bill, in some states virtually anyone—even those with criminal records—could go out and get a mortgage broker's license.

Left unchecked, and with no regulations to stop them, unscrupulous mortgage brokers and lenders flooded the markets with subprime loans that they knew would never be paid back, and this served as one of the catalysts for our current economic predicament.

Now AIG, having succumbed to bad investments and propped up by billions in government money, was lobbying against the strong enforcement of state laws that might have helped prevent this catastrophe in the first place.

Senator MARTINEZ and I wrote a letter to AIG and, to the company's credit, CEO Edward Liddy immediately suspended the company's lobbying operations.

I find it completely unacceptable that taxpayer dollars intended to stabilize the economy could find their way into the bank accounts of lobbying firms. The legislation which I introduce today will make sure that doesn't happen.

I do not mean to pick on AIG, but they have also been the poster child for wasteful spending by rescued firms.

In September, just days after receiving an \$85 billion federal lifeline, the management of AIG treated itself to a \$444,000 spa weekend at the St. Regis resort in Monarch Beach, California. This included \$200,000 for rooms, \$150,000 for fine dining and \$23,000 in spa charges.

AIG executives spent the last two days of September on a golf outing at Mandalay Bay in Las Vegas at a cost of up to \$500,000. They were planning to follow this with a few days at the Ritz Carlton in Half Moon Bay, but cancelled after it hit the news and drew fire from Congressional leaders.

As news of these wasteful expenditures was making headlines, AIG received another \$37.8 billion in emergency loans from the Federal Government. Shortly thereafter, the Associated Press reported that—even as AIG was asking Congress for these loans—AIG executives were spending \$86,000 on a pheasant hunting expedition in England. During the trip, they stayed at a 17th century manor.

One AIG executive named Sebastian Preil was quoted as saying that: "The recession will go on until about 2011, but the shooting was great today and we are relaxing fine."

Once these lapses in judgment came to light, AIG chief executive Edward Liddy informed Congress that he was putting an end to all nonessential expenditures. Yet earlier this month, an undercover news crew caught AIG executives at the Hilton Squaw Peak Resort in Phoenix, hosting a seminar for financial planners complete with cocktails and limousines.

One would think that a brush with collapse and total failure might have a sobering effect on some of these firms.

But this penchant for wasteful junkets in the face of complete failure was not unique to AIG.

The Wachovia Corporation was caught shipping its top brokers off to the Greek Isles on a cruise ship for an all-expenses paid luxury trip—even as the company awaited a buyout potentially backed by taxpayers.

Wachovia cancelled the trip due to the storm of criticism attracted by this stunning display of what the ancient Greeks called hubris.

While the economic rescue legislation passed in September includes several oversight boards and accountability provisions to ensure that public funds are effectively distributed, the bill does not include any reporting requirements for firms that receive Federal dollars.

This is a significant omission, especially given the amount of Federal money that some firms are receiving.

The Treasury Department has already approved the purchase of \$160 billion of preferred stock in 30 financial institutions. We know that of these funds \$125 billion was allocated to nine large national banks.

It was also reported last week that AIG will receive an additional \$40 billion, meaning that at least \$165 billion of the economic rescue funding will be allocated to only 10 firms.

When you add up all of the taxpayer dollars put on the line—from \$30 billion provided to Bear Stearns in March, \$200 billion available to Fannie Mae and Freddie Mac, \$150 billion to AIG, \$700 billion in economic rescue funds, plus the direct lending programs at the Federal Reserve—we are talking about well over 1 trillion Federal dollars.

I certainly don't think it is unreasonable for the public to know how their money is being spent.

As the end of the year nears, we are approaching bonus time on Wall Street. Certainly Americans deserve assurances that struggling firms will not use public funds to pay higher bonuses.

The same can be said for these funds going towards dividend payments, or mergers and acquisitions.

Shining light on how firms use public dollars not only makes good sense, but it will also act as a deterrent to irresponsible behavior.

My vote on the economic stabilization bill was one of the toughest I have taken during my time in the Senate.

My office received more than 160,000 calls, letters, and e-mails from Californians concerned about this course of action.

But, I decided to support the bill to ensure that action would be quickly taken to ease the flow of credit to consumers and businesses.

Our economy continues to struggle today. The money approved by Congress must be used sensibly to ensure its maximum impact.

Americans are struggling, and the pain in my State of California, where unemployment is 7.7 percent, and foreclosure filings exceed 680,000 this year, is especially acute.

This bill puts in place commonsense solutions to fix some of the deficiencies in the economic stabilization bill.

This bill is significant and sorely needed. We must act soon to help restore confidence in this effort and shed light on how public funds are used. We promised the American people transparency and oversight, and this legislation will make good on that promise.

I hope my colleagues will join me to ensure that taxpayer dollars are spent efficiently and responsibly.

By Ms. SNOWE:

S. 3699. A bill to direct the Administrator of the Small Business Administration to reform and improve the HUBZone program for small business concerns, and for other purposes; to the Committee on Small Business and Entrepreneurship.

Ms. SNOWE. Mr. President, I rise today in support of the passage of the HUBZone Improvement Act of 2008. This vital legislation would address the Government Accountability Office's recent recommendations to improve the Small Business Administration's administration and oversight of the Historically Underutilized Business Zone, HUBZone, program and ensure that only eligible firms participate in this crucial program.

As former chair and now ranking member of the Senate Committee on Small Business and Entrepreneurship, I have been a longstanding champion for small business programs such as the HUBZone program. The HUBZone program provides Federal contracting assistance to small firms located in economically distressed areas, with the intent of stimulating economic development. According to the GAO, as of February 2008, 12,986 certified businesses have participated in the HUBZone program since its inception. And in fiscal year 2007, over 4,200 HUBZone firms obtained approximately \$8.1 billion in Federal contracts. In these troubling economic times, the HUBZone program is something our country needs now more than ever.

The mechanisms that the SBA uses to certify and monitor HUBZone firms provide limited assurance that only eligible firms participate in the program. Unfortunately, according to a recent GAO report and analysis of 125 applications submitted in September of 2007, the SBA only requested supporting documentation, which helps to clarify the status of the business, for 36 percent of the applications and only conducted a single site visit for all 125 applicants. While the SBA's policies and procedures require program examinations, the agency only conducts them on 5 percent of certified HUBZone firms each year. This is a glaring lack of oversight that must be rectified.

The legislation I introduce today, the HUBZone Improvement Act of 2008, would take immediate steps to correct the lack of effective administrative oversight by requiring more routine and consistent supporting documentation during the program's application process. In its report, the GAO found that the SBA relies on Federal law to identify qualified HUBZone areas, but the map it uses to publicize HUBZone areas is inaccurate, and the economic characteristics of designated areas vary widely. My bill would require that the SBA take immediate steps to correct and update the map that the SBA uses to identify HUBZone areas and implement procedures to ensure that the map is updated with the most recently available data on a more frequent basis.

The GAO also found that the mechanisms that SBA uses to certify and monitor firms provide limited assurance that only eligible firms participate in the program. The GAO found that more than 4,600 firms that had been in the program for at least 3 years

went unmonitored. My legislation would require the SBA to develop and implement guidance to more routinely and consistently obtain supporting documentation upon application and conduct more frequent site visits, as appropriate, to ensure that firms applying for certification are eligible. These commonsense achievable steps would help to eliminate participant fraud and misrepresentation, and ensure that firms applying for HUBZone certification are truly lawful and eligible businesses.

In its report, the GAO illustrates the SBA lack of a formal policy on how quickly it needs to make a final determination on decertifying firms that may no longer be eligible for the HUBZone program. According to the GAO, of the more than 3,600 firms proposed for decertification in fiscal years 2006 and 2007, more than 1,400 were not processed within 60 days—the SBA's targeted timeline. As a result of these weaknesses, there is an increased risk that ineligible firms have participated in the program and had opportunities to receive Federal contracts based on their HUBZone certification. My legislation would require the SBA to formalize and adhere to a specific timeframe for processing firms proposed for decertification in the future, as well as require further developed measures in assessing the effectiveness of the HUBZone program.

Moreover, the Federal Government must strive to continue to provide additional contracting opportunities to those who are legitimate HUBZone firms. I am dismayed by the innumerable ways that government agencies have time and again egregiously failed to meet most of their small business contracting goals. I am alarmed that only one Federal small business contracting program—the small disadvantage business program—has met its statutory goal, and that the three other small business goaling programs have all fallen drastically short. For example, in fiscal year 2007, the HUBZone program met only 2.2 percent of its three percent government-wide goal. The Federal Government can and must provide more to our country's hardworking small businesses.

In my home State of Maine, only 118 of 41,026 small businesses are qualified HUBZone businesses. HUBZones represent a tremendous tool for replacing lost jobs for our Nation's declining manufacturing and industrial sectors—clearly, this program should be better utilized.

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. 3699

*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 "HUBZone Improvement Act of 2008".

#### SEC. 2. DEFINITIONS.

In this Act—

(1) the terms "Administration" and "Administrator" mean the Small Business Administration and the Administrator thereof, respectively;

(2) the terms "HUBZone" and "HUBZone small business concern" have the meanings given such terms in section 3 of the Small Business Act (15 U.S.C. 632); and

(3) the term "recertification" means determining whether a business concern that was previously determined to be a qualified HUBZone small business concern is a qualified HUBZone small business concern under section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)).

#### SEC. 3. PURPOSE; FINDINGS.

(a) PURPOSE.—The purpose of this Act is to reform and improve the HUBZone program of the Administration.

(b) FINDINGS.—Congress finds the following:

(1) The HUBZone program was established under the HUBZone Act of 1997 (Public Law 105-135; 111 Stat. 2627) to stimulate economic development through increased employment and capital investment by providing Federal contracting preferences to small business concerns in economically distressed communities or HUBZone areas.

(2) According to the Government Accountability Office—

(A) as of February 2008, 12,986 certified firms have participated in the HUBZone program since its inception; and

(B) in fiscal year 2007, over 4,200 HUBZone small business concerns obtained approximately \$8,100,000,000 in Federal contracts.

(3) The Government Accountability Office also identified numerous concerns with the HUBZone program, including that—

(A) the Administration verifies the information received by the Administration from HUBZone small business concerns in limited instances and has limited assurances that only eligible firms participated in the HUBZone program;

(B) by not obtaining documentation and conducting site visits on a more routine basis during the certification process, the Administration cannot be sure that only eligible firms are part of the HUBZone program; and

(C) although the examination process of the Administration involves a more extensive review of documentation, the examination process cannot be relied upon to ensure that only eligible firms participate in the HUBZone program because the examination process involves only 5 percent of firms in any given year.

#### SEC. 4. HUBZONE IMPROVEMENTS.

The Administrator shall—

(1) as soon as is practicable, correct and update the map that is used by the Administration to identify HUBZones and implement procedures to ensure that the map is updated with the most recently available data on a more frequent basis;

(2) develop and implement guidance for determining whether an applicant is a qualified HUBZone small business concern under section 3(p)(5) of the Small Business Act (15 U.S.C. 632(p)(5)), including more routinely and consistently obtaining supporting documentation from an applicant and conducting more frequent site visits, as appropriate;

(3) establish a date by which the Administrator shall eliminate the backlog of applications for recertification;

(4) ensure that the Administration eliminates the backlog described in paragraph (3) by the date established under paragraph (3), using officers and employees of the Administration or by entering into a contract with a private entity;

(5) establish and implement a time period for completing a recertification; and

(6) develop measures and implement plans to assess the effectiveness of the HUBZone program that take into account—

(A) the economic characteristics of the HUBZone; and

(B) contracts being counted under multiple socioeconomic subcategories.

#### SEC. 5. REPORT.

Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the implementation of this Act.

By Mr. KERRY (for himself, Mr. SPECTER, Mr. LAUTENBERG, Mr. INOUE, Mr. BROWN, Ms. STABENOW, Mrs. FEINSTEIN, Mr. DODD, Mr. CASEY, Mr. LIEBERMAN, Mr. WHITEHOUSE, Mrs. CLINTON, Mr. SCHUMER, Ms. SNOWE, Mr. MENENDEZ, and Mr. CARPER):

S. 3700. A bill to encourage and support the development of high-speed passenger rail transportation in the United States, and for other purposes; to the Committee on Finance.

Mr. KERRY. Mr. President, this has been a volatile time for our financial system and our economy. Hopefully, we will be able to agree on a short-term stimulus relief that will help families who are suffering and states meet their financial obligations.

Next, we need to create new jobs by updating our infrastructure to help respond to the current challenges to our economy. I believe a first-rate American rail system is a critical part of the efforts to create jobs and expand our economy. It will also help make our air cleaner, ease traffic congestion, save families' money and time, and lessen our dependence on foreign oil.

That is why today, Senator SPECTER and I are introducing the High-Speed Rail for America Act of 2008. Senators LAUTENBERG, INOUE, BROWN, STABENOW, FEINSTEIN, DODD, CASEY, LIEBERMAN, WHITEHOUSE, CLINTON, SCHUMER, SNOWE, and MENENDEZ are cosponsors. This legislation provides a bold new vision of how we approach transportation policy to expand our economy and keep up with changes in our society.

The High-Speed Rail for America Act of 2008 builds upon the Passenger Rail Investment and Improvement Act of 2008 which reauthorizes Amtrak and authorizes \$1.5 billion over a five-year period to finance the construction and equipment for 11 high-speed rail corridors. I want to thank Senator LAUTENBERG for his leadership on reauthorizing Amtrak and making investment in high-speed rail a priority.

Today, Amtrak's Acela train on the Northeast Corridor is capable of reaching 150 miles per hour. However, due to a lack of infrastructure improvements, the Acela train only travels at 150 miles per hour on an 18-mile stretch in Rhode Island and a 10-mile stretch in

Massachusetts. We must make appropriate improvements to our railroad tracks and bridges to allow high speed rail to work properly.

While the U.S. is investing heavily in other forms of transportation, our investment in world class rail is dwarfed by other countries. For example, Germany's federal government gives its states \$8.9 billion a year for rail projects, France spends twenty times more per capita on rail than the U.S., and the Ministry of Railways in China invested \$19.6 billion in rail in the first half of 2008 alone. That is why we need to provide a constant source of funding for investment in high-speed rail. The High-Speed Rail for America Act of 2008 will take our outdated and underfunded passenger rail system and transform it into a world class system.

The High-Speed Rail for America Act of 2008 builds on the authorization of high-speed rail grants by providing billions of dollars in both tax exempt and tax credit bonds. It provides assistance for rail projects of various speeds. The bill creates the Office of High-Speed Passenger Rail to oversee the development of high-speed rail and provides a consistent source of funding. This office will ensure that we have the leadership to keep this mission on track.

High-speed rail is often the fastest and most reliable way to get from downtown to downtown between most cities 100-500 miles apart. High-speed rail can save up to an hour per trip when compared to air travel and reduces trip time by more than 50 percent compared to driving. The legislation provides \$8 billion over a 6-year period for tax-exempt bonds which finance high-speed rail projects which reach a speed of at least 110 miles per hour. This speed is often most practical for corridors of less than 100 miles or for less travelled routes which cannot justify the investment into world class high-speed rail traveling at 150 miles per hour.

The High-Speed Rail for America Act of 2008 also creates a new category of tax-credit bonds: qualified rail bonds. There are two types: super high-speed intercity rail facility bond and rail infrastructure bond. Super high-speed rail intercity facility bonds will encourage the development of true high-speed rail. The legislation provides \$10 billion for these bonds over a six-year period. Rail projects that reach a speed of at least 150 miles per hour will be eligible for these bonds. This would help finance projects including the proposed California corridor and make needed improvements to the Northeast corridor.

Rail infrastructure bonds will fund projects approved by the U.S. Department of Transportation and be part of a State's official rail plan. The High-Speed Rail for America Act of 2008 provides \$5.4 billion over a 6-year period for this type of bond. The Federal Rail Administration has already designated ten rail corridors that these bonds could help fund, including connecting

the cities of the Midwest through Chicago, connecting the cities of the Northwest, connecting the major cities within Texas and Florida, and connecting all the cities up and down the East Coast. These are projects that are ready to go, but they need a source of financing.

The need for a bold shift in the way we approach transportation is clear. Traffic congestion continues to worsen in cities across the country, creating a \$78 billion drain on the U.S. economy with 4.2 billion lost man hours of work and 2.8 billion gallons of wasted fuel. Last year, domestic flight delays cost the economy \$41 billion and consumed about 740 million additional gallons of jet fuel waiting on the ground. Passenger rail reduces congestion and is an effective alternative to highway and air transportation. Americans want alternatives—and we can deliver them.

We must focus on making the transportation sector part of the solution to global climate change. The transportation sector accounts for approximately one-third of U.S. CO<sub>2</sub> emissions—and automobiles make up 60 percent of that. Public transportation is an essential part of the solution to global warming. According to the American Public Transportation Association, public transportation reduces CO<sub>2</sub> emissions by 37 million metric tons annually and saves the average American household over \$6,000 annually.

The demand for alternative forms of transportation is only growing. The number of people riding Amtrak surged by more than 13 percent in July 2008 from a year earlier—the most passengers carried in any month during Amtrak's 37 year history. Amtrak ridership set an all-time record for fiscal year 2008, achieving growth of 11 percent.

As we look towards economic stimulus legislation next year, we must rethink the approach we have taken towards mobility in this country. Countries around the world have realized the benefits of high-speed rail and continue to build out their systems as we fall farther and farther behind. For far too long, we have not made adequate investment in our infrastructure. We cannot let this pattern continue.

We have all heard the skeptics and cynics dismiss the idea of high-speed rail for decades, but due to high energy prices, increased passenger rail ridership, and the need to reduce greenhouse gasses, the time is ripe for a big change. Not only will this change create a modern and reliable transportation network in the United States, it will provide tens of thousands of good new jobs and help stimulate the sluggish economy.

I pledge to continue fighting for the development of a modern high-speed rail system connecting the major cities across America, and I ask all my colleagues to support making this vision a reality.

By Mr. DODD (for himself and Mr. HATCH):

S. 3701. A bill to provide assistance to Best Buddies to support the expansion and development of mentoring programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. DODD. Mr. President, I rise today to introduce with Senator ORRIN HATCH the Best Buddies Empowerment for People with Intellectual Disabilities Act of 2008. The bill we are introducing would help to integrate individuals with intellectual disabilities into their communities, improve their quality of life and promote the extraordinary gifts of these individuals.

I am proud to be introducing this bill with my good friend Senator HATCH. He has been a long time leader in this cause, and most recently worked with Senator HARKIN, Senator KENNEDY, myself and others to pass the Americans with Disabilities Act Amendments Act of 2008. We, as a society, have an obligation to do all we can to include individuals with disabilities and help them to reach their full potentials.

Yet, as one study on teen attitudes notes: "Legal mandates cannot, however, mandate acceptance by peers, neighbors, fellow employees, employers or any of the other groups of individuals who directly impact the lives of people with disabilities." People with intellectual disabilities have indeed gained many rights that have improved their lives; however, negative stereotypes abound. Social isolation, unfortunately, is the norm for people with intellectual disabilities.

Early intervention, effective education, and appropriate support go a long way to helping someone with intellectual disabilities achieve at the best of his or her abilities and lead a meaningful life in the community. I would like to tell you about the accomplishments of Best Buddies, a remarkable non-profit organization that is dedicated to helping people with intellectual disabilities develop relationships that will provide the kind of support that will help them reach their potential.

Founded in 1989, Best Buddies is the only national social and recreational program in the United States for people with intellectual disabilities. Best Buddies works to enhance the lives of people with intellectual disabilities by providing opportunities for friendship and integrated employment. Through more than 1,000 volunteer-run chapters at middle schools, high schools and colleges, students with and without intellectual disabilities are paired up in a one-to-one mentoring friendship. Best Buddies also facilitates an Internet pen pal program, an adult friendship program, and a supported employment program.

Approximately 7 million people in the United States have an intellectual disability; every one of these individuals would benefit from the kind of relationships that the Best Buddies programs help to establish. The resulting friendships are mutually beneficial, in-

creasing the self-esteem, confidence, and abilities of people both with and without intellectual disabilities.

The legislation we are introducing today allows the Secretary of Education to award grants to promote the expansion of the Best Buddies programs and to increase participation in and public awareness about these programs. The bill authorizes \$10 million for fiscal year 2009 and such sums as necessary through fiscal year 2013. If passed, this legislation would allow Best Buddies to expand their work and offer programs in every state in America, helping to create a more inclusive society with a direct and positive impact on more than 1.2 million citizens.

I thank my colleague Senator HATCH for working with me on this legislation. And I applaud Representatives HOYER and BLUNT, who have introduced a similar measure in the House. I urge my colleagues to join with me in supporting this important legislation that will make a positive—and needed—difference in the lives of individuals with intellectual disabilities and in the lives of those with whom they develop relationships.

Mr. President, I ask unanimous consent that the text of this 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. 3701

*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 "Best Buddies Empowerment for People with Intellectual Disabilities Act of 2008".

#### SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) Best Buddies operates the first national social and recreational program in the United States for people with intellectual disabilities.

(2) Best Buddies is dedicated to helping people with intellectual disabilities become part of mainstream society.

(3) Best Buddies is determined to end social isolation for people with intellectual disabilities by establishing meaningful friendships between them and their non-disabled peers in order to help increase the self-esteem, confidence, and abilities of people with and without intellectual disabilities.

(4) Since 1989, Best Buddies has enhanced the lives of people with intellectual disabilities by providing opportunities for 1-to-1 friendships and integrated employment.

(5) Best Buddies is an international organization spanning 1,300 middle school, high school, and college campuses.

(6) Best Buddies implements programs that will positively impact more than 350,000 individuals in 2008 and expects to impact 500,000 people by 2010.

(7) The Best Buddies Middle Schools program matches middle school students with intellectual disabilities with other middle school students and creates 1-to-1 friendships between them.

(8) The Best Buddies High Schools program matches high school students with intellectual disabilities with other high school students and creates 1-to-1 friendships between them.

(9) The Best Buddies Colleges program matches adults with intellectual disabilities with college students and creates 1-to-1 friendships between them.

(10) The Best Buddies e-Buddies program creates e-mail friendships between people with and without intellectual disabilities.

(11) The Best Buddies Citizens program pairs adults with intellectual disabilities in 1-to-1 friendships with other individuals in the corporate and civic communities.

(12) The Best Buddies Jobs program promotes the integration of people with intellectual disabilities into the community through supported employment.

(b) PURPOSE.—The purposes of this Act are to—

(1) provide support to Best Buddies to increase participation in and public awareness about Best Buddies programs that serve people with intellectual disabilities;

(2) dispel negative stereotypes about people with intellectual disabilities; and

(3) promote the extraordinary gifts of people with intellectual disabilities.

#### SEC. 3. ASSISTANCE FOR BEST BUDDIES.

(a) EDUCATION ACTIVITIES.—The Secretary of Education may award grants to, or enter into contracts or cooperative agreements with, Best Buddies to carry out activities to promote the expansion of Best Buddies, including activities to increase the participation of people with intellectual disabilities in social relationships and other aspects of community life, including education and employment, within the United States.

(b) LIMITATIONS.—

(1) IN GENERAL.—Amounts appropriated to carry out this Act may not be used for direct treatment of diseases, medical conditions, or mental health conditions.

(2) ADMINISTRATIVE ACTIVITIES.—Not more than 5 percent of amounts appropriated to carry out this Act for a fiscal year may be used for administrative activities.

(c) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed to limit the use of non-Federal funds by Best Buddies.

#### SEC. 4. APPLICATION AND ANNUAL REPORT.

(a) APPLICATION.—

(1) IN GENERAL.—To be eligible for a grant, contract, or cooperative agreement under section 3(a), Best Buddies shall submit an application at such time, in such manner, and containing such information as the Secretary of Education may require.

(2) CONTENT.—At a minimum, an application under this subsection shall contain the following:

(A) A description of activities to be carried out under the grant, contract, or cooperative agreement.

(B) Information on specific measurable goals and objectives to be achieved through activities carried out under the grant, contract, or cooperative agreement.

(b) ANNUAL REPORT.—

(1) IN GENERAL.—As a condition of receipt of any funds under section 3(a), Best Buddies shall agree to submit an annual report at such time, in such manner, and containing such information as the Secretary of Education may require.

(2) CONTENT.—At a minimum, each annual report under this subsection shall describe the degree to which progress has been made toward meeting the specific measurable goals and objectives described in the applications submitted under subsection (a).

#### SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of Education for grants, contracts, or cooperative agreements under section 3(a), \$10,000,000 for fiscal year 2009, and such sums as may be necessary for each of the 4 succeeding fiscal years.

By Ms. SNOWE (for herself and Mr. WHITEHOUSE):

S. 3704. A bill to authorize additional Federal Bureau of Investigation field agents to investigate financial crimes; to the Committee on the Judiciary.

Ms. SNOWE. Mr. President, I rise to introduce legislation with Senator WHITEHOUSE to extend the reach of the Federal Bureau of Investigation into financial crimes that may have helped precipitate the economic meltdown of the past several months.

We must investigate and scrutinize this financial crisis as we would a terrorist attack in order to determine its causes and how to preempt another economic collapse in the United States.

Following the September 11th attacks, the FBI re-directed approximately 1,000 agents to counterterrorism and counterintelligence activities. Without a doubt, there is no argument that our country has benefitted from the dedicated efforts of the men and women of the FBI who are performing this valuable work.

Over a 10-year period, from fiscal year 1999 to fiscal year 2008, Congress has increased direct appropriations for the FBI from \$2.993 billion and 26,693 positions to \$6.658 billion, 122 percent increase, and 30,211 positions, 13 percent increase. Most of these new resources were provided in the wake of the September 11th terrorist attacks, as the FBI redirected its resources toward combating domestic and international terrorism by improving its intelligence gathering and processing capabilities. As a consequence, for fiscal year 2008, about 60 percent of FBI funding and staffing is allocated to national security programs, including counterterrorism and counterintelligence.

In view of the breadth and severity of the economic crisis brought on by events in U.S. financial markets, however, I am very concerned that criminal wrongdoing may have played a significant role in crippling some of America's largest companies. Criminal activity, such as fraud, misrepresentation, self-dealing, and insider trading may have instigated or exacerbated the financial industry upheaval of 2008.

In order to augment FBI investigations of financial crimes, the FBI Priorities Act of 2008 authorizes \$150 million for each of the fiscal years 2009 through 2013 to fund approximately 1,000 Federal Bureau of Investigation field agents in addition to the number of field agents serving on the date of enactment. It is my hope that this extra manpower will enable the FBI to develop leads on unlawful actions, dig deeply into those leads, and bring responsible parties to justice. The American public deserves no less.

By Ms. SNOWE:

S. 3705. A bill to amend the Small Business Act and the Small Business Investment Act of 1958 to stop the small business credit crunch, and for

other purposes; to the Committee on Finance.

Ms. SNOWE. Mr. President, I rise today to introduce the 10 Steps for a Main Street Economic Recovery Act of 2008, a measure that will take dramatic action to finance the growth of our Nation's small businesses, which represent 99.7 percent of all employers and create approximately 75 percent of net jobs each year. Our country faces a financial crisis of unprecedented severity that is choking off economic growth and small business survival by denying all businesses, but especially small firms, access to the capital they need.

As Ranking Member of the Senate Committee on Small Business and Entrepreneurship, it has long been my goal to expand access to capital for small businesses. One of the most valuable assets for realizing this goal are the Small Business Administration's, SBA's, core lending programs, including the 7(a) and 504 programs. Historically, when credit to small businesses has contracted, as is presently the case, banks have turned to the SBA in order to make loans to small business owners. Yet, regrettably, during these arduous economic times—we are not only seeing a significant drop in the amount of business loans made but we are also seeing credit lines completely shut down and commercial loans canceled.

Our current economic downturn is drastically more dangerous than any threat to our financial system in decades. Banks are tightening their lending standards without a similar increase in the volume of SBA guaranteed loans to small businesses, creating a domino effect on small businesses' job creation ability. The Federal Reserve's November 2008 Quarterly Loan Officer Survey finds that, in the last quarter, 75 percent of banks state that they have tightened their lending standards for small firms. Not surprisingly, lending in the SBA's 7(a) and 504 programs have declined dramatically. Over the past year, lending in the 7(a) program has decreased by 55 percent while loan volume in the 504 program is down 36 percent. Since the U.S. financial market turmoil began in September, overall SBA lending is down by 50 percent from the previous year.

This is why I am introducing the 10 Steps for a Main Street Economic Recovery Act, which, as its title indicates, contains a series of 10 achievable, commonsense steps that could be implemented immediately to help thaw out frozen credit markets so that small businesses—both in Maine and across the country—can continue to be the driving force of our Nation's economy. All of the provisions included in my legislation would directly address the credit crunch small firms are facing and help them get the capital necessary to finance business growth.

First, my bill would improve the Small Business Administration's flagship lending program, the 7(a) program,

by increasing the amount of financing, from \$2 million to \$3 million, that small firms can secure; allowing small firms to refinance their 7(a) loans if they can get better terms with another lender; and simplifying procedures for the loan poolers who bundle SBA loans in a secondary market that will generate additional liquidity for small firms and banks.

As a second step, my bill would directly expand small firms' access to credit by making the SBA's Community Express lending program permanent. This year, as credit has contracted, demand for the SBA's Community Express program has increased dramatically. But, because this is a pilot program, its ability to meet this loan demand has been severely restricted, forcing lenders to turn borrowers away who qualify for Community Express loans.

My legislation also seeks to bring in new and rural lenders, and teach them how to make SBA loans, by establishing an online loan underwriting guide to walk lenders through the process. This would increase the number of banks making SBA loans, from rural Maine to small towns in California, and ultimately promote small business owners' overall access to capital.

As a third step, my bill would improve the SBA's 504 loan program by raising the loan limit from \$2 million to \$3 million. It would also permit borrowers to refinance some existing debts into a 504 loan, and expands the 504 program's ability to finance projects in low-income communities.

Fourth, the 10 Steps for a Main Street Economic Recovery Act would rectify the current lack of liquidity in the 504 program by providing a new short-term guarantee on the first loans in the 504 loan package in order to encourage investors to buy these securities. Currently, without such a guarantee, investors are not purchasing the first loans in the 504 loan package. This is preventing Community Development Companies, CDCs, from making new 504 loans to small firms. The cost of this guarantee will be fully covered by participating 504 lenders. Once enacted into law, this temporary guarantee, which would expire at the end of fiscal year 2010, would increase investor confidence, encourage them to buy 504 investments and resurrect demand for 504 loans.

Fifth, my legislation contains large, temporary fee reductions to defray the cost of borrowing for small business owners and SBA lenders. My proposal would reduce overall fees for 7(a) and 504 lenders and borrowers by \$510 million dollars, a hefty sum considering that the SBA's fiscal year 2008 budget was only \$663 million. When small firms lack access to capital, they are unable to buy new inventory, finance new expansions, or often even cover their payrolls. During these troubled times, the SBA should do everything within its power, including lowering lending fees, to help ensure that small



firms have access to the credit they require.

Sixth, as small firms are being turned away from banks and are seeking credit through micro-lending organizations, my legislation recognizes that the credit crunch has increased the demand for SBA microloans. It dedicates \$25 million so that SBA microloan providers can make additional loans and cover the costs of technical assistance associated with these microloans.

As a seventh step, my bill would raise the maximum amount of government guaranteed capital a Small Business Investment Company, SBIC, can control, from \$130.6 million to \$150 million for a single SBIC and \$225 million for a group of SBICs. This will enable SBICs to have additional funds to invest in start-up small businesses, which will be critical in driving economic recovery.

Eighth, this legislation would direct the SBA to develop a nationwide advertising strategy to direct small firms to SBA lenders, and dedicates \$5 million to pay for this strategy. Today, many local and community banks have credit they can extend to small firms. Unfortunately, many small businesses hear that there is a credit crunch and erroneously believe that no other lenders have financing options available. This vital advertising will guide small firms to find the available resources they need through SBA lenders.

As a ninth step, my legislation recognizes that taxes disproportionately impact small firms' bottom lines. It would provide tax breaks that will spur small business growth by extending the increased \$250,000 small business expensing limit through 2009. This will provide small businesses with incentives to invest in plants and equipment by reducing their cost of capital. Additionally, the bill would provide small firms with an immediate capital injection by allowing them to carryback their 2008 or 2009 net operating losses for 5 years and provide business owners with a longer period over which to offset current losses. These measures will help small companies sustain operations and continue to employ workers.

Finally, this legislation would clarify that 7(a) and 504 loans are eligible for the Treasury Department's Troubled Asset Relief Program, TARP. I have sent a letter, with Senator KERRY, directing the U.S. Treasury Department to immediately purchase illiquid 7(a) and 504 securities from the secondary market in order to free these markets up and once again create liquidity for small businesses. Though the Treasury already has this authority under the TARP, this provision would clarify that authority so the Treasury can act promptly and decisively to address the credit crunch's impact on small firms.

In developing this bill, my office reached out to a host of small businesses and lenders, and consulted with the National Association of Develop-

ment Companies and National Association of Guaranteed Government Lenders.

Given the dimensions of what is occurring in our economy, the SBA and the Administration must do everything possible to help credit worthy small businesses secure the loans they need to innovate, access new markets, hire new employees, and grow. Today, as banks are raising their credit requirements in order to avoid risk, it is becoming more and more difficult for small businesses to qualify for loans. The SBA's lending programs are critical to small businesses in this endeavor.

By implementing the vital provisions contained in the 10 Steps for a Main Street Economic Recovery Act, we can increase the opportunities for our Nation's small businesses to not only survive during this downturn, but to be a catalyst for turning around and reinvigorating our economy. I encourage my colleagues to join me in supporting the 10 Steps for a Main Street Recovery Act.

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. 3705

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

#### SECTION 1. SHORT TITLE; DEFINITIONS.

(a) **SHORT TITLE.**—This Act may be cited as the "10 Steps for a Main Street Economic Recovery Act of 2008".

(b) **DEFINITIONS.**—In this Act—

(1) the term "Administration" means the Small Business Administration;

(2) the term "Administrator" means the Administrator of the Small Business Administration; and

(3) the term "small business concern" has the same meaning as in section 3 of the Small Business Act (15 U.S.C. 632).

#### SEC. 2. 7(a) LOANS.

(a) **MAXIMUM LOAN AMOUNT.**—Section 7(a)(3)(A) of the Small Business Act (15 U.S.C. 636(a)(3)(A)) is amended by striking "\$1,500,000 (or if the gross loan amount would exceed \$2,000,000)" and inserting "\$2,500,000 (or if the gross loan amount would exceed \$3,000,000)".

(b) **REFINANCING EXISTING LOANS.**—

(1) **IN GENERAL.**—Section 7(a) of the Small Business Act (15 U.S.C. 636) is amended by adding at the end the following:

"(34) **REFINANCING EXISTING LOANS.**—A borrower that has received a loan under this subsection may refinance the balance of the loan by applying for a loan from the lender that made the original loan or with another lender."

(2) **TECHNICAL AMENDMENT.**—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by striking "(32) INCREASED" and inserting "(33) INCREASED".

(c) **ALTERNATIVE SIZE STANDARD.**—Section 3(a) of the Small Business Act (15 U.S.C. 632(a)) is amended by adding at the end the following:

"(5) **OPTIONAL SIZE STANDARD.**—

"(A) **IN GENERAL.**—The Administrator shall establish an optional size standard for business loan applicants under section 7(a) and development company loan applicants under

title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) that uses maximum tangible net worth and average net income as an alternative to the industry size standard.

"(B) **INTERIM RULE.**—Until the date on which the optional size standards established under subparagraph (A) are in effect, the alternative size standard in section 121.301(b) of title 13, Code of Federal Regulations, or any successor thereto, may be used by business loan applicants under section 7(a)."

(d) **FLEXIBILITY FOR POOLING OF LARGE LOANS.**—Section 5(g)(1) of the Small Business Act (15 U.S.C. 634(g)(1)) is amended by—

(1) inserting "(A)" after "(1)";

(2) striking the colon and inserting a period;

(3) striking "Provided" and all that follows through "certificates" and inserting the following:

"(B) A trust certificate issued under this paragraph"; and

(4) adding at the end the following:

"(C) For a loan of more than \$500,000 that has been guaranteed by the Administrator under this Act, the Administrator shall, on the request of a loan pool assembler, divide the amount of such loan into individual guarantees, no 1 of which may exceed \$500,000. Not more than 1 portion of a loan that has been divided under this subparagraph shall be included in the same pool. Portions of more than 1 loan divided under this subparagraph may be included in the same pool.

"(D) A lender that makes or services a loan guaranteed under section 7(a) may purchase or hold all or any part of a loan pool that includes a loan made or serviced by the lender.

"(E) A purchase or holding by a lender described in subparagraph (D) shall not affect the guarantee under section 7(a) of a loan in a pool."

#### SEC. 3. COMMUNITY EXPRESS AND RURAL LENDING.

(a) **COMMUNITY EXPRESS PROGRAM ESTABLISHED.**—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as amended by this Act, is amended by adding at the end the following:

"(35) **COMMUNITY EXPRESS PROGRAM.**—

"(A) **DEFINITIONS.**—In this paragraph—

"(i) the term 'community express program' means the loan program under this paragraph;

"(ii) the term 'eligible small business concern' means—

"(I) a small business concern owned and controlled by women, as defined in section 29(a)(3);

"(II) a small business concern owned by a qualified Indian tribe;

"(III) a small business concern owned and controlled by a socially or economically disadvantaged individual, as determined by the Administrator;

"(IV) a small business concern owned and controlled by veterans;

"(V) a small business concern owned and controlled by a member of a reserve component of the Armed Forces, as defined in section 101 of title 10, United States Code;

"(VI) a small business concern located in an area that the Administrator determines to be a low-income or moderate-income area;

"(VII) a HUBZone small business concern; and

"(VIII) a small business concern located in a special market initiative;

"(iii) the term 'qualified private lender' means a private lender that meets such requirements as the Administrator shall establish; and

"(iv) the term 'special market initiative' means a community, market, or industry designated by the Director of a district office of the Administration for economic development purposes.

“(B) LOANS OF \$150,000 OR LESS.—

“(i) AUTHORIZATION.—The Administrator may guarantee timely payment of principal and interest, as scheduled, on a loan of not more than \$150,000 issued by a qualified private lender to a small business concern.

“(ii) GUARANTEE PERCENTAGE.—The Administrator may guarantee not more than 85 percent of the amount of a loan under this subparagraph.

“(C) LOANS OF MORE THAN \$150,000.—

“(i) AUTHORIZATION.—The Administrator may guarantee timely payment of principal and interest, as scheduled, on a loan of more than \$150,000 and not more than \$300,000 issued by a qualified private lender to an eligible small business concern under this subparagraph.

“(ii) GUARANTEE PERCENTAGE.—The Administrator may guarantee not more than 75 percent of a loan the amount of a loan under this subparagraph.

“(D) QUALIFIED PRIVATE LENDER REQUIREMENTS.—

“(i) TECHNICAL ASSISTANCE.—A qualified private lender shall—

“(I) ensure that appropriate technical assistance is provided to each borrower that receives a loan under the community express program from the qualified private lender;

“(II) encourage a borrower that receives a loan under the community express program from the qualified private lender to use the business development programs of the Administration for technical assistance; and

“(III) to the extent practicable, use the loan process to work with a borrower that receives a loan under the community express program from the qualified private lender, in order to—

“(aa) develop a business plan, if appropriate;

“(bb) assess the strengths and weaknesses of the borrower in management and other relevant areas; and

“(cc) provide technical assistance to address any assessed weaknesses of the borrower.

“(ii) COLLATERAL POLICY.—

“(I) IN GENERAL.—The Administrator shall establish a policy relating to collateral for loans under the community express program, which shall permit a qualified private lender to make a loan of not more than \$15,000 without collateral.

“(II) LIMITATION.—The policy established by the Administrator may not limit the ability of a qualified private lender to follow any internal procedure of the lender related to collateral.

“(iii) EQUITY OF BORROWERS.—Each qualified private lender shall verify that a borrower receiving a loan under the community express program has an equity stake of at least 10 percent in the business concern.

“(iv) FINANCIAL STATEMENTS.—Each qualified private lender shall obtain a financial statement from a borrower before making a loan under the community express program.

“(v) SALE OF LOANS.—A qualified private lender may not sell more than 80 percent of the total dollar value of the loans made by the qualified private lender under the community express program to another person or entity.

“(E) SIMPLIFICATION OF RULES.—The Administrator shall review the regulations and procedures relating to the community express program to ensure that such regulations and procedures are simple and clear and do not create barriers to participation in the program.

“(F) NOTICE AND COMMENT.—The Administrator shall establish policies relating to the community express program—

“(i) after notice and the opportunity for comment; and

“(ii) not later than 1 year after the date of enactment of this paragraph.”

(b) RURAL LENDER AND NEW LENDER OUTREACH PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as amended by this Act, is amended by adding at the end the following:

“(36) RURAL LENDER AND NEW LENDER OUTREACH PROGRAM.—

“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘new lender’ means a lender that has not made more than 20 loans guaranteed by the Administrator during the 3-year period ending on the date on which the applicable loan is submitted (including a lender that has not made a loan guaranteed by the Administration);

“(ii) the term ‘rural area’ has the meaning given that term in subsection (m); and

“(iii) the term ‘rural lender’ means a lender that—

“(I) is located in a rural area; and

“(II) made not more than 20 loans guaranteed by the Administration during the 3-year period ending on the date on which the applicable loan application is submitted (including a lender that has not made a loan guaranteed by the Administration).

“(B) PROGRAM.—The Administrator shall carry out a rural lender and new lender outreach program, under which the Administrator may guarantee timely payment of principal and interest, as scheduled, on a loan to a small business concern of not more than \$500,000 made by a rural lender or a new lender.

“(C) LOAN PROCESSING.—

“(i) IN GENERAL.—The Administrator shall establish, for loans guaranteed under this paragraph—

“(I) streamlined application and documentation requirements; and

“(II) minimum credit standards necessary to provide for a reasonable assurance of repayment, in accordance with paragraph (6).

“(ii) NEW LENDER TRAINING AND CERTIFICATION.—The Administrator may guarantee a loan made by a new lender under this paragraph if the Administrator—

“(I) provides the new lender with training described in subparagraph (D); and

“(II) determines that the new lender meets minimum standards for program knowledge, borrower eligibility, and underwriting standards.

“(iii) APPROVAL OR DISAPPROVAL.—For a loan guaranteed under this paragraph, the Administrator shall approve or disapprove the loan in as expeditious manner as practicable.

“(D) TRAINING.—At regularly scheduled intervals and upon request by a new lender or rural lender the Administrator shall provide training for new lenders and rural lenders on the loan guarantee program under this subsection.”

(c) ELECTRONIC ONLINE LOAN UNDERWRITING PROGRAM GUIDE.—

(1) PURPOSE.—The purpose of this subsection is to assist rural lenders and new lenders in making more loans of good underwriting quality to small business concerns.

(2) ONLINE UNDERWRITING GUIDE.—The Administrator shall establish an online underwriting program guide (in this subsection referred to as the “guide”) to develop the lending capacity of rural lenders and new lenders (as such terms are defined in paragraph (36) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as added by this Act).

(3) REQUIREMENTS.—The guide—

(A) is not intended to replace the internal credit scoring and loan approval process of a lender;

(B) shall demonstrate the steps the Administrator expects a lender to take in making a loan under a program of the Administration;

(C) shall assist a lender in using the internal credit evaluation processes of the lender to make a loan under a program of the Administration and build the capacity and ability of the lender to make such loans;

(D) shall provide simple steps to assist a lender that has not made a loan guaranteed by the Administration through the loan application process for a loan under section 7(a) of the Small Business Act (15 U.S.C. 636(a));

(E) shall include information, guidance, sample documentation, questions and answers, and any other information necessary to guide a lender through the process of making a loan guaranteed by the Administration in a systematic and simple fashion; and

(F) shall include information relating to—  
(i) loan application and preapproval;  
(ii) loan underwriting;  
(iii) requirements after loan approval;  
(iv) preparation for loan closing;  
(v) closing the loan; and  
(vi) servicing the loan.

(4) ELECTRONICALLY SUBMITTED LOANS.—The Administrator shall use the guide as a means to increase the number of applications for loan guarantees submitted electronically for approval from rural lenders and new lenders.

#### SEC. 4. 504 LOANS.

(a) MAXIMUM LOAN AMOUNTS UNDER 504 PROGRAM.—Section 502(2)(A) of the Small Business Investment Act of 1958 (15 U.S.C. 696(2)(A)) is amended—

(1) in clause (i), by striking “\$1,500,000” and inserting “\$2,250,000”; and

(2) in clause (ii), by striking “\$2,000,000” and inserting “\$3,000,000”; and

(3) in clause (iii), by striking “\$4,000,000” and inserting “\$5,500,000”.

(b) BUSINESSES IN LOW-INCOME COMMUNITIES.—

(1) GOALS.—Section 501(d)(3)(A) of the Small Business Investment Act of 1958 (15 U.S.C. 695(d)(3)(A)) is amended by inserting after “business district revitalization,” the following: “or expansion of businesses in a low-income community, as defined in section 45D(e) of the Internal Revenue Code of 1986 and implementing regulations.”

(2) ADDITIONAL INCENTIVES.—Section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696) is amended by adding at the end the following:

“(7) LOW-INCOME COMMUNITIES.—

“(A) LOAN AMOUNT.—Notwithstanding paragraph (2)(A)(ii), a loan under this section for use in a low-income community described in section 501(d)(3)(A) may not exceed \$5,500,000.

“(B) SIZE STANDARDS.—For purposes of determining eligibility for a loan under this section for use in a low-income community described in section 501(d)(3)(A), the size standards established by the Administrator under section 3 of the Small Business Act (15 U.S.C. 632) shall be increased by 25 percent.

“(C) PERSONAL LIQUIDITY.—

“(i) IN GENERAL.—For any loan under this section for use in a low-income community described in section 501(d)(3)(A), the amount of personal resources of an owner that are excluded from the amount required to be provided to reduce the portion of the project funded by the Administration shall be not less than 25 percent more than that required for other loans under this section.

“(ii) DEFINITION.—In this subparagraph, the term ‘owner’ means any person that owns not less than 20 percent of the equity of the small business concern applying for the applicable loan.”

(c) ADDITIONAL EQUITY INJECTIONS.—Section 502(3)(B)(ii) of the Small Business Investment Act of 1958 (15 U.S.C. 696(3)(B)(ii)) is amended to read as follows:



“(ii) FUNDING FROM INSTITUTIONS.—If a small business concern—

“(I) provides the minimum contribution required under subparagraph (C), not less than 50 percent of the total cost of any project financed under clause (i), (ii), or (iii) of subparagraph (C) shall come from the institutions described in subclauses (I), (II), and (III) of clause (i) of this subparagraph; and

“(II) provides more than the minimum contribution required under subparagraph (C), any excess contribution may be used to reduce the amount required from the institutions described in subclauses (I), (II), and (III) of clause (i) of this subparagraph, except that the amount from such institutions may not be reduced to an amount that is less than the amount of the loan made by the Administrator.”

(d) REFINANCING UNDER THE LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.—Section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696), as amended by this Act, is amended by adding at the end the following:

“(8) PERMISSIBLE DEBT REFINANCING.—

“(A) IN GENERAL.—Any financing approved under this title may include a limited amount of debt refinancing.

“(B) EXPANSIONS.—If the project involves expansion of a small business concern which has existing indebtedness collateralized by fixed assets, any amount of existing indebtedness that does not exceed ½ of the project cost of the expansion may be refinanced and added to the expansion cost, if—

“(i) the proceeds of the indebtedness were used to acquire land, including a building situated thereon, to construct a building thereon, or to purchase equipment;

“(ii) the borrower has been current on all payments due on the existing debt for not less than 1 year preceding the date of refinancing; and

“(iii) the financing under section 504 will provide better terms or rate of interest than exists on the debt at the time of refinancing.”

(e) JOB CREATION REQUIREMENTS.—Section 501(e) of the Small Business Investment Act of 1958 (15 U.S.C. 695(e)) is amended—

(1) in paragraph (1), by striking “\$50,000” and inserting “\$65,000”; and

(2) in paragraph (2), by striking “\$50,000” and inserting “\$65,000”.

#### SEC. 5. GUARANTEE AND SALE OF BANK FINANCINGS WITH 504 LOAN PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term “pool assembler” means a financial institution that—

(A) organizes and packages a loan pool by acquiring the guaranteed portion of third party financings guaranteed by the Administrator under subsection (b);

(B) resells fractional interests in the loan pool to registered holders; and

(C) directs that the fiscal and transfer agent of the Administrator to issue trust certificates; and

(2) the term “third party financing” means a financing described in section 502(3)(B)(ii) of the Small Business Investment Act of 1958 (15 U.S.C. 696(3)(B)(ii))—

(A) made on or before the date of enactment of this Act;

(B) that provides for the payment of interest at a fixed rate or under a variable rate index (plus a spread) based upon Prime rate, a London Interbank Offered Rate (or LIBOR), a Federal Home Loan Bank rate, a United States Treasury rate, or a generally accepted market index rate approved by the Administrator;

(C) that provides amortized payments with a maturity of not more than 25 years; and

(D) for which the borrower—

(i) is current on all payments due on the loan on the date on which the loan is guaranteed under subsection (b); and

(ii) has not been more than 29 days past due on a payment during the 12-month period ending on the date on which the loan is guaranteed under subsection (b).

(b) LOAN GUARANTEE.—

(1) IN GENERAL.—To the extent amounts are provided in advance in appropriations Acts, and in accordance with this subsection, upon application of a pool assembler who has acquired a third party financing, the Administrator shall guarantee the timely repayment of principal and interest on 80 percent of the balance of the third party financing outstanding on the date of the guarantee.

(2) LENDERS.—A lender that made a third party financing guaranteed under paragraph (1)—

(A) shall—

(i) agree to hold and service the note issued as part of the third party financing;

(ii) comply with the reporting and payment remittance requirements of the Administrator; and

(iii) enter a secondary participation guaranty agreement with the Administrator and the fiscal and transfer agent of the Administrator; and

(B) may collect and retain all of any applicable prepayment penalties otherwise provided in the event the third party financing is prepaid.

(3) GUARANTEE FEE.—To cover the costs of guarantees under this subsection and the cost of issuing trust certificates under subsection (c), a lender that made a third party financing guaranteed under paragraph (1) shall pay to the Administrator—

(A) a one-time fee equal to 1 percent of the net amount of the third party financing guaranteed by the Administration, payable on the date on which the third party financing is guaranteed; and

(B) a monthly fee on the unpaid balance of the net amount of the third party financing guarantee at the rate of 25 basis points per year.

(4) MAXIMUM AMOUNT.—The Administrator may guarantee a total amount of not more than \$6,000,000,000 in third party financings under this subsection.

(5) TERMINATION OF AUTHORITY.—The authority of the Administrator to guarantee a third party financing under this subsection shall terminate on September 30, 2010.

(6) APPROPRIATION.—In addition to any other amounts appropriated, there are appropriated for the fiscal year ending September 30, 2009, for the “Business Loans Program Account” of the Administration, out of any money in the Treasury not otherwise appropriated, \$1 for loan subsidies and for loan modifications for guarantees authorized under this subsection, to remain available until expended.

(c) TRUST CERTIFICATES.—

(1) ISSUANCE.—The Administrator may issue a trust certificate representing ownership of all or a fractional part of the guaranteed portion of 1 or more third party financings that have been guaranteed by the Administrator under subsection (b). A trust certificate issued under this subsection shall be based on and backed by a trust or pool approved by the Administrator and composed solely of the entire guaranteed portion of third party financings guaranteed by the Administrator under subsection (b).

(2) POOLING REQUIREMENTS.—

(A) INTEREST RATE.—The interest rate on a trust certificate issued under this subsection shall be the weighted average interest rate of all third party financings in the pool. There shall be no limit on the difference between the highest and lowest note interest rates on third party financings forming the pool.

(B) MATURITY.—

(1) IN GENERAL.—Each pool may include either—

(I) third party financings with remaining terms to maturity of 15 years or less; or

(II) third party financings with remaining terms to maturity of more than 15 years.

(ii) NO OTHER LIMITATIONS.—Except as provided in clause (i), the Administrator may not limit the difference between the remaining terms to maturity of the third party financings forming a pool.

(C) SIZE.—

(i) IN GENERAL.—If the amount of the guaranteed portion of any third party financing exceeds \$500,000, the Administrator shall, upon request of the pool assembler, divide the amount of the third party financing into individual guarantees no 1 of which exceeds \$500,000.

(ii) DIVIDED FINANCINGS.—Not more than 1 portion of a third party financing that has been divided under this subparagraph shall be included in the same pool. Portions of more than 1 third party financing divided under this subparagraph may be included in the same pool.

(3) TIMELY PAYMENT.—

(A) IN GENERAL.—The Administrator may, upon such terms and conditions as the Administrator determines appropriate, guarantee the timely payment of principal and interest on a trust certificate issued by the Administrator or an agent of the Administrator under this subsection. A guarantee under this paragraph shall be limited to the principal and interest on the guaranteed portions of the third party financings that comprise the trust or pool.

(B) PREPAYMENT.—If a third party financing in a trust or pool guaranteed under this paragraph is prepaid, either voluntarily or in the event of default, the guarantee of timely payment of principal and interest on the trust certificates shall be reduced in proportion to the amount of principal and interest the prepaid third party financing represents in the trust or pool. Interest on prepaid or defaulted third party financings shall accrue and be guaranteed by the Administrator only through the date of payment on the guarantee. During the term of a trust certificate issued under this subsection, the trust certificate may be called for redemption due to prepayment or default of all third party financings constituting the pool.

(4) FULL FAITH AND CREDIT.—The full faith and credit of the United States is pledged to the payment of all amounts that may be required to be paid under any guarantee of a trust certificate issued by the Administrator or an agent of the Administrator under this subsection.

(5) USE OF AGENT.—The Administrator shall negotiate an amendment to the contract in effect on the date of enactment of this Act with the agent for fee collection for trust certificates issued under section 5(g) of the Small Business Act (15 U.S.C. 634(g)) to collect the monthly fee under subsection (b)(3)(B) of this section. The agent may receive, as compensation for services, any interest earned on a fee collected under this section while in the control of the agent before the time at which the agent is contractually required to remit the fee to the Administrator.

(6) CLAIMS.—In the event the Administrator pays a claim under a guarantee issued under this subsection, it shall be subrogated fully to the rights satisfied by such payment.

(7) OWNERSHIP RIGHTS.—No State or local law, and no Federal law, shall preclude or limit the exercise by the Administrator of the ownership rights in the portions of third party financings constituting the trust or pool against which a trust certificate is issued under this subsection.

(8) **CENTRAL REGISTRATION.**—The Administrator—

(A) shall provide for a central registration of all trust certificates issued under this subsection;

(B) shall negotiate an amendment to the contract in effect on the date of enactment of this Act with the agent for central registration of trust certificates issued pursuant to section 5(h) of the Small Business Act (15 U.S.C. 634(h)) to carry out on behalf of the Administrator the central registration functions under this subsection and the issuance of trust certificates to facilitate pooling, under which—

(i) the agent may be compensated through any of the fees collected under this section and any interest earned on any funds collected by the agent while such funds are in the control of the agent and before the time at which the agent is contractually required to transfer such funds to the Administrator or to the holders of the trust certificates, as appropriate; and

(ii) the agent shall provide a fidelity bond or insurance in such amounts as the Administrator determines to be necessary to fully protect the interest of the Government; and (C) may—

(i) use a book-entry or other electronic form of registration for trust certificates issued under this subsection; and

(ii) with the consent of the Secretary of the Treasury, use the book-entry system of the Federal Reserve System.

(9) **SALE.**—The Administrator shall, before any sale of a trust certificate issued under this subsection, require the seller to disclose to the purchaser of the trust certificate information on the terms, conditions, and yield of such instrument.

(10) **BROKERS AND DEALERS.**—The Administrator may issue regulations relating to the brokering of and dealing in trust certificates sold under this subsection.

(11) **TERMINATION OF AUTHORITY.**—The authority of the Administrator to issue trust certificates under this subsection shall terminate on September 30, 2010.

(d) **IMPLEMENTATION.**—Not later than 30 days after the date of enactment of this Act, the Administrator shall issue interim final regulations to carry out this section.

(e) **LENDER PURCHASE ELIGIBILITY.**—

(1) **IN GENERAL.**—A lender that made or services a loan guaranteed under section 7(a) of the Small Business Act (15 U.S.C. 636(a)) or a third party financing guaranteed under subsection (b) of this section may purchase and hold all or any part of a loan pool which includes a loan or third party financing made or serviced by the lender.

(2) **NO EFFECT ON GUARANTEE.**—A purchase described in subparagraph (A) shall not affect the guarantee of a loan or third party financing in a pool.

## SEC. 6. EMERGENCY SHORT TERM FEE REDUCTIONS.

(a) **LENDER OVERSIGHT FEES.**—

(1) **TEMPORARY REDUCTION IN FEES.**—

(A) **IN GENERAL.**—To the extent amounts are provided in advance in appropriations Acts, the Administrator shall, in lieu of the fee otherwise applicable under section 5(b)(14) of the Small Business Act (15 U.S.C. 634(b)(14)), collect no fee.

(B) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated for salaries and expenses of the Administration relating to examinations, reviews, and other lender oversight activities relating to loans under section 7 of the Small Business Act (15 U.S.C. 636)—

(i) \$10,000,000 for each of fiscal years 2009 and 2010; and

(ii) such sums as may be necessary for each fiscal year thereafter.

(2) **REPORT ON MAKING FEES CONTINGENT ON PERFORMANCE.**—Not later than 6 months after the date of enactment of this Act, the Administrator, in consultation with lenders that have made loans guaranteed under section 7 of the Small Business Act (15 U.S.C. 636), shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the feasibility of assessing annual fees under section 7(a)(23)(A) of the Small Business Act (15 U.S.C. 636(a)(23)(A)) in an amount that is contingent on the performance of the lender, including consideration of the meeting the requirement under section 7(a)(1) of that Act (15 U.S.C. 636(a)(1)) of providing credit to applicants that cannot obtain credit elsewhere. The report under this paragraph may include proposed legislation.

(b) **FEE REDUCTIONS.**—

(1) **NEW 7(A) LENDER DEFINED.**—In this subsection the term “new 7(a) lender” means a lender that has not made more than 20 loans guaranteed by the Administrator under section 7(a) of the Small Business Act (15 U.S.C. 636(a)) during the 3-year period ending on the date on which the Administrator determines the fee under section 7(a)(23)(A) of that Act (15 U.S.C. 636(a)(23)(A)) for the lender.

(2) **7(A) LOAN FEE REDUCTIONS.**—

(A) **IN GENERAL.**—For fiscal years 2009 and 2010, and to the extent the cost of such reduction in fees is offset by appropriations, with respect to each loan guaranteed under section 7(a) of Small Business Act (15 U.S.C. 636(a))—

(i) the Administrator shall, in lieu of the fee otherwise applicable under section 7(a)(23)(A) of the Small Business Act (15 U.S.C. 636(a)(23)(A)), collect an annual fee in an amount equal to—

(I) 0.25 percent of the outstanding balance of the deferred participation share of a loan made under section 7(a) of the Small Business Act (15 U.S.C. 636(a)) to a small business concern before the date of enactment of this Act; and

(II) .20 percent of the outstanding balance of the deferred participation share of a loan made by a new 7(a) lender to a small business concern; and

(ii) with respect to each loan guaranteed under section 7(a) of the Small Business Act (15 U.S.C. 636(a)), the Administrator shall, in lieu of the fee otherwise applicable under section 7(a)(18)(A) of the Small Business Act (15 U.S.C. 636(a)(18)(A)), (including any additional fee under clause (iv) of that section 7(a)(18)(A)) collect a guarantee fee in an amount equal to—

(I) 0.75 percent of the deferred participation share of a total loan amount that is not more than \$150,000;

(II) 2 percent of the deferred participation share of a total loan amount that is more than \$150,000, and not more than \$700,000; and

(III) 2.5 percent of the deferred participation share of a total loan amount that is more than \$700,000.

(B) **IMPLEMENTATION.**—In carrying out this paragraph, the Administrator shall reduce the fees for a loan guaranteed under section 7(a) of the Small Business Act (15 U.S.C. 636(a)) to the maximum extent possible, subject to the availability of appropriations.

(C) **APPLICATION OF FEE REDUCTIONS.**—If funds are made available to carry out this paragraph, the Administrator shall reduce the fees under subparagraph (A) for any loan guarantee or project subject to such subparagraph for which the application is pending approval on or after the date of enactment of this Act, until the amount provided for such purpose is expended.

(D) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to

the Administrator for each of fiscal years 2009 and 2010—

(i) \$175,000,000 to carry out subparagraph (A)(i);

(ii) \$75,000,000 to carry out subparagraph (A)(ii).

(3) **504 LOAN FEE AND RATE REDUCTIONS.**—

(A) **FEE REDUCTIONS.**—

(i) **FEE REDUCTIONS.**—To the extent the cost of such reduction in fees is offset by appropriations, for any loan guarantee or project for which an application is closed on or after the date of enactment of this Act—

(I) with respect to an institution described in subclause (I), (II), or (III) of section 502(3)(B)(i) of the Small Business Investment Act of 1958 (15 U.S.C. 696(3)(B)(i)), the Administrator shall, in lieu of the fees otherwise applicable under section 503(d)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 697(d)(2)), collect no fee;

(II) a development company shall, in lieu of the mandatory 0.625 servicing fee under section 120.971(a)(3) of title 13, Code of Federal Regulations, (relating to fees paid by borrowers), or any successor thereto, collect no fee; and

(III) the Administrator shall, in lieu of the fee otherwise applicable under section 503(d)(3) of the Small Business Investment Act (15 U.S.C. 697(d)(3)), collect no fee.

(i) **REIMBURSEMENT FOR WAIVED FEES.**—

(I) **IN GENERAL.**—To the extent the cost of such payments is offset by appropriations, the Administrator shall reimburse each development company that does not collect a servicing fee pursuant to clause (i)(II).

(II) **AMOUNT.**—The payment to a development company under subclause (I) shall be in an amount equal to 0.5 percent of the outstanding principal balance of any guaranteed debenture for which the development company does not collect a servicing fee pursuant to clause (i)(II).

(iii) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Administrator for each of fiscal years 2009 and 2010—

(I) \$50,000,000 for the elimination of fees under clause (i)(I);

(II) \$40,000,000 for payments under clause (ii) to offset the elimination of fees under clause (i)(II); and

(III) \$10,000,000 for the elimination of fees under clause (i)(III).

(B) **RATE REDUCTION.**—

(i) **IN GENERAL.**—To the extent that the cost of making an interest rate reduction is offset by appropriations, the Administrator shall pay, on behalf of a small business borrower, an amount equal to 100 basis points of the interest rate required to be paid by the borrower on the amount of the guarantee provided under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.), if the loan is closed on or after the date of enactment of this Act.

(ii) **FREQUENCY OF PAYMENT.**—The Administrator shall make a payment under clause (i) on a semiannual basis.

(iii) **METHOD OF PAYMENT.**—The Administrator may use a central servicing agent to make a payment under clause (i).

(iv) **NOTICE TO DEVELOPMENT COMPANY.**—The Administrator shall notify a development company that receives a payment under clause (i) when funds are made available for the rate reduction under clause (i).

(v) **IMPLEMENTATION.**—A development company that receives a payment under clause (i) shall—

(I) use the payments solely for the purpose provided; and

(II) adjust the amount of the monthly payment by the borrower accordingly.

(vi) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to the Administrator for each of fiscal years 2009

and 2010, \$150,000,000 for payments made under clause (i).

#### SEC. 7. MICROLENDING.

In addition to any amounts otherwise authorized to be appropriated for such purposes, there are authorized to be appropriated to the Administrator for each of fiscal years 2009 and 2010—

(1) \$5,000,000 for direct loans under section 7(m) of the Small Business Act (15 U.S.C. 636(m)); and

(2) \$20,000,000 for grants to intermediaries for marketing, management, and technical assistance under section 7(m)(4) of the Small Business Act (15 U.S.C. 636(m)(4)).

#### SEC. 8. SMALL BUSINESS INVESTMENT COMPANIES.

Section 303(b) of the Small Business Investment Act of 1958 (15 U.S.C. 683(b)) is amended—

(1) by striking paragraph (2) and inserting the following:

“(2) MAXIMUM LEVERAGE.—

“(A) IN GENERAL.—The maximum amount of outstanding leverage made available to any 1 company licensed under section 301(c) may not exceed the lesser of—

“(i) 300 percent of the private capital of the company; or

“(ii) \$150,000,000.

“(B) MULTIPLE LICENSES UNDER COMMON CONTROL.—The maximum amount of outstanding leverage made available to 2 or more companies licensed under section 301(c) that are commonly controlled (as determined by the Administrator) and the private capital of which the Administrator determines meets the requirements of subsection (e) may not exceed \$225,000,000.”; and

(2) by striking paragraph (4).

#### SEC. 9. EMERGENCY SMALL BUSINESS LENDING ADVERTISING STRATEGY.

Section 4 of the Small Business Act (15 U.S.C. 633) is amended by adding at the end the following:

“(i) EMERGENCY SMALL BUSINESS LENDING ADVERTISING STRATEGY.—

“(1) PURPOSE.—The purpose of this subsection is to ensure that the Administrator provides information to the owners of small business concerns regarding lenders in their areas that participate in programs of the Administration and that will allow small business concerns to access business capital during a liquidity and capital lending shortage.

“(2) LENDING ADVERTISING STRATEGY.—The Administrator shall develop an emergency small business lending advertising strategy to inform small business concerns located throughout the United States that loans under this Act are available through lenders that participate in programs of the Administration.

“(3) MEDIA.—The Administrator shall use print, radio, television, and Internet advertisement, where appropriate, to carry out this subsection.

“(4) EFFECTIVE DATE.—Not later than 30 days after the date of enactment of this Act, the Administrator shall implement the emergency small business lending advertising strategy.

“(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection—

“(A) \$5,000,000 for each of fiscal years 2009 and 2010; and

“(B) such sums as may be necessary for each fiscal year thereafter.”.

#### SEC. 10. TAX PROVISIONS.

(a) EXTENSION OF TEMPORARY INCREASE IN LIMITATIONS ON EXPENSING OF CERTAIN DEPRECIABLE BUSINESS ASSETS.—

(1) IN GENERAL.—Paragraph (7) of section 179(b) of the Internal Revenue Code of 1986 is amended—

(A) by inserting “AND 2009” after “2008” in the heading, and

(B) by inserting “or 2009” after “In the case of any taxable year beginning in 2008”.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2008.

(b) CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 5 YEARS; TEMPORARY SUSPENSION OF 90 PERCENT AMT LIMIT.—

(1) IN GENERAL.—Subparagraph (H) of section 172(b)(1) of the Internal Revenue Code of 1986 is amended to read as follows:

“(H) 5-YEAR CARRYBACK OF CERTAIN LOSSES.—

“(i) TAXABLE YEARS ENDING DURING 2001 AND 2002.—In the case of a net operating loss for any taxable year ending during 2001 or 2002, subparagraph (A)(i) shall be applied by substituting ‘5’ for ‘2’ and subparagraph (F) shall not apply.

“(ii) TAXABLE YEARS ENDING DURING 2003 AND 2009.—In the case of a net operating loss with respect to any eligible taxpayer for any taxable year ending during 2003 or 2009—

“(I) subparagraph (A)(i) shall be applied by substituting ‘5’ for ‘2’.

“(II) subparagraph (E)(ii) shall be applied by substituting ‘4’ for ‘2’, and

“(III) subparagraph (F) shall not apply.

“(iii) ELIGIBLE TAXPAYER.—For purposes of clause (ii), the term ‘eligible taxpayer’ means a corporation or partnership which meets the gross receipts test of section 448(c) (determined by substituting ‘\$10,000,000’ for ‘\$5,000,000’ and ‘5-taxable-year period’ for ‘3-taxable-year period’) for the taxable year in which the loss arose (or, in the case of a sole proprietorship, which would meet such test if such proprietorship were a corporation.”.

(2) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYBACKS AND CARRYOVERS.—

(A) IN GENERAL.—Section 56(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(3) ADDITIONAL ADJUSTMENTS.—For purposes of paragraph (1)(A), in the case of an eligible taxpayer (as defined in section 172(b)(1)(H)(iii)), the amount described in clause (I) of paragraph (1)(A)(ii) shall be increased by the amount of the net operating loss deduction allowable for the taxable year under section 172 attributable to the sum of—

“(A) carrybacks of net operating losses from taxable years ending during 2008 and 2009, and

“(B) carryovers of net operating losses to taxable years ending during 2008 or 2009.”.

(B) CONFORMING AMENDMENT.—Subclause (I) of section 56(d)(1)(A)(i) of such Code is amended by inserting “amount of such” before “deduction described in clause (ii)(I)”.

(3) ANTI-ABUSE RULES.—The Secretary of Treasury or the Secretary’s designee shall prescribe such rules as are necessary to prevent the abuse of the purposes of the amendments made by this subsection, including anti-stuffing rules, anti-churning rules (including rules relating to sale-leasebacks), and rules similar to the rules under section 1091 of the Internal Revenue Code of 1986 relating to losses from wash sales.

(4) EFFECTIVE DATES.—

(A) SUBSECTION (a).—The amendments made by paragraph (1) shall apply to net operating losses arising in taxable years ending in 2008 or 2009.

(B) SUBSECTION (b).—The amendments made by paragraph (2) shall apply to taxable years ending after December 31, 2007.

#### SEC. 11. TROUBLED ASSETS.

Section 3(9) of the Emergency Economic Stabilization Act of 2008 (division A of Public Law 110-343) is amended—

(1) in subparagraph (A), by striking “and” at the end;

(2) by redesignating subparagraph (B) as subparagraph (C); and

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

“(B) a trust certificate issued by the Administrator of the Small Business Administration under section 5(g) of the Small Business Act (15 U.S.C. 634(g)), a loan guaranteed by the Small Business Administration under section 7(a) of the Small Business Act (15 U.S.C. 636(a)), and a trust certificate issued under section 505 of the Small Business Investment Act of 1958 (15 U.S.C. 697), including an underlying debenture, the purchase of which the Secretary determines promotes financial market stability; and”.

By Mrs. CLINTON:

S. 3706. A bill to amend part D of title IV of the Social Security Act to prohibit States from charging child support recipients for the collection of child support; to the Committee on Finance.

Mrs. CLINTON. Mr. President, in a time of rising prices and historic economic turmoil, single parents deserve our support more than ever. That is why I am introducing the Elimination of the Single Parent Tax Act of 2008. I am proud to join my colleague Congresswoman GILLIBRAND in introducing this important legislation to help single parents by suspending State fees to fund child support enforcement.

Many states, including New York, were forced to institute this fee after the Republican-lead Congress passed the Deficit Reduction Act of 2005, which slashed funding for child support enforcement. The fee is expected to affect 170,000 families in New York alone. These single parents need every penny of their child support income to go towards food, medicine, and other important expenses. The Elimination of the Single Parent Tax Act ensures that hard-working single parents don’t face an extra tax.

In September, I joined my Senate colleagues in urging the Senate Appropriations Committee leadership to increase funding for child support enforcement to stave off these deep cuts. And today, I encourage my colleagues to join me in sponsoring this critical measure to support single parents.

For too long, single-parent households have been ignored at a time when raising children has only become more of a struggle. Yet despite these challenges, single parents heroically soldier on. This bill is only a critical first step to a more comprehensive approach to supporting single parents raising children. I look forward to continuing to fight in the Senate to stand up for our most vulnerable children and our hardest-working families.

By Mrs. CLINTON:

S. 3707. A bill to recruit, train, and support principals for high-need schools who are effective in improving student academic achievement; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, I rise today to introduce legislation to address the urgent need of our underserved urban and rural school districts

by creating a corps of principals who are well-prepared, supported, and effective in improving student academic achievement in high-need schools and ensuring our schools are provided the leadership they need to prepare our children to compete in the 21st century.

The U.S. Department of Labor estimates that nearly 40 percent of the 90,000 principals in this country are nearing retirement, and over half the Nation's school districts are facing immediate administrator shortages. This problem is particularly prevalent in urban and rural districts with large concentrations of high-poverty schools, where turnover rates can reach as high as 20 percent per year, and academic achievement is persistently low.

That is why I'm introducing the National Principal Recruitment, NPR, Act, which seeks to address the impending shortage by establishing a corps of principals who are well-prepared, supported, and effective in improving student achievement in high-need schools. This corps is created through the recruitment of results-oriented candidates who possess personal leadership and management skills, knowledge of effective instruction, and commit to serve in high-need schools for over 5 years. Once selected, these candidates would undergo a year-long principal residency program, and receive support and mentoring to help them develop and maintain a data-driven, professional learning community.

This bill leverages non-Federal dollars with targeted funding to performance-based work done in partnership with school districts. It also includes an evaluation to capture knowledge and best practices and creates a prototype of a performance-based Federal education program by tying funding levels to an evaluation of student achievement results.

An effective and capable school leader can make the difference in providing the tools and instructional support needed to foster the type of school environment conducive to student academic success. The NPR Act will ensure that our neediest schools have effective leaders, who are well-equipped and supported, to close the achievement gap and prepare our students to compete in a global economy.

I am hopeful that my Senate colleagues from both sides of the aisle will join me today to move this legislation to the floor without delay.

By Mrs. CLINTON:

S. 3708. A bill to amend the Public Health Service Act with respect to health professions education, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mrs. CLINTON. Mr. President, today, I am introducing the Health Professions and Primary Care Reinvestment Act in order to improve access to quality health care for all Americans. By

significantly reinvesting in the training and education of our health professionals, we are reinvesting in our communities where care is most needed.

This bill reinvests in health professional training in three ways—by expanding the training our health professionals receive, by improving our efforts to recruit and retain health professionals, and by increasing incentives for health professionals who are serving in community settings, particularly in rural and urban underserved areas.

Most Americans prefer to get their health care through a personal physician operating as part of a team-based primary care practice, yet the number of health professional students entering these fields is decreasing. We need more workers in primary care at the front lines of the health care system. Primary care professionals can help to establish a "medical home" for patients, providing preventive care to help people stay healthy and provide coordination of care for those with multiple or chronic diseases. This bill would achieve this goal by providing incentives for training primary care professionals, by strengthening primary care departments at the school and community level, and by supporting improved infrastructure to assist those serving in primary care settings.

Minorities, disadvantaged and rural students are underrepresented in our health professional workforce. We need to increase their numbers in the medical fields, and provide incentives for them to return to underserved areas to practice. As an example of what can be done, one program targeting rural students has returned eight times the usual number of trained family physicians to rural settings. We need to train people from all backgrounds—from underrepresented minorities, from disadvantaged backgrounds, from rural and urban underserved communities. This bill helps to achieve this goal by strengthening pipeline programs, expanding loans and scholarships, and by increasing the availability of care in underserved communities.

We need health care where people live and work. Americans should be able to access care in communities that are located far from hospitals and medical centers, in the poorest neighborhoods of cities and isolated rural areas. We need to support the institutions that the most vulnerable rely on for care, like community health centers, local departments of health, and nursing homes. This bill supports new models of care for training, recruiting, supporting and retaining faculty to serve in underserved settings, and provides infrastructure support for training students in community settings outside of the hospital, where patients need care.

In addition to addressing primary care, the legislation also works to address other health fields which are

often inaccessible to patients. Dental care in the United States has become a luxury that is unaffordable to many people. Dentists are often unable to sustain careers by teaching in dental schools training the next generation of professionals, or to work in communities where the need is greatest. This bill provides support for dentists to pursue academic teaching careers and to provide general care to both adults and children. It targets underrepresented minority dentists and those who will serve in communities where the need is greatest.

One impediment to good health for people with mental health problems is lack of care coordination. Too often the psychological problem goes undiagnosed or untreated, because our health care system operates in silos. Patients are often asked to go one place to meet physical health needs and another place to meet mental health needs. This bill provides support for training and care where the health professionals work together to co-manage mental health and physical health problems toward better overall health.

We, as a nation, are getting older. As we age, our health concerns change. Many seniors take multiple medications which need to be coordinated by a team of doctors, pharmacists, and other caregivers. The Health Professions and Primary Care Reinvestment Act reinvests in our geriatric training programs by expanding opportunities for doctors, pharmacists, psychologists, dentists and others to work with patients in rehabilitation centers, at home, in nursing homes or other settings where people live or work.

Our public health and preventive medicine professionals respond to crises like SARS, anthrax, and other infectious disease outbreaks. But they also work to educate the public about ways to stay healthy, and prevent chronic diseases. They contribute to the health care safety net with services like adult and childhood vaccinations. This bill helps to support these efforts by reinvestment in training for prevention. It links schools of public health with local and State departments of health in order to train professionals to work and serve in settings where they are most needed.

Finally, and very importantly, we must better understand the demands that will be made upon our health professional workforce. This bill provides authorization for the formation of a national and multiple regional health workforce analysis centers, along with an advisory committee comprised of administrative and health professional leadership. These entities will assess, review and oversee health professional workforce needs so that we can plan and prepare a new generation of health professionals in our schools and communities.

The Health Professions and Primary Care Reinvestment Act addresses the multiple challenges facing healthcare workforce development in our country.

It will invest in primary care, expand the number of health professionals truly representative of the communities they serve, and improve the availability of care in places where Americans need it most. I look forward to working with my colleagues in the Senate on the many issues of our health care workforce, and I would urge their support of this legislation.

Multiple organizations, including Advocating for Family Medicine, American Academy of Family Physicians, American Academy of Physician Assistants, American Association of Colleges of Osteopathic Medicine, American College of Preventive Medicine, American Dental Association, American Dental Education Association, American Geriatrics Association, American Osteopathic Association, American Psychological Association, Association of Departments of Family Medicine, Association of Family Medicine Residency Directors, Association of Minority Health Professions Schools, Inc., Association of Schools of Public Health, Hospital Association of New York State, National AHEC Organization, National Council for Diversity in the Health Professions, North American Primary Care Research Group, Society of General Internal Medicine, and the Society of Teachers of Family Medicine have endorsed this legislation.

Mr. President, I ask unanimous consent that letters of support be printed in the RECORD.

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

ADVOCATING FOR FAMILY MEDICINE,  
Washington, DC, November 18, 2008.

Hon. HILLARY RODHAM CLINTON,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR CLINTON: On behalf of the undersigned organizations, we would like to thank you for introducing the Health Professions and Primary Care Reinvestment Act. Health professions programs, authorized under Title VII of the Public Health Service Act, are vital to enhancing and expanding our nation's health workforce. The Health Professions and Primary Care Reinvestment Act reauthorizes, improves, and revitalizes these programs.

Within the primary care cluster (Section 747) we are very pleased to see the following:

Continued support for programs that have proven successful—training in primary care and capacity building in primary care.

New recognition that an environmental scan of the community and region is a necessary precursor to development of creative training programs that will get primary care physician training out into the community, rather than training remain mostly within the academic health centers.

Recognition that production of primary care physicians must be increased.

Recognition that funding for these programs must increase in order to provide a well-prepared workforce for the 21st century, particularly as we move to health care reform.

In addition, within the scope of the bill as a whole, we appreciate the modification of the statute so that all of the programs authorized by the bill have similar goals and expected outcomes.

As the Senate begins its work on overall health care reform, we support your efforts to have this bill serve as one of the foundations of reform. True health reform in this country will not be possible without including programs that increase the number of well-trained health professionals. As the Massachusetts experience clearly demonstrates, increasing the number of insured individuals will not ensure increased access to care if there are not enough doctors to treat the newly insured.

As you know, Title VII Health Professions Programs, particularly those authorized under Section 747, are designed to strengthen our primary care infrastructure. Studies have shown that areas which depend more heavily on primary care within their health care system spend less on health care and have better health outcomes. For example, a study published in *Health Affairs* from April, 2004 found, "States with more general practitioners use more effective care and have lower spending, while those with more specialists have higher costs and lower quality." (Baicker and Chandra) We know that health reform has two goals: bettering the health of our nation and keeping it as cost efficient as possible. Increasing the proportion of primary care medicine is a major step towards meeting both of these goals, and Title VII, Section 747 programs are the only federal programs that aim to increase the number of primary care physicians.

Title VII programs have also demonstrated the ability to produce physicians that serve in underserved areas. A recent article in *Annals of Family Medicine* (Rittenhouse, et al 2008) shows that students and residents exposed to Title VII funding are more likely to participate in the National Health Service Corps or practice in a community health center upon completing their training. Both of these programs successfully place physicians where they are most needed.

Thank you for all of your hard work on the Health Professions and Primary Care Reinvestment Act and for your continued leadership and dedication to health care throughout your career. We urge you to ensure that this important piece of legislation makes its way through the legislative process and is passed as quickly as possible.

Sincerely,

SCOTT FIELDS, MD,  
President, Society of  
Teachers of Family  
Medicine.

EILSSA PALMER, MD,  
President, Association  
of Family Medicine  
Residency Directors.

MICHAEL K. MAGILL, MD,  
President, Association  
of Departments of  
Family Medicine.

TED EPPERLY, MD,  
FAAFP,  
President, American  
Academy of Family  
Physicians.

ALLEN DIETRICH, MD,  
President, North  
American Primary  
Care Research  
Group.

AMERICAN ACADEMY OF  
PHYSICIAN ASSISTANTS,  
Alexandria, VA, November 19, 2008.

Hon. HILLARY RODHAM CLINTON,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR CLINTON: On behalf of the nearly 75,000 clinically practicing physician assistants (PAs) in the United States represented by the American Academy of Physician Assistants (AAPA), I thank you for in-

troducing the Health Professions and Primary Care Reinvestment Act of 2008. The reauthorization of the Public Health Service Act's Title VII Health Professions Programs is a top priority of the AAPA. Accordingly, AAPA is pleased to support this legislation, and looks forward to working with you and your colleagues in the Senate and House of Representatives to secure the strongest possible investment in and reinforcement of the nation's primary care workforce.

The Title VII safety net programs are essential to the development and training of primary health care professionals and, in turn, provide increased access to care by promoting health care delivery in medically underserved communities. Title VII funding is especially important for PA programs as it is the only federal funding available on a competitive application basis to these programs.

A review of PA graduates from 1990–2006 demonstrates that PAs who have graduated from PA educational programs supported by Title VII are 59 percent more likely to be from underrepresented minority populations and 46 percent more likely to work in a rural health clinic than graduates of programs that were not supported by Title VII.

The AAPA is very pleased to see included in this legislation several very important updates and additions to the Title VII statute related to physician assistant training. Specifically, the updated definition of PA education programs is long overdue and accurately reflects the educational preparation of PAs, as well as the definition and standards of the approximately 140 PA programs in the U.S. Additionally, we strongly support the inclusion of a set 15 percent carve-out for PA programs within the primary care medicine and dentistry cluster. Finally, we support the inclusion of PA education programs within many new or expanded programmatic sections of the bill, including geriatric training centers and continuing education programs for health professionals in underserved areas.

The AAPA applauds your efforts to support and expand America's primary care workforce through a clarified and strengthened Title VII. We are pleased to work with you and to support the Health Professions and Primary Care Reinvestment Act of 2008.

Sincerely yours,

WILLIAM F. LEINWEBER,  
Executive Vice President/Chief  
Executive Officer.

AMERICAN COLLEGE OF  
PREVENTIVE MEDICINE,  
November 18, 2008.

Hon. HILLARY R. CLINTON,  
Russell Senate Office Building,  
Washington, DC.

DEAR SENATOR CLINTON: On behalf of the American College of Preventive Medicine I write to express our sincere appreciation and thanks for your efforts to reauthorize the Title VII health professions training programs at the Health Resources and Services Administration, HRSA. As a result of your steadfast commitment to bolstering our health care safety net in underserved communities and extending the reaches of preventive medicine physicians, health care services—including important preventive services—will reach the doorsteps of countless Americans who currently lack access to a health care provider.

With your legislation the time has now come to reinvigorate and refinance the Title VII health professions training programs at the necessary levels in order to protect access to health care for vulnerable populations, improve disease prevention and health promotion efforts, and maintain our graduate medical education commitment to quality and workforce diversity.

While a limited number of preventive medicine residency training programs in New York and other states have benefited from Title VII funds, it is important that Congress act now to expand the reaches of Title VII's mission to enhance the supply, diversity, and distribution of the health care workforce in all underserved communities across the country. A key step toward addressing health system reform is ensuring availability of services across all communities.

We thank you for recognizing the importance of preventive medicine physicians in securing our health care safety net and promoting disease prevention and health promotion programs. We look forward to our continued dialogue and thank you for the opportunity to work with you and your staff to address this very important issue.

Sincerely,

MICHAEL D. PARKINSON, MD,  
MPH, FACPM,  
*President.*

ADA/AMERICAN DENTAL ASSOCIATION,  
Washington, DC, November 19, 2008.

Senator HILLARY RODHAM CLINTON,  
Russell Office Building,  
Washington, DC.

DEAR SENATOR CLINTON: The American Dental Association, ADA, which represents 156,000 dentists, congratulates you on introducing the "Health Professions and Primary Care Reinvestment Act." The ADA greatly appreciates the attention that you and your staff have given to the unique needs of Title VII federal dental programs and believe that many of the changes incorporated in this bill will help greatly to advance these programs.

We are especially pleased that your bill provides general practice and pediatric dental residency programs with a funding line. This acknowledgement underscores that oral health care is as equally important as medical care and should not be a subset of medical program funding. We believe that by creating Section 748 Training in General and Pediatric Dentistry that Congress will be better able to effectively address dental education training needs.

We also appreciate the inclusion of dentists in Section 9, which focuses on geriatric training. The ADA has placed a high priority on addressing the oral health needs of "vulnerable" older adults—individuals over age 65 with limited mobility and/or limited resources and/or complex health status. Older adults face a variety of special oral health challenges, including root and coronal caries, periodontal disease, tooth wear, edentulousness, oral cancer, complications from taking prescription and over-the-counter medications and other medical concerns that affect oral health. We recognize that a key component in addressing these needs is to enhance the educational infrastructure and dentist education and training. We believe that your bill has opened the door to accomplish these goals.

Addressing the oral health care needs of the older generation often overlaps with providing care to children and adults with intellectual and developmental disabilities. While the bill does not include a new section to address the training of dentists to work with these patients, we understand the time constraints your staff faced in getting this bill introduced this year. We look forward to continuing to work with you on this issue and remain hopeful that we will be able to include a provision dealing with this important issue next year.

Thank you and your staff, particularly Dr. Kathleen Klink, for working with the American Dental Association to enhance dental education programs. We believe that the "Health Professions and Primary Care Rein-

vestment Act" will contribute to the ADA's own efforts to improve dental education programs and improve the oral health care of all Americans.

Sincerely,

JOHN S. FINDLEY, D.D.S.,  
*President.*

ADEA AND AAPD,  
November 19, 2008.

Hon. Hillary Clinton,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR CLINTON: The American Dental Education Association (ADEA) and the American Academy of Pediatric Dentistry (AAPD) are pleased to endorse the Health Professions Primary Care Reinvestment Act. Our organizations represent dental education and the practicing pediatric dentists.

The primary care dental provisions contained in the legislation continue and enhance the cost-effective General Dentistry and Pediatric Dentistry residency training programs. The bill also authorizes support of dental loan repayment for those who teach or conduct research in General or Pediatric Dentistry residencies, which is particularly important to maintaining a cadre of well-trained dentists to meet the oral health care needs of the nation. Most importantly, we are delighted with the language which allows dental schools to apply for grants for faculty development and academic administrative units. We applaud the decision to provide a guideline authorization of \$20 million for these important programs.

Our Associations appreciate the time and effort that you and your staff made to consider our analysis of important trends and needs in dental education, and to address our concerns about the bill. The Health Professions Primary Care Reinvestment Act is a significant improvement over legislation in the last Congress in terms of provisions affecting health workforce, information, evaluation and analysis, and geriatric training. Your staff is to be commended for drafting legislation that is performance-based and ensures that important strides made to date will not be diminished.

Please contact our legislative representatives if we can be of further assistance: Myla Moss at ADEA 202-289-7201 or Scott Litch at AAPD 312-337-2169 ext. 29.

Sincerely,

BEVERLY LARGENT, D.M.D.,  
*AAPD President.*

JOHN S. RUTKAUSKAS,  
D.D.S., M.B.A., CAE,  
*AAPD Chief Executive Officer.*

CHARLES N. BERTALOMI,  
D.D.S., D.M.Sc.,  
*ADEA President.*

RICHARD W. VALACHOVIC,  
D.M.D., M.P.H.,  
*ADEA Executive.*

ASSOCIATION OF MINORITY HEALTH  
PROFESSIONS SCHOOLS, INC..

WASHINGTON, DC, NOVEMBER 19, 2008.

Senator HILLARY RODHAM CLINTON,  
U.S. Senate, Russell Senate Office Building,  
Washington, DC.

DEAR SENATOR CLINTON: The Association of Minority Health Professions Schools (AMHPS) applauds your introducing the Health Professions and Primary Care Reinvestment Act. The Title VII Health Professions programs help strengthen and diversify our nation's primary care workforce. The Health Professions and Primary Care Reinvestment Act reauthorizes these vital programs while greatly improving them.

AMHPS is particularly interested in your efforts to continue to strengthen the diver-

sity cluster of the Title VII programs—Centers of Excellence (COE), Health Careers Opportunities Program (HCOP), Faculty Loan Repayment, and Scholarships for Disadvantaged Students (SDS). These programs have been a tremendous federal government investment into the institutions that focus on increasing the number of health professionals and the diversity of the health professions. In the November 2008 issue of Academic Medicine, the article "Funding the Diversity Programs of the Title VII Health Professions Training Grants: An Urgent Need," written by two AMHPS institution presidents—Dr. John Maupin of Morehouse School of Medicine and Dr. Wayne Riley of Meharry Medical College—confirms that your efforts making a tremendous effort towards improving the health of all Americans.

Again, thank you for introducing the Health Professions and Primary Care Reinvestment Act. Your continued leadership and dedication to health care is greatly appreciated. We urge you to do all that you can to see that building a stronger workforce of primary care professionals that is more diverse is a top priority during the current health care debate. Ensuring passage of your important bill would be a very good first step,

Sincerely,

WAYNE HARRIS, PH.D.,  
*Chairman, Board of  
Directors, Association  
of Minority  
Health Professions  
Schools.*

ASSOCIATION OF SCHOOLS OF  
PUBLIC HEALTH,

Washington, DC, November 18, 2008.

Hon. HILLARY RODHAM CLINTON,  
Russell Senate Office Building,  
Washington, DC.

DEAR SENATOR CLINTON: On behalf of the Association of Schools of Public Health (ASPH), I would like to thank you for introducing the Health Professions and Primary Care Reinvestment Act. Your leadership in introducing legislation that would reauthorize Title VII of the Public Health Service Act takes a vital step in providing support to the health care delivery system, health care and public health professionals.

By 2012 over 100,000 public health workers are eligible to retire (23 percent of the workforce). More importantly, in order to have the same public health workforce to population ratio in 2020 as existed in 1980, the public health workforce would need to add an additional 250,000 workers. As Congress begins to consider legislation that would overhaul the health insurance system in this country, we hope that the Health Professions and Primary Care Reinvestment Act will be considered to ensure a well trained health care workforce will be in place to meet the increased demand for basic health care services.

We would like to thank you for the inclusion of public health in several sections of the bill including the Health Professions Training for Diversity provisions of the legislation. Expansion of the program to include training for the next generation of researchers and educators is important as public health researchers in the early stages of their careers offer novel investigator-initiated research ideas that could transform science and policy.

We applaud the establishment of the Academic Health Department (AHD) Program to establish partnerships between accredited Schools of Public Health (SPH) and state or local public health departments. This program has demonstrated success in expanding SPH/health department partnerships with the goal of developing models of collaboration in the areas of teaching and service. The



training programs offered by AHDs will provide learning opportunities for public health professionals throughout their careers. We also appreciate the continued support of the existing Public Health and Preventive Medicine Program which offers vital support to train health professionals in this important area.

Again, we would like to thank you for your leadership and we look forward to working with you as you work to advance this legislation. We are glad to see your commitment to addressing workforce shortage issues in health care and offer our support of the Health Professions and Primary Care Reinvestment Act.

Sincerely,

HARRISON C. SPENCER, MD, MPH,  
*President and CEO.*

NATIONAL AHEC ORGANIZATION,  
*Oak Creek, WI.*

Hon. HILLARY RODHAM CLINTON,  
*U.S. Senate, Russell Senate Office Building,  
Washington, DC.*

DEAR SENATOR CLINTON: On behalf of the National Area Health Education Center Organization (NAO), I would like to offer support for the Health Professions and Primary Care Reinvestment Act legislation that includes AHEC reauthorization.

Your ongoing support of the National AHEC Organization and the AHEC centers and programs that we represent across the country are critical to the health professions pipeline, quality education and training programs for health care professionals, allied health professional and students across the country.

The Health Professions and Primary Care Reinvestment Act will ensure the sustainability of the many critical programs offered by AHEC's throughout the nation.

Please feel free to call upon the NAO for additional support as you move forward with your efforts and be assured that our support and this letter may be used publicly to advance the Health Professions and Primary Care Reinvestment Act legislation.

Sincerely,

ROSE M. YUROS,  
*NAO President.*

NATIONAL COUNCIL FOR DIVERSITY  
IN THE HEALTH PROFESSIONS,  
*November 19, 2008.*

Hon. HILLARY RODHAM CLINTON,  
*U.S. Senate, Russell Senate Office Building,  
Washington, DC.*

DEAR SENATOR CLINTON: The National Council on Diversity in the Health Professions (NCDHP) applauds your introducing the Health Professions and Primary Care Reinvestment Act. The Title VII Health Professions programs help strengthen and diversity our nation's primary care workforce. The Health Professions and Primary Care Reinvestment Act reauthorizes these vital programs while greatly improving them.

NCDHP is interested in your efforts to continue to strengthen the diversity cluster of the Title VII programs, particularly the reauthorization of Centers of Excellence (COE) and Health Careers Opportunities Program (HCOP). For many years, these programs have demonstrated a tremendous federal government investment into the institutions that focus on increasing the number of health professionals and the diversity of the health professions.

Again, thank you for introducing the Health Professions and Primary Care Reinvestment Act. Your continued leadership and dedication to health care is greatly appreciated. We urge you to do all that you can to see that building a stronger workforce of primary care professionals that is more diverse is a top priority during the current health

care debate. Ensuring passage of your important bill would be a very good first step.

Sincerely,

WANDA D. LIPSCOMB,  
*Chair.*

SOCIETY OF GENERAL  
INTERNAL MEDICINE,  
*Washington, DC, November 17, 2008.*

Hon. HILLARY RODHAM CLINTON,  
*Russell Senate Office Building,  
Washington, DC.*

DEAR SENATOR CLINTON: On behalf of the Society of General Internal Medicine, I want to applaud your leadership in advancing national policies that promote improved patient care for all Americans. In particular, I want to commend you on the introduction of the Health Professions and Primary Care Reinvestment Act.

By any measure, primary care, including general internal medicine, is the cornerstone of our nation's health care system. Patients with primary care physicians have better health status, longer life expectancy and lower health care costs. Moreover, for the poor, the uninsured and the elderly, primary care functions as a safety net, serving as the first and often the only contact for care and treatment.

For more than three decades, the Title VII Training in Primary Care Medicine and Dentistry (TPCMD) program, in particular, has contributed significantly to improving the quality of education and training of the nation's primary care workforce, with special emphasis on individuals from disadvantaged backgrounds and underrepresented minorities. But challenges remain. For example, forecasts are that the demand for general internists will increase by 38 percent within the next 15 years, while the number of new physicians entering the field of general internal medicine continues to decline.

By strengthening and expanding the TPCMD program, your legislation recognizes that primary care is the linchpin of our health care system and that an adequate, well-trained primary care workforce is critical to the success of any health care reform measures Congress undertakes.

In addition, your legislation calls for a more comprehensive approach to addressing the systemic needs of our health care system, including the creation of primary care training institutes that will promote all-important collaboration across all primary care disciplines, as well as partnering with community health centers in a way that will speed the translation of research into community practice. Furthermore, the work of these institutes will help contribute to better health outcomes by fostering the development of the patient-centered medical home model.

At a time when 47 million Americans lack health coverage, when increasing numbers of elderly are entering the age of highest risk of chronic disease, and when racial and ethnic disparities persist, the Health Professions and Primary Care Investment Act provides a solid framework for meeting these challenges.

Again, thank you for introducing this important legislation. As in the past, our Society stands ready to assist you in whatever way we can.

Sincerely,

LISA V. RUBENSTEIN,  
*President.*

## SUBMITTED RESOLUTIONS

SENATE RESOLUTION 707—AUTHORIZING THE PRESIDENT OF THE SENATE TO CERTIFY THE FACTS OF THE FAILURE OF JOSHUA BOLTEN, AS THE CUSTODIAN OF RECORDS AT THE WHITE HOUSE, TO APPEAR BEFORE THE COMMITTEE ON THE JUDICIARY AND PRODUCE DOCUMENTS AS REQUIRED BY COMMITTEE SUBPOENA

Mr. LEAHY submitted the following resolution; from the Committee on the Judiciary; which was placed on the calendar:

### S. RES. 707

Whereas, since the beginning of this Congress, the Senate Judiciary Committee has conducted an investigation into the removal of United States Attorneys;

Whereas, the Committee's requests for information related to its investigation, including documents and testimony from the White House and White House personnel, were denied;

Whereas, the White House has not offered any accommodation or compromise to provide the information requested that is acceptable to the Committee;

Whereas, on April 12, 2007, pursuant to its authority under Rule 26 of the Standing Rules of the Senate, the Senate Committee on the Judiciary authorized issuance to the Custodian of Records at the White House, a subpoena which commands the Custodian of Records to provide the Committee with all documents in the possession, control, or custody of the White House related to the Committee's investigation;

Whereas, on June 13, 2007, the Chairman issued a subpoena pursuant to the April 12, 2007, authorization to White House Chief of Staff Joshua Bolten as the White House Custodian of Records, for documents related to the Committee's investigation, with a return date of June 28, 2007;

Whereas, on June 28, 2007, in response to subpoenas for documents issued by the Senate and House Judiciary Committees, White House Counsel Fred Fielding conveyed the President's claim of executive privilege over all information in the custody and control of the White House related to the Committee's investigation;

Whereas, based on this claim of executive privilege, Mr. Bolten refused to appear and produce documents to the Committee in compliance with the subpoena;

Whereas, on June 29, 2007, the Chairmen of the House and Senate Judiciary Committees provided the White House with an opportunity to substantiate its privilege claims by providing the Committees with the specific factual and legal bases for its privilege claims regarding each document withheld and a privilege log to demonstrate to the Committees which documents, and which parts of those documents, are covered by any privilege that is asserted to apply and why;

Whereas, the White House declined this opportunity in a July 9, 2007, letter to the Committee Chairmen from Mr. Fielding, while reiterating the privilege claim;

Whereas, on August 17, 2007, Mr. Fielding rejected the Chairman's request for a meeting with the President to work out an accommodation for the information sought by the Committee;

Whereas, on November 29, 2007, the Chairman ruled that the White House's claims of executive privilege and immunity are not legally valid to excuse current and former