3140, a bill to provide that 4 of the 12 weeks of parental leave made available to a Federal employee shall be paid leave, and for other purposes.

S. 3185

At the request of Ms. CANTWELL, the name of the Senator from Maryland (Mr. CARDIN) was added as a cosponsor of S. 3185, a bill to provide for regulation of certain transactions involving energy commodities, to strengthen the enforcement authorities of the Federal Energy Regulatory Commission under the Natural Gas Act and the Federal Power Act, and for other purposes.

S. 3186

At the request of Mr. SANDERS, the names of the Senator from Louisiana (Ms. LANDRIEU), the Senator from Washington (Ms. CANTWELL), the Senator from New York (Mr. SCHUMER), the Senator from Illinois (Mr. OBAMA), the Senator from Illinois (Mr. DURBIN), the Senator from Washington (Mrs. MURRAY), the Senator from Alaska (Ms. MURKOWSKI), the Senator from New York (Mrs. CLINTON), the Senator from New Hampshire (Mr. GREGG), the Senator from Indiana (Mr. LUGAR), the Senator from North Carolina (Mrs. DOLE), the Senator from Minnesota (Ms. KLOBUCHAR), the Senator from New Jersey (Mr. MENENDEZ), the Senator from Pennsylvania (Mr. CASEY), the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. 3186, a bill to provide funding for the Low-Income Home Energy Assistance Program.

S. 3214

At the request of Mr. BARRASSO, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 3214, a bill to provide for a program for circulating quarter dollar coins that are emblematic of a national park or other national site in each State, the District of Columbia, and each territory of the United States, and for other purposes.

S.J. RES. 43

At the request of Mr. WICKER, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S.J. Res. 43, a joint resolution proposing an amendment to the Constitution of the United States relating to marriage.

S. RES. 580

At the request of Mr. BAYH, the names of the Senator from Delaware (Mr. CARPER) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of S. Res. 580, a resolution expressing the sense of the Senate on preventing Iran from acquiring a nuclear weapons capability.

S. RES. 602

At the request of Mr. NELSON of Nebraska, the name of the Senator from New Hampshire (Mr. SUNUNU) was added as a cosponsor of S. Res. 602, a bill supporting the goals and ideals of ''National Life Insurance Awareness Month''.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CASEY (for himself, Mr. SANDERS, and Ms. MIKULSKI):

S. 3237. A bill to assist volunteer fire companies in coping with the precipitous rise in fuel prices; to the Committee on Banking, Housing, and Urban Affairs.

Mr. CASEY. Mr. President, I rise today to introduce legislation, along with my colleagues Senator SANDERS and Senator MIKULSKI, that will provide immediate assistance to our Nation's volunteer firefighters who have been severely affected by the rising cost of gasoline and diesel fuel. This bill, the Supporting America's Volunteer Emergency Services Act, or SAVES Act, will establish a new grant program at the Department of Housing and Urban Development to help qualifying volunteer fire companies cope with the strain that today's gas and diesel prices have put on their already tight operating budgets. According to the United States Fire Administration, over 22,141 fire companies, 89 percent of all fire companies in the United States, are volunteer or majority volunteer companies. 39 percent of our country's population, some 117 million people, relies on these volunteer forces to protect their homes and businesses. In recent months, I have heard from fire chiefs across Pennsylvania about the effect that high gas and diesel prices are having on their daily operations. Some have expressed serious concerns that fuel costs are preventing them from responding to emergency calls with the amount of equipment recommended by their National Fire Protection Association guidelines. This poses a serious risk to public safety. Congress has an obligation to address this issue, for we simply cannot afford to let high gas prices stand in the way of firefighters' ability to provide local families and businesses with the help they need.

I was lucky to have 6 fire chiefs from York County, Pennsylvania, on hand today to help me bring attention to this issue. These gentlemen, Deputy Chief Barry Emig of the York Area United Fire and Rescue, Deputy Chief Joe Madzelan of the Manchester Township Fire Services, Chief William Carlisle of the Fairview Township Fire Department, Assistant Chief Trever Rentzel of the Manchester Union Fire Company, chief Tony Myers of the Shrewsbury Fire Department, and Chief John Senft of York City Fire and Rescue, have helped me and others understand the impact that high fuel prices have made on each of their departments' bottom line. I want to thank them for going above and beyond the call of duty to help me in this effort.

The program created under the SAVES Act would set a baseline gas and diesel price using 2007 price data. Each year, volunteer companies that wished to participate would submit their annual fuel receipts. They would then be eligible to receive 75 percent of the difference between how much they paid for gas and diesel that year, and how much that same amount of fuel would have cost at 2007 prices. This straightforward, commonsense approach will help to ensure that volunteer fire companies do not have to restrain their response to emergency calls.

I would like to thank my colleagues Senator SANDERS and Senator MIKULSKI for agreeing to serve as original cosponsors of this important legislation. In addition, I appreciate the leadership of Congressman JASON ALTMIRE in offering companion legislation in the House of Representatives. I hope that my colleagues in the Senate will join me in helping to pass the SAVES Act immediately so that our volunteer fire companies can receive some much-needed relief on their next trip to the pump.

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. 3237

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 ''Supporting America's Volunteer Emergency Services Act of 2008''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) According to the Federal Emergency Management Administration, in 2006 there were—

(A) 807,150 volunteer firefighters, nearly 73 percent of all active firefighters; and

(B) 19,915 all-volunteer fire companies nationwide, servicing 22.6 percent of the population of the United States and 4,105 companies comprised of a majority of volunteers, servicing 16.3 percent of the population of the United States.

(2) These volunteer companies, especially those serving communities of fewer than 5,000 residents, rely heavily upon fund-raising efforts and other potentially unreliable sources of funding for their basic operating expenses.

(3) According to the Energy Information Administration, between June 2003 and June 2008, the price of regular grade gasoline and diesel fuels rose 171 percent and 229 percent, respectively.

(4) These rising costs represent an unavoidable burden, and have placed serious constraints on the ability of volunteer companies to respond to fire emergencies.

SEC. 3. DEFINITION OF QUALIFIED VOLUNTEER FIRE DEPARTMENT.

In this Act, the term ''qualified volunteer fire department'' has the same meaning given that term in section 150(e) of the Internal Revenue Code of 1986.

SEC. 4. GASOLINE AND DIESEL FUEL SUBSIDY PROGRAM.

(a) ESTABLISHMENT OF BASELINE.—

(1) IN GENERAL.—The Secretary of Housing and Urban Development shall, for calendar year 2007, determine for each of the 5 Petroleum Administration for Defense Districts the average annual price per gallon for—

(A) gasoline; and

(B) diesel fuel.

(2) BASIS FOR PRICE PER GALLON.—The average annual price per gallon determined under paragraph (1) shall be based solely on data reported by the Energy Information Administration.

(3) BASELINE.—The price per gallon determined under paragraph (1) shall serve as the baseline fuel cost for each Petroleum Administration for Defense District.

(b) PAYMENTS.—

(1) SUBMISSION OF RECEIPTS.—At the end of each calendar year, each qualified volunteer fire department seeking reimbursement under this section shall submit to the Secretary of Housing and Urban Development all of its receipts and bills of sales documenting the amounts of gasoline and diesel fuel purchased by such department during that calendar year. Each department shall also provide a sum total of the—

(A) aggregate number of gallons of gasoline and diesel fuel purchased by the department during that calendar year; and

(B) costs of purchasing such gasoline and diesel fuel.

(2) DETERMINATION OF SUBSIDY AMOUNTS.—The Secretary of Housing and Urban Development shall reimburse a qualified volunteer fire department for 75 percent of the difference between—

(A) the actual expenditures of the department for gasoline and diesel fuel for a calendar year as determined under paragraph (1); and

(B) the amount that such expenditures would have cost had the department determined such expenditures utilizing the baseline fuels costs determined under subsection (a).

(3) SPECIAL RULE RELATING TO STATES SALES TAX.—If the State in which a qualified volunteer fire department is located does not charge local or State fuel taxes on such departments when such departments purchase gasoline or diesel fuel, the amount of such omitted sales tax shall be added back in to any determination made under paragraph (2)(A).

(c) REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Secretary of Housing and Urban Development shall promulgate such regulations as may be necessary to implement and administer the grant and subsidy programs authorized by this section.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

By Mr. JOHNSON (for himself, Mr. ENZI, Mr. TESTER, Mr. BARRASSO, Mrs. MCCASKILL, Mr. DOMENICI, Mr. DORGAN, Mr. ALLARD, Mr. SALAZAR, and Mr. NELSON of Nebraska):

S. 3238. A bill to prohibit the importation of ruminants and swine, and fresh and frozen meat and products of ruminants and swine, from Argentina until the Secretary of Agriculture certifies to Congress that every region of Argentina is free of foot and mouth disease without vaccination; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. JOHNSON. Mr. President, I come before the Senate today to discuss a critically important issue to the livestock industry in South Dakota and across the United States, that being the United States Department of Agriculture's, USDA, proposal to regionalize Argentina for Foot-and-Mouth Disease, or FMD. FMD is a highly contagious and airborne disease affecting ruminants and swine. The disease is so destructive that FMD is considered to be the most economically devastating of all livestock diseases, according to the American Veterinary Medical Association. An outbreak in Great Britain in 2001, for example, cost the economy nearly $20 billion and led to the slaughter of over 6 million animals. It is with concern for the health and viability of our domestic cattle, sheep, and swine farmers and ranchers that Senator ENZI joins me today in introducing legislation to stop this fundamentally flawed proposal.

This legislation enjoys significant organizational support from our livestock sector, including the American Sheep Industry Association, the South Dakota Cattlemen's Association, R–CALF, the South Dakota Stockgrowers Association, the U.S. Cattlemen's Association, the National Farmers Union, the Western Organization of Resource Councils, and Dakota Rural Action. As a highly credible scientific and veterinary entity, a poll was take within the National Assembly of State Animal Health Officials, NASAHO, and an overwhelming majority of respondents are opposed to regionalization of Argentina for FMB. Our South Dakota State Veterinarian and the President of NASAHO, Dr, Sam Holland, has been invaluable during this process and I thank him for his guidance and extensive expertise on this issue. The majority of veterinarians within NASAHO oppose regionalizing for FMD for a variety of reasons, and Dr. Holland relayed the following causes of concern from State veterinarians for USDA's proposed rule: Economic benefits do not justify the tremendous risk. Inability to effectively monitor risk. Resources, biosecurity, and experience in monitoring freedom are inadequate. Regionalization for one of the world's most highly contagious virus disease, FMD, is much more complicated than regionalization for tuberculosis, brucellosis and many other diseases. FMD virus is not only arguably the most contagious virus known for animals, but also is particularly resilient in the environment and may persist in fomites and be transmitted by such through aerosol or contact. Argentina has not experienced an extended timeframe of several years of FMD freedom.

This bill would prohibit the importation of ruminants and swine and fresh or frozen ruminant and pork products from any region of Argentina until the United States Department of Agriculture can certify to Congress that Argentina is free of Foot and Mouth Disease without vaccination. While regionalization may be a viable option for other livestock diseases, the extremely contagious nature and significant economic impact of FMD dictates that we must treat countries as a whole, and that a country must demonstrate its ability to remain free of FMD. While the USDA is moving to set a precedent with this rule regarding its protocol for FMD, this bill is a common sense response that USDA's proposal is simply not good policy for American ranchers and farmers and for our domestic livestock herds.

Mr. ENZI. To my friend from South Dakota, I ask whether this legislation would interfere with the current status of trade with product from countries with a presence of FMD?

Mr. JOHNSON. My friend from Wyoming raises an excellent question and I'm pleased to answer it. It is not our intention or the effect of this bill to disrupt the status quo, and our legislation would leave the current state of trade intact. Our Code of Federal Regulations allows for the importation of certain dried, cured or cooked product from countries with a known presence of FMD. This bill will only prohibit product that poses a risk for disease transmission, including fresh, chilled or frozen, product or live animals.

Mr. ENZI. Another point of clarification would be why it is necessary to specify that no product or live animals should be imported until Argentina is free of FMD without vaccination. Can the Senator from South Dakota also discuss the intention of that prerequisite?

Mr. JOHNSON. The Johnson-Enzi bill mandates that Argentina's FMD-free status must be achieved without vaccination. This is the acceptable standard for trade and also ensures that the disease is truly eradicated from the herd, and not suppressed or hidden. While this one region in Argentina is thought to be FMD free, this one region within Argentina and Argentina as a whole is surrounded by the presence of FMD, while the United States has been free of FMD since 1929 and is free of FMD without vaccination. Additionally, the United States shares borders with our FMD-free neighbors, who are certified as free without vaccination.

As discussed by NASAHO, Argentina has, quite simply, failed to remain free of FMD for any length of time, which is a basic component to proving the continuity and adequacy of Argentina's infrastructure. As recently as 2001, Argentina experienced an FMD outbreak that it failed to report for months. This raises serious questions about Argentina's approach to communication about this disease in the future, and I don't feel that these questions have been adequately answered at this time.

I thank Senator ENZI and the organizations who have dedicated their time and support for this measure, and I will continue to work with my colleague from Wyoming in the best interest of our American farmers and ranchers.

Mr. ENZI. I am pleased to support this bill with my colleague from South Dakota. My friend has done an excellent job of explaining how this legislation is an important safeguard for our livestock producers, and I would like to add a few comments about the continued need for vigilance when it comes to animal health threats. A wide range of veterinary professionals and livestock producers recognize the threat that Foot-and-Mouth Disease poses to the U.S. livestock industry. If the United States is to continue producing and selling the highest quality meat products in the world, our country must be free of the most dangerous ailments that affect the livestock which enter the market.

The economic threat Foot-and-Mouth Disease poses to our country cannot be underestimated. Disease outbreaks threaten the livelihood of our nation's ranchers and undermine foreign markets for our meat products. One can only look to the economic damage Foot-and-Mouth Disease caused to Britain in 2001 to gauge how significant this threat is to the United States. The highly contagious nature of this disease and the growing international trade of livestock equate the regionalization of Foot-and-Mouth Disease in Argentina to mixing fire with gasoline. I am glad that my colleague mentioned how Foot-and-Mouth Disease is unique and that regionalization would not work with this disease as it has with other animal ailments.

Our cattle, sheep, and swine already face a number of animal health challenges and now is not the time to open up our country to new diseases. Requiring Argentina to be FMD free without using vaccination is not asking too much. This is the same condition the United States and our neighbors already operate under in the trade of livestock. This bill, respected by a large number of state veterinary officials, recognizes this threat and ensures that the proper safeguards remain in place to prevent Foot-and-Mouth Disease from reaching our shores.

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

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

S. 3238

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 ''Foot and Mouth Disease Prevention Act of 2008''.

SEC. 2. PROHIBITION ON IMPORTATION OF ARGENTINE RUMINANTS AND SWINE UNTIL ARGENTINA IS FREE OF FOOT AND MOUTH DISEASE WITHOUT VACCINATION.

The Secretary of Agriculture shall prohibit the importation into the United States of any ruminant or swine, or any fresh (including chilled or frozen) meat or product of any ruminant or swine, that is born, raised, or slaughtered in Argentina until the Secretary certifies to Congress that every region of Argentina is free of foot and mouth disease without vaccination.

JULY 7, 2008.

Hon. TIM JOHNSON,
Senate Committee on Banking, Housing and Urban Affairs, Washington, DC.
Hon. MIKE ENZI,
Senate Committee on Banking, Housing and Urban Affairs, Washington, DC.

DEAR SENATORS JOHNSON AND ENZI: The American Sheep Industry Association, (ASI) on behalf of the 70,000 farm and ranch families producing lamb and wool in the United States, strongly supports your legislation regarding sheep and meat imports from Argentina.

This legislation is absolutely critical to the future of a healthy sheep industry in America.

In fact, the proposal to regionalize trade in live sheep and sheep meat drove industry concerns and questions about the trade and disease risks to point that this is a top issue of the state and national associations of the sheep industry.

We commit our support for approval of this legislation and commend your leadership in addressing appropriate livestock and meat trade standards on behalf of the nation's livestock industry.

Sincerely,

BURDELL JOHNSON,
ASI President.

UNITED STATES CATTLEMEN'S ASSOCIATION
P.O. BOX 339—SAN LUCAS, CA 93954

USCA (July 10, 2008)—The U.S. Cattlemen's Association (USCA) today hailed the introduction of legislation in the U.S. Senate that would block meat shipments from Argentina until that country is free of Foot and Mouth Disease (FMD), an airborne livestock disease that is devastating to livestock production.

Senator Tim Johnson (D-SD) and Senator Mike Enzi (R–WY) introduced the Foot and Mouth Disease Prevention Act of 2008, which would add common sense to a proposal by the U.S. Department of Agriculture (USDA) that would allow importation of Argentine fresh and prepackaged beef, lamb and other meat from select regions of Argentina, as well as live animals.

''Cattlemen from across the country appreciate Senator Johnson and Senator Enzi along with the other co-sponsors of this important legislation,'' said Jon Wooster, a California rancher and USCA president. ''We're calling it the 'Keep America FMD-Free bill'.''

Wooster explained that an outbreak of FMD within the U.S. cattle industry would bring livestock commerce to a standstill overnight and would likely result in the depopulation of millions of cattle, hogs, lambs, goats and wildlife.

The American Veterinary Medical Association has deemed FMD the most economically devastating of all livestock disease. A recent study by Kansas State University found that an outbreak of FMD would cost the State of Kansas alone nearly $1 billion.

''Despite the risks, the Department of Agriculture continues to consider the implementation of a regionalized beef trade plan with Argentina,'' noted Wooster. ''FMD is an airborne disease that will not stop at an imaginary border controlled by a foreign nation. Argentina has proven time and time again that it does not have America's best interests at heart. This is a country that has attacked U.S. agriculture in the World Trade Organization (WTO) and has intentionally turned its back on, and still refuses to pay, billions in U.S. loans despite U.S. court judgments mandating it do so.'' .

Senators Tim Johnson (D–SD) and Mike Enzi (R–WY) along with Senators Jon Tester (D–MT), John Barrasso (R–WY), Claire McCaskill (D–MO), Pete Domenici (R–NM), Byron Dorgan (D–ND), Ken Salazar (D–CO), and Wayne Allard (R–CO) are co-sponsors of the Foot and Mouth Disease Prevention Act of 2008. USCA has worked diligently to maintain import standards that will keep the U.S. cattle industry on the offensive rather than the defensive when it comes to controlling the introduction of foreign animal disease into the U.S.

''We will continue to work on moving this bill forward by adding co-sponsors and garnering support both on Capitol Hill and in the country. USCA is firmly resolved to ensuring the U.S. cattle industry is protected by the highest import standards possible, and to seeing that the 'Keep America FMD-Free' bill becomes law,'' said Wooster.

NATIONAL FARMERS UNION,
Washington, DC, July 10, 2008.

Hon. TIM JOHNSON,
U.S. Senate,
Washington, DC.

DEAR SENATOR JOHNSON: On behalf of the family farmers, ranchers and rural residents of National Farmers Union (NFU), I write in strong support of your legislation to prohibit the importation of Argentine ruminants, swine, fresh and frozen meat, and products from ruminants and swine until the U.S. Department of Agriculture (USDA) Secretary certifies the country Foot and Mouth Disease (FMD) free. I applaud your leadership to ensure all measures are employed to protect the American livestock industry and consumer confidence in our meat supply.

The ban proposed in your legislation is necessary in order to prevent jeopardizing our own efforts to eradicate livestock diseases, and thereby protecting the food supply. Your legislation enhances food safety through requiring every region of Argentina to be FMD-free without vaccination before exporting ruminants, swine and meat products to the United States.

FMD is a highly infectious virus that, if introduced into the United States, could contaminate entire herds and leave producers in financial ruin, as infected herds must be culled to prevent the spread of the disease. FMD is so devastating the American Veterinary Medical Association considers it to be the most economically destructive of all livestock diseases. The United States suffered nine outbreaks of FMD in the early twentieth century, but has been FMD-free since 1929. According to USDA's Animal and Plant Health Inspection Service, the economic impacts of a re-occurrence of FMD in the United States could cost the economy billions of dollars in the first year alone.

America's family farmers and ranchers produce the safest, most abundant food supply in the world. FMD presents a very real threat to American agriculture and its introduction into the United States can and must be prevented. Requiring a country like Argentina, with such an apparent problem with this devastating disease, to prove FMD-free status is an acceptable standard to trade. Opening our borders to Argentine ruminant products is a risk that American producers simply cannot afford. Your legislation is needed to ensure harmful products are not allowed into the United States and that Argentina is not an exception to the rule.

I thank you for introducing this important legislation, and look forward to working with you to ensure its passage.

Sincerely,

TOM BUIS,
President, National Farmers Union.

R-CALF UNITED STOCKGROWERS
OF AMERICA,
Billings, MT, July 3, 2008.

Hon. TIM JOHNSON,
U.S. Senate,
Washington, DC.

DEAR SENATOR JOHNSON, On behalf of the thousands of cattle-producing members of R-CALF USA located throughout the United States, we greatly appreciate and strongly support your legislation to prohibit the importation of certain animals and animal products from Argentina until every region of Argentina is free of foot and mouth disease without vaccination.

Foot and mouth disease (FMD) is recognized internationally as one of the most contagious diseases of cloven-hoofed animals and it bears the potential to cause severe economic losses to U.S. cattle producers. Your legislation recognizes that the most effective prevention measure against this highly contagious disease is to ensure that it is not imported into the United States from countries where FMD is known to exist or was recently detected.

R-CALF USA stands ready to assist you in building both industry and congressional support for this important, disease-prevention measure. Thank you for initiating this needed legislation to protect the U.S. cattle industry from the unnecessary and potentially dangerous exposure to FMD from Argentinean imports.

Sincerely,

R.M. THORNSBERRY,
President, R-CALF USA Board of Directors.

SOUTH DAKOTA
CATTLEMEN'S ASSOCIATION,
Pierre, SD, July 10, 2008.

Senator TIM JOHNSON,
Hart Senate Office Building,
Washington, DC
Senator MIKE ENZI,
Russell Senate Office Building,
Washington, DC.

DEAR SENATORS JOHNSON AND ENZI: I am writing on behalf of the 1,000 beef producer members of the South Dakota Cattlemen's Association (SDCA) to express support for the Foot and Mouth Disease Prevention Act of 2008. SDCA supports free and fair trade based on OIE standards that will protect the health of our cattle herd and the economic livelihood of our cattlemen.

Our top trade priority is to regain market access for U.S. beef in order to recapture the lost value of exports that occurred after the occurrence of BSE in 2003. To that end, we've worked closely with elected and regulatory officials to ensure adequate measures are taken to protect our herd health and maintain consumer confidence in U.S. beef.

In light of numerous unanswered questions regarding the status of Foot and Mouth Disease in Argentina, we believe passage of the Foot and Mouth Disease Prevention Act is critical to ensure this devastating disease doesn't enter the U.S. cattle herd through the importation of Argentine cattle and beef products. We commend your willingness to stand up for South Dakota's beef producers and look forward to working with you on this important issue.

Regards,

JODIE HICKMAN,
Executive Director.

SOUTH DAKOTA FARMERS UNION,
Huron, South Dakota, July 9, 2008.

Hon. TIM JOHNSON,
U.S. Senate,
Washington, DC.

DEAR SENATOR JOHNSON: On behalf of the family farmers and ranchers of the South Dakota Farmers Union (SDFU), I write to express support of your legislation *The Foot and Mouth Disease Prevention Act of 2008* to require the U.S. Department of Agriculture (USDA) to prevent the importation of livestock from Argentina until the USDA can certify that Argentina is free of Foot and Mouth Disease (FMD) without vaccination.

As you know, the possibility of the importing live animals and fresh meat with FMD would put our herds at risk and cause an economic hardship for our producers. The devastation that FMD can cause was seen first hand in England in 2001. SDFU fears that a similar situation would have severe economic consequences not only for producers in our state but nationwide. Your legislation is a proactive measure that will insure that this does not occur. As a result, until USDA certifies that Argentina is free of FMD, the importation of live stock and meat product should not be allowed. We owe it to both producers and consumers to protect their livestock herd and provide a safe food product.

SDFU fully supports your legislation to require USDA to certify Argentina free of FMD. I look forward to working with you and your colleagues for a quick passage of this important legislation to help protect American livestock producers and consumers.

Sincerely,

DOUG SOMBKE,
President.

By Mr. FEINGOLD (for himself, Mr. DODD, and Mr. MENENDEZ):

S. 3239. A bill to prohibit the Secretary of the Interior from issuing new Federal oil and gas leases to holders of existing leases who do not diligently develop the land subject to the existing leases or relinquish the leases, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. FEINGOLD. Mr. President, I would like to talk about the strong concerns I am hearing back home about gas and diesel prices and about a bill I am introducing today in response to those concerns.

We all know that over the past 12 months, the price of a gallon of gas has risen over a dollar, from around $3 last year to over $4 today. Diesel has increased from $2.91 a year ago to $4.72 per gallon today.

At the listening sessions I hold in every county of my State each year, Wisconsinites are, of course, talking about how those soaring oil prices are hurting their pocketbooks. And it is not just at the pump. They are feeling the pain also at the grocery store, on the farm, and at the ticket counter. Those high fuel prices are having a rippling effect throughout our entire economy. Wisconsinites, like Americans all around the country, are feeling squeezed. With no relief in sight, the anxiety and tension keep building. Americans are emotionally, physically, and financially drained. My colleague from Minnesota, Senator KLOBUCHAR, had it right when she stated that Americans are running on empty.

Here is what I am hearing from Wisconsinites. One constituent told me:

I have done everything I can to use as little gas as possible, even before prices got so high. My two-parent family (with two children) has only one car. I ride my bicycle or walk to work and use the car as little as possible. However, the rising cost of fuel is causing higher prices for food and other necessities which are becoming more difficult for my family and others.

From another parent:

I have an adorable child I am trying to raise on a budget that no longer reaches from paycheck to paycheck. I currently work an hour away from where I live as the jobs are not available in [my] area. Between the rising price of gas, electric/heat and food, my husband and I can barely pay our mortgage.

I have heard from many others who are struggling as they care for elderly parents. One lady has a mother in a nursing home, and she used to visit her three times a week. However, with the nursing home 20 miles away and high fuel prices, now she can only afford to visit her mother once a week. That, to me, is a very poignant example—one of so many examples—of the real human impact these gas prices have.

Even those who have managed their money well and have saved are struggling. One constituent commented that he had planned to put extra money toward retirement and pay down debt. With the high fuel prices, he does not have any extra money and is worried that he will end up on government assistance at the age of 57.

There are more letters and more e-mails and more phone calls. The high cost of driving affects all kinds of people and livelihoods. It affects kids whose parents cannot drive them across town to a friend's house or to soccer practice because they have to conserve gas to get to work. It affects young students and senior citizens who are on fixed incomes. Small businesses are finding they need to increase prices to cover increased transportation costs. Farmers are, of course, feeling the pinch in one way or another, whether it be fertilizer or fuel or transportation or feed for livestock and dairy farmers.

All over the country, people have resorted to alternative forms of transportation in an effort to escape these costs. There is a range of positive proposals to improve systems in Wisconsin from the Kenosha-Racine-Milwaukee commuter rail, extending Amtrak to Madison, or just adding buses or routes. While I strongly support long-term plans to invest in mass transit, I also recognize that at least for the time being in many parts of Wisconsin and in this country, it is unrealistic for many to rely on mass transportation. Commuting to work, be it across a large city or between two towns, is a gas- and dollar-guzzling task that many people cannot avoid or, increasingly, afford.

For the large number of Americans living in predominantly rural areas, this is especially challenging due to the typically longer trips and fewer transportation options. So Wisconsinites want to know: When is the Federal Government going to provide some relief?

With my support, Congress has made some progress. Last December we enacted energy legislation, H.R. 6, that raises corporate average fuel economy standards for vehicles while protecting American jobs. It also increases the requirement for alternative fuels from 8.5 billion gallons in 2008 to 36 billion gallons in 2022. I also recently cosponsored an amendment to make the Federal Government stop filling the Strategic Petroleum Reserve, which is 97 percent full. Fortunately, Congress passed this legislation, and the administration finally agreed to stop taking oil off the market to store it underground. The bill, H.R. 6022, was signed into law in May.

We also made some progress in preventing market manipulation. I cosponsored the Oil and Gas Traders Oversight Act, S. 577, which would help ensure that the previously unregulated trading commodities are subject to greater Federal oversight by requiring the reporting of trades, and then a similar provision was included in the final version of the farm bill which was recently enacted.

These are positive steps, but much more needs to be done. So today I am introducing legislation that seeks to answer a question more and more Americans are asking, which is: Why aren't the oil companies developing 66 million acres of land that they are already leasing from the U.S. Government? Those same companies, and some of my colleagues, say we need to open more Federal lands to drilling. Well, I guess I would like to know then why the oil companies are not producing on most of the Federal lands they already have under lease.

At a recent Senate Judiciary Committee hearing, I actually had the chance to ask the top five oil executives in the country just that question, and it was incredible. They couldn't come up with any good explanation at all. In fact, one of the executives told me they have the manpower and the infrastructure to put all of their existing leases of Federal lands into oil production.

I find this troubling. No one is talking about pulling oil out of a hat, but with 75 percent of currently leased Federal lands and waters not producing oil and gas, Congress needs to insist on some accountability on this point. This is why today I am introducing the Responsible Federal Oil and Gas Lease Act. This bill says if oil and gas companies want to lease additional lands, they must either be producing or diligently developing their existing Federal leases, or they have to give up those leases. This way, if a company makes the business decision to terminate or not pursue exploration, then the lease will be made available to other companies who might actually drill or figure out a way to get some oil out of this land. This is a responsible way to increase production and keep the private sector accountable for production.

So with over 100 billion barrels of oil under Federal lands and waters that are being leased or are available for leasing, Congress must properly encourage their development, and oil companies should use the land they already have before coming to Congress, hat in hand, asking for more land.

This bill is similar to legislation introduced by Representative RAHALL which the House considered last month. I will work to make sure the Senate follows their lead. I am also cosponsoring a bill introduced by my colleague who is on the Senate floor, my good friend Senator DODD, that encourages oil companies to utilize the land they have been granted by making them pay fees on land under lease but not in production.

There are a number of other steps Congress should take, including addressing the role of excess speculation in the energy futures market and clamping down on OPEC's price fixing. I am a cosponsor of S. 879, which would authorize the Justice Department and the FTC to sue foreign countries under U.S. antitrust law for limiting the supply or fixing the price of oil. Also, of course, we need to aggressively pursue alternative fuels, efficiency, and renewable energy because the facts show that even if we drilled every corner of the country, and offshore too, that wouldn't solve our energy problems.

In the long term, the Government's Energy Information Administration reports that opening more Outer Continental Shelf regions to drilling "would not have a significant impact on domestic crude and natural oil gas production or prices before 2030," nor will it significantly affect prices after 2030, the agency reports, "because oil prices are determined on the international market." In short, the facts are telling us that we simply cannot just drill our way out of this, and more drilling does not necessarily mean lower prices at the pump.

Unfortunately, a minority of Senators have repeatedly blocked efforts to expand renewables and address price gouging and excess energy market speculation. I sincerely hope we can get beyond this partisan bickering. My constituents don't want finger-pointing or name calling; they want some relief, and they deserve it. They also deserve to know that we are pressing forward on plans that embrace a new energy future.

Thirty years ago, our Nation was rattled by our reliance on oil. If I am still here in 30 years, for the sake of my constituents, I hope we will have succeeded at diversifying our energy uses and oil does not still have a stranglehold over our citizens and the economy.

By Mr. BIDEN (for himself, Mr. SPECTER, Mr. CARDIN, and Mr. KERRY):

S. 3245. A bill to increase public confidence in the justice system and address any unwarranted racial and ethnic disparities in the criminal process; to the Committee on the Judiciary.

Mr. BIDEN. Mr. President, the Constitution guarantees all Americans the right to the equal protection of the law. Nowhere is the guarantee of equal protection more important than in our criminal justice system. In a criminal justice system that imprisons a record 2.3 million, even the perception of bias on the basis of race, ethnicity, or any other protected class is unacceptable and should be guarded against at all costs.

Unfortunately, studies, reports, and case law from the last several years have documented racial disparities during many of the stages of the criminal justice system—law enforcement contact with a suspect, arrest, charging, plea bargaining, jury selection, and sentencing. Nowhere are the effects of these racial disparities more evident than in our prisons. By some estimates, nearly three-quarters of prisoners in the United States are either African-American or Hispanic. One of every three African-American men born today can expect to go to prison in his lifetime. These numbers, and studies and reports that show similar disparities during other stages of the criminal justice process, engender a crisis of public trust in the integrity of our criminal justice system and raise the possibility that we are failing to make good on the constitutional promise of equal protection.

Both the reality and the perception of inappropriate disparate treatment of minorities in the justice system erode respect for the law and undermine public safety.

Communities become increasingly reluctant to report crimes to and cooperate with police and prosecutors. They become reluctant to participate in juries and, when they do participate, to vote for conviction where the defendant is a minority. To fulfill the promise of the Constitution, and to effectively fight crime and deliver impartial justice, it is essential to identify and address unjustified disparities in the criminal justice system.

The Justice Integrity Act establishes a pilot program within the Justice Department to identify and eliminate unjustified disparities in the administration of justice. Ten U.S. Attorneys designated by the Attorney General will each appoint and chair an advisory group, composed of Federal and State prosecutors and defenders, private defense counsel, Federal and State judges, correctional officers, victims' rights representatives, Civil Rights organizations, business representatives and faith-based organizations engaged in criminal justice work.

The advisory group will systematically gather and examine data regarding the criminal process in its district and seek to determine the causes of any racial or ethnic disparity. The advisory group will produce a report on its findings and recommend a plan to reduce any unwarranted racial and ethnic disparities and thereby increase public confidence in the criminal justice system. The U.S. Attorney will consider the advisory group's recommendations and adopt a plan and submit a report to the Attorney General. At the end of the pilot program, the Attorney General will produce a comprehensive report to Congress on the results of the pilot program in all ten districts and recommend best-practices.

The Justice Integrity Act has been endorsed by the National Criminal Justice Association, The Sentencing Project, the American Bar Association, and a number of former United States Attorneys. I am proud to introduce this important bill with the support of my colleagues and friends—Senators ARLEN SPECTER, JOHN KERRY, and BEN CARDIN. We urge other members to join us.

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

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

S. 3245

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 ''Justice Integrity Act of 2008''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the pursuit of justice requires the fair application of the law;

(2) racial and ethnic disparities in the criminal process have contributed to a growing perception of bias in the criminal justice system;

(3) there are a variety of possible causes of disparities in criminal justice statistics among racial and ethnic groups and these causes may differ throughout the United States, including factors such as—

(A) varying levels of criminal activity among racial and ethnic groups and legitimate law enforcement response to that criminal activity; and

(B) racial discrimination, ethnic and cultural insensitivity, or unconscious bias;

(4) the Nation would benefit from an understanding of all factors causing a disparate impact on the criminal justice system; and

(5) programs that promote fairness will increase public confidence in the criminal justice system, increase public safety, and further the pursuit of justice.

SEC. 3. PILOT PROGRAM.

(a) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Attorney General shall establish a pilot program in 10 United States districts in order to promote fairness, and the perception of fairness, in the Federal criminal justice system, and to determine whether legislation is required.

(b) PROGRAM REQUIREMENTS.—

(1) U.S. ATTORNEYS.—The Attorney General shall designate, in accordance with paragraph (3), 10 United States Attorneys who shall each implement a plan in accordance with section 4, beginning not later than 1 month after those United states Attorneys are designated by the Attorney General.

(2) PURPOSE.—The purposes of the plans required by this section are—

(A) to gather racial and ethnic data on investigations and prosecutions in the United States districts and the causes of disparities, if any;

(B) to determine the extent to which the communities' perception of bias has affected confidence in the Federal criminal justice system;

(C) to analyze whether measures may be taken to reduce unwarranted disparities, if any, and increase confidence in the criminal justice system; and

(D) to make recommendations, to the extent possible, to ensure that law enforcement priorities and initiatives, charging and plea bargaining decisions, sentencing recommendations, and other steps within the criminal process are not influenced by racial and ethnic stereotyping or bias, and do not produce unwarranted disparities from otherwise neutral laws or policies.

(3) CRITERIA FOR SELECTION.—

(A) IN GENERAL.—The 10 pilot districts referred to in subsection (a) shall include districts of varying compositions with respect to size, case load, geography, and racial and ethnic composition.

(B) METROPOLITAN AREAS.—At least 3 of the United States attorneys designated by the Attorney General shall be in Federal districts encompassing metropolitan areas.

SEC. 4. PLAN AND REPORT.

(a) IN GENERAL.—

(1) UNITED STATES ATTORNEY.—Each United States Attorney shall, in consultation with an advisory group appointed in accordance with paragraph (2), develop and implement a plan in accordance with subsections (b) and (c).

(2) ADVISORY GROUP.—

(A) APPOINTMENT.—Not later then 90 days after designation by the Attorney General, the United States Attorney in each of the 10 pilot districts selected pursuant to section 3 shall appoint an advisory group, after consultation with the chief judge of the district and criminal justice professionals within the district.

(B) MEMBERSHIP.—The advisory group of a United States Attorney shall include—

(i) 1 or more senior social scientists with expertise in research methods or statistics; and

(ii) individuals and entities who play important roles in the criminal justice process and have broad-based community representation such as—

(I) Federal and State prosecutors;

(II) Federal and State defenders, if applicable in the district, and private defense counsel;

(III) Federal and State judges;

(IV) Federal and State law enforcement officials and union representatives;

(V) parole and probation officers;

(VI) correctional officers;

(VII) victim's rights representatives;

(VIII) civil rights organizations;

(IX) business and professional representatives; and

(X) faith-based organizations who do criminal justice work.

(C) TERM LIMIT.—Subject to subparagraph (D), a member of the advisory group shall not serve longer than 5 years.

(D) PERMANENT MEMBERS.—Notwithstanding subparagraph (C), the following shall be permanent members of the advisory group for that district:

(i) The chief judge for the judicial district.

(ii) The Federal defender for the judicial district.

(iii) The United States Attorney for the judicial district.

(E) REPORTER.—The United States Attorney may designate a reporter for each advisory group, who may be compensated in accordance with guidelines established by the Executive Office of the United States Attorneys.

(F) INDEPENDENT CONTRACTORS.—The members of an advisory group of a United States Attorney and any person designated as a reporter for such group—

(i) shall be considered independent contractors of the United States Attorney's Office when in the performance of official duties of the advisory group; and

(ii) may not, solely by reason of service on or for the advisory group, be prohibited from practicing law before any court.

(b) DEVELOPMENT AND IMPLEMENTATION OF A PLAN AND REPORT.—

(1) ADVISORY GROUP REPORT.—The advisory group appointed under subsection (a)(2) shall—

(A)(i) systematically collect and analyze quantitative data on the race and ethnicity of the defendant and victim at each stage of prosecution, including case intake, bail requests, declinations, selection of charges, diversion from prosecution or incarceration, plea offers, sentencing recommendations, fast-track sentencing, and use of alternative sanctions; and

(ii) at a minimum, collect aggregate data capable of individualization and tracking through the system so that any cumulative racial or ethnic disadvantage can be analyzed;

(B) seek to determine the causes of racial and ethnic disparities in a district, and whether these disparities are substantially explained by sound law enforcement policies or if they are at least partially attributable to discrimination, insensitivity, or unconscious bias;

(C) examine the extent to which racial and ethnic disparities are attributable to—

(i) law enforcement priorities, prosecutorial priorities, the substantive provisions of legislation enacted by Congress; or

(ii) the penalty schemes enacted by Congress or implemented by the United States Sentencing Commission;

(D) examine data including—

(i) the racial and ethnic demographics of the United States Attorney's district;

(ii) defendants charged in all categories of offense by race and ethnicity, and, where applicable, the race and ethnicity of any identified victim;

(iii) substantial assistance motions, whether at sentencing or post-conviction, by race and ethnicity;

(iv) charging policies, including decisions as to who should be charged in Federal rather than State court when either forum is available, and whether these policies tend to result in racial or ethnic disparities among defendants charged in Federal court, including whether relative disparities exist between State and Federal defendants charged with similar offenses;

(v) the racial and ethnic composition of the Federal prosecutors in the district; and

(vi) the extent to which training in the exercise of discretion, including cultural competency, is provided prosecutors;

(E) consult with an educational or independent research group, if necessary, to conduct work under this subsection; and

(F) submit to the United States Attorney by the end of the second year after their initial appointment a report and proposed plan, which shall be made available to the public and which shall include—

(i) factual findings and conclusions on racial and ethnic disparities, if any, and the State of public confidence in the criminal process;

(ii) recommended measures, rules, and programs for reducing unjustified disparities, if any, and increasing public confidence; and

(iii) an explanation of the manner in which the recommended plan complies with this paragraph.

(2) ADOPTION OF PLAN.—Not later than 60 days after receiving and considering the advisory group's report and proposed plan under paragraph (1), the United States Attorney appointed under section 3 shall adopt and implement a plan.

(3) COPY OF REPORT.—The United States Attorney shall transmit a copy of the plan and report adopted and implemented, in accordance with this subsection, together with the report and plan recommended by the advisory group, to the Attorney General. The United States Attorney shall include with the plan an explanation of any recommendation of the advisory group that is not included in the plan.

(4) CONGRESS.—The Attorney General shall transmit to the United States Attorney's in every Federal district and to the Committees on the Judiciary of the Senate and the House of Representatives copies of any plan and accompanying report submitted by a pilot district.

(c) PERIODIC UNITED STATES ATTORNEY ASSESSMENT.—After adopting and implementing a plan under subsection (b), each United States attorney in a pilot district shall annually evaluate the efficacy of the plan. In performing such assessment, the United States attorney shall consult with the advisory group appointed in accordance with subsection (a)(2). Each assessment shall be submitted to the Executive Office for United States attorneys for review in accordance with subsection (d).

(d) INFORMATION ON THE PILOT PROGRAM.—

(1) REPORT AND MODEL PLAN.—Not later than 5 years after the date of the enactment of this Act, the Attorney General shall—

(A) prepare a comprehensive report on all plans received pursuant to this section;

(B) based on all the plans received pursuant to this section the Attorney General shall also develop one or more model plans; and

(C) transmit copies of the report and model plan or plans to the Committees on the Judiciary of the Senate and the House of Representatives.

(2) CONTINUED OVERSIGHT.—The Attorney General shall, on a continuing basis—

(A) study ways to reduce unwarranted racial and ethnic disparate impact in the Federal criminal system; and

(B) make recommendations to all United States attorneys on ways to improve the system.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $3,000,000 for use, at the discretion of the Attorney General, by the United States Attorneys' advisory groups in the development and implementation of plans under this Act.

By Mr. CARDIN (for himself, Ms. SNOWE, and Ms. MIKULSKI):

S. 3246. A bill to amend the Internal Revenue Code of 1986 to allow the Secretary of the Treasury to set the standard mileage rate for use of a passenger automobile for purposes of the charitable contributions deduction; to the Committee on Finance.

Mr. CARDIN. Mr. President, I rise today to introduce a bill, the Fair Deal for Volunteers Act. In today's economic climate, Americans need relief from sky-rocketing oil and gas prices. This applies to everyone, including people who engage in much-needed volunteer work. My bill will provide immediate relief for volunteers serving our elderly, poor, frail, and at-risk Americans. It gives the Internal Revenue Service authority to change the mileage rate—currently set by statute at 14 cents per mile—for calculating the deductible cost of operating a vehicle for charitable purposes. We can't let an out-of-date mileage rate exacerbate the pinch at the pump for volunteers who selflessly provide so many vital goods and services in every community across America. I'm pleased that the senior Senator from Maine, Senator SNOWE, and my colleague, the senior Senator from Maryland, Senator MIKULSKI, are original cosponsors of this bill and I thank them for their support.

The Internal Revenue Code does not fix a rate for individuals who are required to use their own vehicle for work, or for individuals taking a mileage deduction for moving purposes. The IRS is able to increase the deduction amount for these purposes to reflect the current economic climate and dramatically higher fuel prices. This is exactly what the IRS recently did.

As of July, the IRS modified the standard mileage rates for computing the deductible costs of operating an automobile for business, medical, or moving expenses. The revised standard mileage rate for business purposes increased from 50.5 cents per mile to 58.5 cents. For medical and moving expenses, the IRS increased the rate from 19 cents per mile to 27 cents per mile. I think the Nation's volunteers who travel on behalf of charitable organizations deserve an increase in their mileage rate, too.

My bill gives the IRS flexibility in setting the rate so that volunteers for charitable organizations could be given the same tax benefit accruing for moving, medical, and business expenses. In today's climate of increasing food and fuel prices, this bill will help relieve some of the pressure on charitable organizations and their volunteers.

Take Meals on Wheels, for example. This organization delivers nutritious meals and other nutrition services to men and women who are elderly, homebound, disabled, frail, or otherwise at-risk. The services Meals on Wheels provides significantly improve the recipients' quality of life and health, and often help to postpone institutionalization.

Over the past year, there has been nearly a 20 percent increase in fuel and food prices, coupled with reduced government funding and fewer donations across the country. Nearly 60 percent of the estimated 5,000 programs that operate under the auspices of the Meals on Wheels Association of America have lost volunteers, in large part because it is too expensive for the volunteers to drive back and forth. Nearly half the programs have eliminated routes or consolidated meal services. About 38 percent of the programs have switched to delivering frozen meals, and about 30 percent are cutting personal visits from 5 days a week to one.

In Maryland, the Central Maryland Meals on Wheels has experienced an increase of 7 percent in food costs and suppliers are charging higher delivery fees. The cost to fill up the vans with gas has increased. Fuel costs averaged $72,538.70 in fiscal year 2007; this year, the costs have jumped to $86,790.63. This is an organization with volunteers serving over 3,100 elderly, disabled, frail and at-risk Marylanders. Its volunteers deserve relief from high gas prices just as much as people who use their car for work or for medical purposes or for moving.

Throughout the United States, Meals on Wheels served over 3 million people and more than 250 million meals in fiscal year 2006. This is just one of thousands of charitable organizations. We need to encourage and support the Meals on Wheels volunteers and all other volunteers who need their cars to help their neighbors and communities. The Fair Deal for Volunteers Act will do just that, and I hope my colleagues will support it.

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. 3246

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 ''Fair Deal for Volunteers Act of 2008''.

SEC. 2. DETERMINATION OF STANDARD MILEAGE RATE FOR CHARITABLE CONTRIBUTIONS DEDUCTION.

(a) IN GENERAL.—Subsection (i) of section 170 of the Internal Revenue Code of 1986 (relating to standard mileage rate for use of passenger automobile) is amended to read as follows:

''(i) STANDARD MILEAGE RATE FOR USE OF PASSENGER AUTOMOBILE.—For purposes of computing the deduction under this section for use of a passenger automobile, the standard mileage rate shall be the rate determined by the Secretary.''.

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

By Mr. LIEBERMAN (for himself, Ms. COLLINS, and Ms. CANTWELL):

S. 3248. A bill to amend the Commodity Exchange Act to clarify treatment of purchases of certain commodity futures contracts and financial instruments with respect to limits established by the Commodity Futures Trading Commission relating to excessive speculation, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. LIEBERMAN. Mr. President, today I am introducing legislation, the Commodity Speculation Reform Act of 2008, with my colleague Senator COLLINS, the ranking minority member of our Homeland Security and Governmental Affairs Committee. The legislation is designed to wring out of the commodity markets the excessive speculation—and I stress the word ''excessive''—that we believe has helped lead to the sudden and soaring spikes in the prices Americans pay for food and energy.

We are going to do this by returning the commodity markets to what they were meant to be—a place where producers and consumers of specific commodities can enter into futures contracts that help hedge the risks of price fluctuations common to their industries.

These commodity market traders—farmers, airlines, refineries—actually intend to produce or take delivery of specific commodities as part of doing business.

On the other hand, financial speculators, including pension funds, university endowments, and other large institutional investors, have poured billions and billions of dollars into these markets over the past 5 years betting on rising prices—and let's make it clear, that these are bets—without ever intending to actually own a barrel of oil or a bushel of corn. They are looking for nothing more than paper profits.

In a series of hearings held by our Homeland Security and Governmental Affairs Committee, we heard testimony that this kind of excessive speculation in the commodity markets may have added as much as $40 to $60 to the cost of a barrel of oil.

Some say these figures are too high. But I would say that even a single dollar increase due to excessive speculation is a dollar too much because of the inflationary effect it can have not only on the U.S. economy, but around the world.

Consider this: according to the Air Transport Association, every $1 increase in the price of a barrel of crude oil adds $470 million a year in jet fuel costs—almost half a billion dollars—to the U.S. airline industry. These costs are passed on to consumers in the forms of higher ticket prices and other surcharges that are now keeping potential passengers on the ground and has the industry reeling.

These increases directly hit consumers in the global economy through higher gas and food prices. Moreover, the negative effects of commodity price inflation ripple through the economy as the high cost of energy and raw materials weakens our manufacturing base, and the high cost associated with transporting goods impedes international trade.

The profits made by the speculators do not produce one new barrel of oil, put one new acre of farmland into production, put one new mine into operation, or add one new gallon of refinery capacity.

If speculators really want to invest in commodities, they can buy stock in an energy company or an agricultural firm. They can purchase the royalty rights to land. Any of these options would benefit from market trends related to commodity prices and would also bring needed investment into means of production that would increase supplies and eventually contribute to lower commodity prices.

Unfortunately, the Commodity Futures Trading Commission has ignored the urgent task of providing our front line defense against rampant and unmanaged speculation. To this day, the Commission has yet to recognize that speculation affects commodity prices.

Instead, the Commission has delegated much of its regulatory authority to the for-profit exchanges. Moreover, in contradiction with Congress's original legislative intent, the Commission views its mission as confined to a single purpose—preventing market manipulation. On the contrary, Congress fully intended the Commission to regulate market manipulation AND excessive speculation.

Our bill effectively closes the door to excessive speculation, but in a rational and reasonable way by, in effect, perfecting current law. First, it requires the CFTC to consider the overall effect of speculation when it sets the position limits that restrict the amount that any one investor can invest in a commodity. This is a critical and necessary change—if the Commission does not acknowledge and embrace its obligation to prevent excessive speculation, all of our efforts will be in vain.

Second, it extends the existing rules that apply to the regulated exchanges to currently unregulated over-the-counter and foreign markets. Over the last 10 years, over-the-counter trading in commodities has exploded. The over-the-counter investment vehicles are simply economic substitutes for futures contracts. There is no rational reason that they should not be subject to the same laws and regulations that apply to futures contracts.

This change also eliminates the ''swaps loophole'' that allows pension funds and other large investors to invest in index funds that circumvent the position limits. From 2003 to 2008, investment in commodity index funds has swelled from $13 billion to $260 billion and has, in effect, chased up prices and taken control of the commodity markets away from the industries and producers that must use them as a means of doing business.

Other important provisions would direct that the speculative position limits must be set by the CFTC, not the futures exchanges, and repeal the CFTC's authority to substitute meaningless reporting requirements for actual speculative position limits.

In the course of our Committee hearings and in later deliberations we looked at a number of legislative options, including banning certain large investors, such as pension funds, from the commodity markets altogether.

But we feel the approach we've come up with in this bill is a reasonable, commonsense approach that will help bring order back to the commodity markets while preserving the liquidity it needs to function properly.

Some have suggested that Congressional action will simply push investors to foreign markets. Our bill actually discourages flight from the major exchanges because it puts all trading platforms under the same regulatory umbrella. Speculators are subject to the same position limits regardless of whether they invest in New York, London, Dubai, or over-the-counter.

Is excessive speculation the sole cause of rising prices? Of course not. Global economic growth, particularly in emerging nations like China and India, has put tremendous upward pressure on the prices of energy, food and raw materials.

But there is little doubt—even among most skeptics of our legislation—that excessive speculation has had an effect on rising prices. Our bill will end that and help create a more orderly market for the industries and producers who must deal in commodities as a matter of business.

The father of modern capitalism, Adam Smith, overall wanted to limit the role of government in free markets. In fact, in ''The Wealth of Nations'' Smith said speculators served many useful functions in a free market and many of his observations are still true today.

But Smith knew there had to be limits, writing: ''those exertions of the natural liberty of a few individuals, which may endanger the security of the whole society, are, and ought to be, restrained by the laws of all governments.''

With this bill we seek that kind of restraint so that the few don't gain exorbitant profits at the expense of the average American reeling under spiraling prices for food and fuel.

Mr. President, I ask unanimous consent that the text of the bill and a summary be printed in the RECORD.

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

S. 3248

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 ''Commodity Speculation Reform Act of 2008''.

SEC. 2. AUTHORITY OF COMMODITY FUTURES TRADING COMMISSION TO ISSUE NO ACTION LETTERS.

Section 2(a)(1) of the Commodity Exchange Act (7 U.S.C. 2(a)(1)) is amended by adding at the end the following:

''(G) AUTHORITY TO ISSUE NO ACTION LETTERS TO FOREIGN BOARDS OF TRADE.—

''(i) IN GENERAL.—Except as provided in clause (ii), the Commission may not issue a no action letter to any foreign board of trade that lists a contract the price of which settles on the price of a contract traded on an exchange regulated by the Commission.

''(ii) EXCEPTION.—The Commission may issue a no action letter to a foreign board of trade described in clause (i) if the foreign board of trade provides to the Commission information and data accessibility the scope of which is comparable to the information and data accessibility provided to the Commission by entities under the jurisdiction of the Commission.''.

SEC. 3. ADDITIONAL EMPLOYEES.

Section 2(a)(7) of the Commodity Exchange Act (7 U.S.C. 2(a)(7)) is amended by adding at the end the following:

''(D) ADDITIONAL EMPLOYEES.——As soon as practicable after the date of enactment of this subparagraph, the Commission shall appoint at least 100 full-time employees (in addition to the employees employed by the

Commission as of the date of enactment of this subparagraph) to assist in carrying out section 4a(a)(2).''.

SEC. 4. TREATMENT OF PURCHASES OF CERTAIN COMMODITY FUTURES CONTRACTS AND FINANCIAL INSTRUMENTS.

(a) IN GENERAL.—Section 4a of the Commodity Exchange Act (7 U.S.C. 6a) is amended—

(1) by striking ''SEC. 4a. (a) Excessive speculation'' and inserting the following:

''SEC. 4a. EXCESSIVE SPECULATION.

''(a) BURDEN ON INTERSTATE COMMERCE; TRADING OR POSITION LIMITS.—

''(1) IN GENERAL.—Excessive speculation and''; and

(2) in subsection (a) (as amended by paragraph (1)), by adding at the end the following:

''(2) TREATMENT OF PURCHASES OF CERTAIN COMMODITY FUTURES CONTRACTS AND FINANCIAL INSTRUMENTS.—

''(A) DEFINITIONS.—In this paragraph:

''(i) BONA FIDE HEDGING TRANSACTION.—

''(I) IN GENERAL.—The term 'bona fide hedging transaction' means a transaction that—

''(aa) represents a substitute for a transaction to be made or a position to be taken at a later time in a physical marketing channel;

''(bb) is economically appropriate for the reduction of risks in the conduct and management of a commercial enterprise; and

''(cc) arises from the potential change in the value of—

''(AA) assets that a person owns, produces, manufactures, possesses, or merchandises (or anticipates owning, producing, manufacturing, possessing, or merchandising);

''(BB) liabilities that a person incurs or anticipates incurring; or

''(CC) services that a person provides or purchases (or anticipates providing or purchasing).

''(II) EXCLUSION.—The term 'bona fide hedging transaction' does not include a transaction entered into on a designated contract market for the purpose of offsetting a financial risk arising from an over-the-counter commodity derivative.

''(ii) OVER-THE-COUNTER COMMODITY DERIVATIVE.—The term 'over-the-counter commodity derivative' means any agreement, contract, or transaction that—

''(I)(aa) is traded or executed in the United States; or

''(bb) is held by a person located in the United States;

''(II) is not traded on a designated contract market or derivatives transaction execution facility; and

''(III)(aa) is a put, call, cap, floor, collar, or similar option of any kind for the purchase or sale of, or substantially based on the value of, 1 or more qualifying commodities or an economic or financial index or measure of economic or financial risk primarily associated with 1 or more qualifying commodities;

''(bb) provides on an executory basis for the applicable transaction, on a fixed or contingent basis, of 1 or more payments substantially based on the value of 1 or more qualifying commodities or an economic or financial index or measure of economic or financial risk primarily associated with 1 or more qualifying commodities, and that transfers between the parties to the transaction, in whole or in part, the economic or financial risk associated with a future change in any such value without also conveying a current or future direct or indirect ownership interest in an asset or liability that incorporates the financial risk that is transferred; or

''(cc) is any combination or permutation of, or option on, any agreement, contract, or transaction described in item (aa) or (bb).

''(iii) OVER-THE-COUNTER COMMODITY DERIVATIVE DEALER.—The term 'over-the-counter commodity derivative dealer' means a person that regularly offers to enter into, assume, offset, assign, or otherwise terminate positions in over-the-counter commodity derivatives with customers in the ordinary course of a trade or business of the person.

''(iv) QUALIFYING COMMODITY.—The term 'qualifying commodity' means—

''(I) an agricultural commodity; and

''(II) an energy commodity.

''(B) REGULATIONS.—

''(i) IN GENERAL.—Not later than 90 days after the date of enactment of this paragraph, in accordance with clauses (ii) and (iii), the Commission shall promulgate regulations to establish and enforce—

''(I) speculative position limits for qualifying commodities;

''(II) a methodology—

''(aa) to enable persons to aggregate the positions held or controlled by the persons on designated contract markets, on derivatives transaction execution facilities, and in over-the-counter commodity derivatives; and

''(bb) to ensure, to the maximum extent practicable, that the determinations made by the Commission with respect to each person examined under subparagraph (C) accurately reflect the net long and net short positions held or controlled by the person in the underlying qualifying commodity; and

''(III) information reporting rules to facilitate the monitoring and enforcement by the Commission of the speculative position limits established under subclause (I), including the monitoring of positions held in over-the-counter commodity derivatives.

''(ii) APPLICABILITY.—

''(I) POSITION LIMITS.—The speculative position limits established under clause (i)(I) shall apply to position limits that, with respect to each applicable position limit, expire during—

''(aa) the spot month;

''(bb) each separate futures trading month (other than the spot month); or

''(cc) the sum of each trading month (including the spot month).

''(II) SUM OF POSITIONS.—The speculative position limits established under clause (i)(I) shall apply to the sum of the positions held by a person—

''(aa) on designated contract markets;

''(bb) on derivatives transaction execution facilities; and

''(cc) in over-the-counter commodity derivatives.

''(iii) MAXIMUM LEVEL OF POSITION LIMITS.—In establishing the speculative position limits under clause (i)(I), the Commission shall set the speculative position limits at the minimum level practicable to ensure sufficient market liquidity for the conduct of bona fide hedging activities.

''(C) PROHIBITION RELATING TO CERTAIN POSITIONS.—

''(i) IN GENERAL.—Notwithstanding any other provision of this Act, no person may hold or control a position, separately or in combination, net long or net short, for the purchase or sale of a commodity for future delivery or, on a futures-equivalent basis, any option, or an over-the-counter commodity derivative that exceeds a speculative position limit established by the Commission under subparagraph (B)(i)(I).

''(ii) BONA FIDE HEDGING TRANSACTIONS.—In determining whether the sum of a position held or controlled by a person has exceeded the applicable speculative position limit established by the Commission under subparagraph (B)(i)(I), the Commission shall not consider positions attributable to a bona fide hedging transaction.

''(iii) DETERMINATION OF POSITION LIMITS FOR OVER-THE-COUNTER COMMODITY DERIVATIVE DEALERS.—To determine the position of an over-the-counter commodity derivative dealer, the sum of the positions held or controlled by the over-the-counter commodity derivative dealer shall be—

''(I) calculated on the last day of each month; and

''(II) considered, for the monthly period covered by the determination, to be the average daily net position held or controlled by the over-the-counter commodity derivative dealer for the period beginning on the first day of the month and ending on the last day of the month.''.

(b) REPORTS.—

(1) NECESSARY ADDITIONAL FUNDING.—Not later than 45 days after the date of enactment of this Act, the Commodity Futures Trading Commission (referred to in this subsection as the ''Commission'') shall submit to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate a report providing the recommendations of the Commission for any additional funding that the Commission considers to be necessary to carry out the amendments made by subsection (a), including funding for additional staffing and technological needs.

(2) SPECULATIVE ACTIVITY TRENDS.—

(A) STUDY.—The Commission shall conduct a study—

(i) to identify trends in speculative activity relating to metals; and

(ii) to determine whether the authority of the Commission under section 4a(a)(2) of the Commodity Exchange Act (7 U.S.C. 6a(a)(2)) (as added by subsection (a)(2)) should be extended to cover the trading of metals.

(B) REPORT.—Not later than 180 days after the date of enactment of this Act, the Commission shall submit a report containing the results of the study conducted under subparagraph (A) to—

(i) the Committee on Agriculture of the House of Representatives;

(ii) the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(iii) the Committee on Homeland Security and Governmental Affairs of the Senate.

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

COMMODITY SPECULATION REFORM ACT OF 2008

(Senators Joseph Lieberman and Susan Collins, Summary of Provisions, July 10, 2008)

The legislation closes the ''Swaps Loophole'' and creates a seamless system of speculative position limits that applies to all food and energy-related contracts held by financial speculators, including over-the-counter holdings and futures positions on foreign exchanges.

In theory, position limits should curb excessive speculation in food and energy markets by imposing caps on the amount of futures contracts that may be held by any one investor. However, the position limits no longer serve their original purpose. Large institutional investors, such as pension funds, can circumvent the position limits by investing in over-the-counter markets. Through a regulatory ''swaps'' loophole, financial institutions that serve the over-the-counter markets also circumvent the position limits.

The bill will reduce excessive speculation by closing the swaps loophole and eliminating the exemptions that apply to investors that are not taking physical delivery of food and energy commodities. The bill applies the position limits if the position is not related to a bona fide hedging activity. The bill incorporates the CFTC's definition of bona fide hedging, but clarifies that it does not include hedging financial risks associated with over-the-counter derivatives, such as swaps and structured notes.

In the evolving commodity marketplace, trading is increasingly occurring in unregulated over-the-counter markets or overseas. By extending the position limits to holdings regardless of where they are held, the position limits will no longer create an incentive to trade off-exchange or overseas. The bill would require the CFTC to develop a methodology that allows investors to aggregate their positions on the exchanges and in over-the-counter markets for purposes of regulatory enforcement of the position limits.

The legislation requires the CFTC to set the individual position limits at amounts necessary to prevent excessive speculation while still ensuring sufficient market liquidity.

The CFTC currently sets the speculative position limits at amounts the Commission believes are necessary to prevent market manipulation by individual market participants. In contradiction with the original intent of the Congress, the CFTC does not set the position limits at amounts necessary to control the harmful inflationary effects of excessive speculation. The bill clarifies that the position limits should be set at amounts no greater than necessary to ensure sufficient market liquidity for the conduct of bona fide hedging activities.

The legislation directs that the speculative position limits must be set by the CFTC, not the futures exchanges.

The bill would repeal the CFTC's authority to delegate the responsibility for setting the position limits to the exchanges. The major exchanges are no longer nonprofit entities, but rather for-profit businesses. The position limits should be set by a regulatory entity that has a single mission—serving the public interest.

The legislation repeals the authority that permits the CFTC to substitute reporting requirements for actual speculative position limits.

Currently, position limits apply to an investor's holdings in the spot month, any single month, and all months combined. With respect to energy futures contracts, the position limits are replaced with a simple reporting requirement, or ''position accountability level'', in the all-months time period. The bill would extend actual speculative position limits to the all-months time period.

The legislation requires foreign futures exchanges to provide the CFTC with daily trading information comparable to the information provided by domestic exchanges.

Increasingly, foreign futures exchanges are offering cash-settled futures contracts that are based on commodity prices set by contracts traded on U.S. exchanges. These ''look-alike'' contracts arguably offer investors a competitive alternative to contracts that are traded and physically settled through U.S. exchanges. The CFTC recently indicated it will require foreign exchanges offering look-alike contracts to provide trading information comparable to the information provided by domestic exchanges. This provision codifies the new CFTC policy. The provision lays the statutory framework necessary for a seamless system of information reporting and improved transparency that will ensure the CFTC has the ability to monitor and enforce the new speculative position limits.

The legislation increases the resources available to the CFTC to carry out is its expanded responsibilities under the Act, including additional funds for staffing and technology.

The legislation constitutes a historic expansion of the CFTC's mission. Significant new resources will be needed to carry out these directives. As soon as practicable after the date of enactment, the legislation requires the CFTC to hire 100 additional full-time employees and authorizes such sums as are necessary to implement its new responsibilities. No later than 45 days after enactment, the CFTC must report to the Congressional appropriations committees with an estimate of the additional funding necessary to fully administer the Act.

The legislation directs the CFTC to review trends in speculative activity related to metals, and report to Congress on whether the Commission's new authority should extend to trading in metals.

Ms. COLLINS. Mr. President, high energy prices are having a devastating impact on our economy and our people—especially in large, rural States like Maine. Truckdrivers, loggers, fishermen, farmers, and countless others are struggling with the high cost of oil and gasoline. In Maine, where 80 percent of homes are heated with oil, many families do not know how they can afford to stay warm next winter.

The high cost of energy is also taking a toll on businesses, both large and small. Katahdin Paper recently announced plans to shut down its plant in Millinocket due to the cost of oil. If this occurs—and everyone is working to prevent it—the community would be devastated by the loss of more than 200 good jobs.

Many factors affect energy prices, including the value of the dollar, global tensions, and demand in other countries, such as China and India. But Senator LIEBERMAN and I have heard persuasive and troubling evidence in hearings of our Committee on Homeland Security and Governmental Affairs that another factor is also at work—excessive speculation in futures markets for energy commodities.

At issue is the activity of non-commercial traders who do not produce or take delivery of oil or agricultural products, unlike commercial traders such as oil producers and heating oil dealers, farmers and cereal companies. Instead, these noncommercial investors use futures contracts and related transactions solely for financial gain.

Speculation in commodity markets by noncommercial investors has grown enormously. In just the last 5 years, the total value of their futures-contract and commodity index-fund investments has soared from $13 billion to $260 billion.

These massive new holdings of oil-futures contracts by pension funds, university endowments, and other institutional investors appear to be driving up prices beyond what they would otherwise be. These investors' intentions may be simply to provide good returns, a hedge against inflation, and diversification, but many experts believe their activities are distorting commodity markets.

I have worked with Senator LIEBERMAN to produce a comprehensive and bipartisan bill, the Commodity Speculation Reform Act of 2008, which we are introducing today.

Our bill takes some very strong steps toward countering excessive speculation.

First, it would remedy staffing shortfalls at the Commodity Futures Trading Commission by adding 100 staff to improve its market oversight and enforcement capabilities. This is a vital step. The CFTC tells us that more than 3 billion futures and options contracts were traded last year, up from 37 million in 1976. Yet the Commission is operating with fewer employees than it had 30 years ago.

Second, our bill closes the so-called ''swaps loophole,'' which currently allows financial institutions to evade position limits on commodity contracts that regulators use to prevent unwarranted price swings or attempts at manipulation.

Third, our bill directs the CFTC to establish position limits that will apply to an investor's total interest in a commodity, regardless of whether they originate on a regulated exchange, the over-the-counter market, or on foreign boards of trade that deal in U.S. commodities.

Fourth, our bill instructs the CFTC to permit no foreign boards of trade to deal in U.S.-linked commodity contracts unless they agree to reporting and data- accessibility standards at least equivalent to that required of U.S.-regulated exchanges. This is not a matter of telling other countries what to do: foreign boards of trade request ''no-action'' letters from the CFTC so they can maintain trading terminals here while remaining regulated by their own authorities. The CFTC has recently taken positive steps to require comparable reporting, and our bill codifies those improvements.

These are powerful measures, but they are also prudently designed. We recognize that producers, handlers, and purchasers of commodities who use those markets to lock in prices, hedge risks, and see clues for price trends require some level of participation by non- commercial, financial investors.

Our bill does not prevent financial investors from participating in commodity markets. It simply places some limits on their presence by directing the CFTC to set position limits across trading venues at a level no higher than that needed to ensure that commercial participants can always find counterparties for their contract needs.

These and other provisions of our bill—which applies to agricultural as well as energy commodities—will provide a stronger regulator, improved flows of information, new and more consistent protections against excessive speculation, and assurance to both businesses and consumers that our markets in basic commodities are transparent, competitive, and effectively policed.

The Commodity Speculation Reform Act of 2008 represents a balanced and bipartisan approach. I urge my colleagues to join Senator LIEBERMAN and me in supporting it.

By Mr. WYDEN (for himself and Ms. SNOWE):

S. 3249. A bill to restrict any State or local jurisdiction from imposing a new discriminatory tax on mobile wireless communications services, providers, or property; to the Committee on Finance.

Mr. WYDEN. Mr. President, 100 years ago the automobile revolutionized the way Americans lived and did business. Government responded by making a massive investment in infrastructure to support this new technology. That investment gave our industries a real competitive advantage in the world marketplace for much of the 20th century by making it cheaper and easier to move goods around the country.

Today, information technology has brought an equal, if not greater, revolution to American business. But this time, rather than investing in infrastructure and fostering growth, we have allowed the country's IT infrastructure to be taxed at dangerous and unhealthy levels that put American business at a competitive disadvantage.

The information revolution has changed the way we learn, the way we work, the way we hold elections, and the way we communicate as a society, among other things that keep our country working. It has made vast educational, health care and entrepreneurial opportunities accessible to our most remote communities. But telecommunication taxes in the U.S. have been levied at a rate much higher than other types of sales and business taxes.

Rather than investing in IT infrastructure, we have left it to the private sector to build and maintain our telecommunications networks. And while this practice has sometimes served Americans well, we are falling behind some major international competitors in far too many areas.

I am not today calling for anything as far-reaching as Federal investment in IT infrastructure—today I am simply asking that we stop yoking our most innovative IT networks with increased taxes.

Wireless broadband holds the promise of connecting even our most distant communities to the rest of the world. In time, these connections will bring health care, educational, communications and commercial services to Americans who have been left out for far too long. This growth will not happen if we keep burdening this important technology with what amounts to discriminatory taxation.

I have fought for many years to expand the development of the Internet and our telecommunications infrastructure. Along with colleagues on both sides of the aisle, I worked to successfully protect our network providers from content-related litigation. Four times now, I have fought to protect the Internet from being hit with multiple discriminatory taxes from thousands of State and local tax authorities—and have worked to extend that protection indefinitely.

Today I am proposing something far more modest—if just as necessary—that we put a moratorium on new or increased taxes on our wireless telecommunications infrastructure and services for the next 5 years.

Along with my colleague Senator SNOWE, I am introducing the Mobile Wireless Tax Fairness Act to keep mobile wireless services and facilities free from new discriminatory taxes.

This bill would not impact a single current tax that has been levied by a State or locality. It will not remove a single dollar from their communal coffers. What it will do is guarantee our wireless network providers protection from even greater taxation at a time when we are asking them to implement the largest technology upgrade in history—an upgrade that will bring economically important, true broadband speeds to wireless customers for the first time.

I will admit that there are lots of problems with the way Federal, State and local taxes are levied on telecommunications services. This legislation addresses only one of those problems, but it is a big one.

Taxes on wireless services are some of the most regressive taxes in the Nation. Cell phones and other wireless devices have become essential to many working Americans, for their jobs, for their safety and for maintaining the communications they need to stay in touch with families when both parents work and raise children. Piling increased taxes on these families at a time when budgets are being stretched by skyrocketing gas and food prices is not only unreasonable, it is downright wrong.

I am proud that my colleague Senator SNOWE joins me in introducing this important legislation. Senator SNOWE has long been an advocate for the improvement and expansion of our IT infrastructure and today we have taken another important step that will help strengthen our country and our economy today and in the future. This proposal joins H.R. 5793 by Congresswoman LOFGREN and Congressman CANNON in the House and I look forward to working with them to see this important legislation passed.

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. 3249

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 ''Mobile Wireless Tax Fairness Act of 2008''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) It is appropriate to exercise congressional enforcement authority under section 5 of the 14th amendment to the Constitution of the United States and Congress' plenary power under article I, section 8, clause 3 of the Constitution of the United States (commonly known as the ''commerce clause'') in order to ensure that States and political subdivisions thereof do not discriminate against providers and consumers of mobile services by imposing new selective and excessive taxes and other burdens on such providers and consumers.

(2) In light of the history and pattern of discriminatory taxation faced by providers and consumers of mobile services, the prohibitions against and remedies to correct discriminatory State and local taxation in section 306 of the Railroad Revitalization and Regulatory Reform Act of 1976 (49 U.S.C. 11501) provide an appropriate analogy for congressional action, and similar Federal legislative measures are warranted that will prohibit imposing new discriminatory taxes on providers and consumers of mobile services and that will assure an effective, uniform remedy.

SEC. 3. MORATORIUM.

(a) IN GENERAL.—No State or local jurisdiction shall impose a new discriminatory tax on or with respect to mobile services, mobile service providers, or mobile service property, during the 5-year period beginning on the date of the enactment of this Act.

(b) DEFINITIONS.—In this Act:

(1) MOBILE SERVICE.—The term ''mobile service'' means commercial mobile radio service, as such term is defined in section 20.3 of title 47, Code of Federal Regulations, as in effect on the date of the enactment of this Act, or any other service that is primarily intended for receipt on, transmission from, or use with a mobile telecommunications device, including the receipt of a digital good.

(2) MOBILE SERVICE PROPERTY.—The term ''mobile service property'' means all property used by a mobile service provider in connection with its business of providing mobile services, whether real, personal, tangible, or intangible and includes goodwill, licenses, customer lists, and other similar intangible property associated with such business.

(3) MOBILE SERVICE PROVIDER.—The term ''mobile service provider'' means any entity that sells or provides mobile services, but only with respect to the portion of such entity's trade or business that sells or provides such services.

(4) NEW DISCRIMINATORY TAX.—The term ''new discriminatory tax'' means any tax imposed by a State or local jurisdiction that—

(A) is imposed on or with respect to, or is measured by the charges, receipts, or revenues from or value of—

(i) any mobile service and is not generally imposed, or is generally imposed at a lower rate, on or with respect to, or measured by the charges, receipts, or revenues from, other services or transactions involving tangible personal property;

(ii) any mobile service provider and is not generally imposed, or is generally imposed at a lower rate, on other persons that are engaged in businesses other than the provision of mobile services; or

(iii) any mobile service property and is not generally imposed, or is generally imposed at a lower rate, on or with respect to, or measured by the value of, other property that is devoted to a commercial or industrial use and subject to a property tax levy, except public utility property owned by a public utility subject to rate of return regulation by a State or Federal regulatory authority; and

(B) was not generally imposed and actually enforced on mobile services, mobile service providers, or mobile service property prior to the date of the enactment of this Act.

(5) STATE OR LOCAL JURISDICTION.—The term ''State or local jurisdiction'' means any

of the several States, the District of Columbia, any territory or possession of the United States, a political subdivision of any State, territory, or possession, or any governmental entity or person acting on behalf of such State, territory, possession, or subdivision and with the authority to assess, impose, levy, or collect taxes or fees.

(6) TAX.—

(A) IN GENERAL.—The term ''tax'' means any charge imposed by any governmental entity for the purpose of generating revenues for governmental purposes, and is not a fee imposed on an individual entity or class of entities for a specific privilege, service, or benefit conferred exclusively on such entity or class of entities.

(B) EXCLUSION.—The term ''tax'' does not include any fee or charge—

(i) used to preserve and advance Federal universal service or similar State programs authorized by section 254 of the Communications Act of 1934 (47 U.S.C. 254); or

(ii) specifically dedicated by a State or local jurisdiction for the support of E–911 communications systems.

(c) RULES OF CONSTRUCTION.—

(1) DETERMINATION.—For purposes of subsection (b)(4), all taxes, tax rates, exemptions, deductions, credits, incentives, exclusions, and other similar factors shall be taken into account in determining whether a tax is a new discriminatory tax.

(2) APPLICATION OF PRINCIPLES.—Except as otherwise provided in this Act, in determining whether a tax on mobile service property is a new discriminatory tax for purposes of subsection (b)(4)(A)(iii), principles similar to those set forth in section 306 of the Railroad Revitalization and Regulatory Reform Act of 1976 (49 U.S.C. 11501) shall apply.

(3) EXCLUSIONS.—Notwithstanding any other provision of this Act—

(A) the term ''generally imposed'' as used in subsection (b)(4) shall not apply to any tax imposed only on—

(i) specific services;

(ii) specific industries or business segments; or

(iii) specific types of property; and

(B) the term ''new discriminatory tax'' shall not include a new tax or the modification of an existing tax that—

(i) replaces one or more taxes that had been imposed on mobile services, mobile service providers, or mobile service property; and

(ii) is designed so that, based on information available at the time of the enactment of such new tax or such modification, the amount of tax revenues generated thereby with respect to such mobile services, mobile service providers, or mobile service property is reasonably expected not to exceed the amount of tax revenues that would have been generated by the respective replaced tax or taxes with respect to such mobile services, mobile service providers, or mobile service property.

SEC. 4. ENFORCEMENT.

(a) IN GENERAL.—Notwithstanding any provision of section 1341 of title 28, United States Code, or the constitution or laws of any State, the district courts of the United States shall have jurisdiction, without regard to amount in controversy or citizenship of the parties, to grant such mandatory or prohibitive injunctive relief, interim equitable relief, and declaratory judgments as may be necessary to prevent, restrain, or terminate any acts in violation of this Act, provided that:

(1) JURISDICTION.—Such jurisdiction shall not be exclusive of the jurisdiction which any Federal or State court may have in the absence of this section.

(2) BURDEN OF PROOF.—The burden of proof in any proceeding brought under this Act shall be upon the party seeking relief and shall be by a preponderance of the evidence on all issues of fact.

(3) RELIEF.—In granting relief against a tax which is discriminatory or excessive under this Act with respect to tax rate or amount only, the court shall prevent, restrain, or terminate the imposition, levy, or collection of not more than the discriminatory or excessive portion of the tax as determined by the court.

Ms. SNOWE. Mr. President, I rise today to join my colleague, Senator WYDEN, in introducing legislation that will stop the increasing financial burden being placed on wireless consumers by discriminatory taxes. On average, the typical consumer pays 15.2 percent of his/her total wireless bill in Federal, State, and local taxes, fees and surcharges—this is compared to the 7.07 percent average tax rate for other goods and services.

The Mobile Wireless Tax Fairness Act of 2008 would ensure that these tax rates don't increase further by prohibiting States and local governments from imposing any new discriminatory tax on mobile services, mobile service providers, or mobile service property for a period of 5 years. The bill defines ''new discriminatory tax'' as a tax imposed on mobile services, providers, or property that is not generally imposed on other types of services or property, or that is generally imposed at a lower rate.

The wireless era has changed the way the world communicates. More and more people are using the cell phone as their primary communication device as well as for data and Internet services. The increased mobility and access wireless communications provide have improved our lives, our safety, and the productivity of our work and businesses. To date, there are more than 260 million wireless subscribers in the U.S., and total usage exceeded 1 trillion minutes in June 2007 alone.

However, as more consumers embrace wireless technologies and applications, more States and local governments are embracing it as a revenue source and applying these excessive and discriminatory taxes, which show up on consumers' bills each month. In fact, the effective rate of taxation on wireless services has increased four times faster than the rate on other taxable goods and services between January 2003 and January 2007.

These excessive and discriminatory taxes discourage wireless' adoption and use, primarily with low-income individuals and families that still view a cellular phone as a luxury when many Americans consider it a necessity. By banning these taxes, we can equalize the taxation of the wireless industry with that of other goods and services and protect the wireless consumer from the weight of fees, surcharges, and general business taxes. We cannot allow this essential and innovative industry as well as the consumers who benefit from its amazing services and applications to suffer excessive tax rates.

Placing a moratorium on new discriminatory wireless taxes will make certain consumers continue to reap the benefits of wireless services. Congress took similar action with the Internet—passing the Internet Tax Freedom Act Amendments Act of 2007 this past fall—because of the incredible impact the Internet will continue to have on consumers and businesses alike. The future of wireless is just as bright and that is why we must ensure its continued growth. That is why I sincerely hope that my colleagues join Senator WYDEN and me in supporting this critical legislation.

By Mr. DODD (for himself, Mr. LEVIN, Mr. MENENDEZ, Mr. REED, Mr. TESTER, Mrs. MCCASKILL, Mr. AKAKA, Mr. CASEY, Mr. OBAMA, Mr. KERRY, Mrs. CLINTON, Mr. SANDERS, and Mr. WHITEHOUSE):

S. 3252. A bill to amend the Consumer Credit Protection Act, to ban abusive credit practices, enhance consumer disclosures, protect underage consumers, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. DODD. Mr. President, my friend and colleague from Michigan is here, as well, who has been deeply involved in the issue of credit cards and the problems that are occurring.

I rise with my colleague Senator LEVIN to introduce legislation that would reform and prohibit credit card practices that harm rather than help American consumers and their families. The legislation is called the Credit Card Accountability, Responsibility and Disclosure Act, or the Credit CARD Act. It will, in my view, help bring an end to industry practices that candidly cost American families billions of dollars each and every year.

I cannot think of a better time to introduce this much needed legislation. This Chamber will, in very short order this evening, or as late as tomorrow, pass legislation to address the most important issue confronting our Nation's economy and the financial stability of our citizens—the collapse of the subprime housing market and the credit crisis it has brought about.

Unfortunately, far too many American families who are already being squeezed by the rising cost of food, oil, and gas, now find themselves forced to rely on short-term, high-interest credit card debt to finance life's daily necessities—including their mortgage payments—because of the ongoing credit crisis and a weak economy.

That growing reliance was highlighted in a report released last week by the Federal Reserve. The Fed's study reported that in May, revolving consumer debt, which is primarily credit card debt, reached an all-time record high of slightly over $961 billion. That is a 7-percent increase in the last month alone, which is on top of a 7-percent increase last year, and a 6-percent increase in 2006. At this rate, revolving consumer debt in our country, which is again primarily credit card debt, will reach $1 trillion by the Christmas season of this year.

When I assumed the gavel of the Senate Banking Committee last January, one of the very first hearings I held was on the issue of credit card practices. At that hearing, I challenged card issuers, banks, and associations to stop engaging in practices that they were not prepared to defend before the committee.

It was my hope that the hearing and that warning would encourage the credit card industry to go through a period of intense self-examination. I had hoped the industry would scrutinize its practices and policies to ensure that credit was extended in the fairest and most transparent of terms to credit card customers. To be fair, some in the industry heeded that call. I applaud them and thank them for their efforts. Over the past year, a few credit card companies have voluntarily made changes to the way they do business, and many Americans have benefitted from those improvements.

Regrettably, however, far too few embraced this call. Even more regrettably, some that have made voluntary changes are reconsidering those steps in the face of mounting pressure to find new streams of revenue and capital, and to compete in a market where other industry participants are not engaging in these reforms, as their subprime mortgage market-related losses continue to rise. The temptation to go back to older practices to increase revenue streams is there. Unfortunately, the use of confusing, misleading, and very predatory practices, in some cases, appears likely to remain the standard operating procedure for many in the credit card industry for the foreseeable future if we fail to act. The list of these troubling practices is lengthy: Charging predatory rates and fees; engaging in deceptive marketing to young people; practices such as universal default; double-cycle billing; retroactive interest rate increases; ''any time, any reason'' repricing; and billings shenanigans—like shortening the period consumers have to pay their bills, or charging fees for payment by telephone—are just a few of the practices that could merit induction into a fairly crowded industry ''hall of shame.''

Even the financial regulators, whom I have been openly critical of for lack of appropriate oversight and response throughout the subprime mortgage market crisis, have recognized the harm these sinister practices pose not only to credit card customers but to our economy as well. In May of this year, the Federal Reserve, the Office of Thrift Supervision, and the National Credit Union Administration proposed rules aimed at curbing some of the very practices I have identified. In my view, this joint rulemaking is an important step in providing needed consumer protections in some areas, including a ban on retroactive interest rates and rules on payment allocation. But the proposed rules fall far short in other important areas—failing to address issues including universal default, ''any time, any reason'' repricing, multiple over-limit fees, and youth marketing.

These shortcomings underscore the need for the legislation Senator LEVIN and I will be talking about this evening.

I want to make it very clear—and I know my colleague feels the same way—that we are not opposed to credit cards. They are very valuable, very useful tools for consumers. So this bill is not designed in any way to deprive consumers of the use of credit cards. That is not the issue. When provided on fair terms, and used wisely and responsibly, credit cards are a valuable financial tool for millions of our fellow citizens. They can help an individual to build his or her credit history and to better pursue his or her financial goal.

But like many credit products, credit cards pose the potential to harm consumers as well as help consumers. Card companies have been far too apt to exploit the needs of consumers who are increasingly becoming ''hooked on plastic.'' That potential to harm consumers has grown in recent years as credit card usage has risen. Let me share some numbers with you to give you some idea of what has happened in this explosion of credit card usage by Americans.

Today, nearly 75 percent of American households have a credit card or a debit card, and 700 million credit cards are used to purchase in excess of $2.4 trillion in goods and services from over 7 million locations in the United States annually. In 1970, only about 16 percent of U.S. households used credit cards, and fewer than a million businesses accepted them.

As Americans have become increasingly reliant on credit cards, credit card companies have become more and more innovative in finding ways to access their customers. Over $17 billion in credit card penalty fees have been charged to the American people—new fees—in the last 2 years, since 2006. That is a tenfold increase from what was charged 10 years ago. That is $17 billion in new penalties and fees since 2006. Credit card companies are turning to innovative ways to profit—including at the gasoline pump. They are laying on fees to gas station owners for each credit card transaction made at the pump. At the very time they are watching the price of gasoline skyrocket, the credit card companies are gouging the people struggling to meet those fees. Again, card companies are laying on fees to gas station owners for each credit card transaction made at the pump—a charge that those owners immediately pass on to customers, increasing the cost of gas for drivers. In some places, these fees can add an average of 3 percent for each gasoline transaction.

The combination of the growing needs for revolving debt and hidden fees charged by card companies is contributing to the avalanche of debt under which American consumers increasingly find themselves buried. Listen to this number, because this is the one that is stunning. To give you an idea of what has happened to the average family in this country with credit card balances, today the average household that carries a credit card balance owes close to $10,000 in revolving debt on their credit cards. The average family has a balance of $10,000 in revolving debt on their credit cards.

That is a millstone around the neck of the average American and their families—families that are already struggling to make ends meet and are under pressure from rising gas prices, food prices, skyrocketing health care costs, and a mortgage crisis that has robbed many families of their home equity or, worse yet, their homes.

That is why we are introducing the Credit CARD Act. This bill will help reform credit card practices that drag so many American families further and further into debt. It strengthens regulation and oversight of the credit card industry and prohibits the unfair and deceptive practices that in far too many instances work to harm, not help, a consumer's efforts to move up the economic ladder.

Specifically, the CARD Act would prohibit the worst of the industry's practices, including imposition of excessive fees; retroactive rate increases; universal default; ''any time, any reason'' changes to credit card agreements; and unfair payment allocation.

The bill also, importantly, contains a number of provisions aimed at protecting young consumers.

This legislation builds on legislation I have introduced in previous Congresses. It also incorporates several key concepts included in the legislative proposals put forth by some of my colleagues, notably my colleague from Michigan, Senator LEVIN, and Senators MENENDEZ, MCCASKILL, and OBAMA. Each is an important cosponsor of this legislation, as are Senators REED of Rhode Island, AKAKA, TESTER, CLINTON, KERRY, SANDERS, WHITEHOUSE, and CASEY.

This bill also has the support of a wide array of consumer advocates and labor organizations, including the Consumer Federation of America, Consumers Union, National Consumer Law Center, the National Council of La Raza, Service Employees International Union, the Center for Responsible Lending, U.S. PRIG, Consumer Action, Demos, Connecticut PRIG, and the National Association of Consumer Advocates.

As policymakers, we should expect consumers will act responsibly when it comes to using credit cards, and that should be an important point to make. But we also expect no less when it comes to companies that issue these cards. They need to act responsibly, and they are not, in my view. The Credit CARD Act will help strike the correct balance of responsibility between credit card users and the card issuers. And by striking that balance, it will help provide American consumers with a fair chance to secure economic security for them and their families.

I thank Senator LEVIN and others—especially Senator LEVIN who already held hearings on this issue. We have talked about this at length over the years. We tried in other Congresses with very modest proposals to deal with some of these problems. We have always lost those battles. But I think the American consumers, regardless of their income, regardless of their social or economic status, feel very angry about what is happening to them. As a result, I think there is a growing opportunity for us to get something done on this issue.

So while our focus today has been on foreclosure issues, the credit card problem in this country that so many Americans are facing is one that I think is ripe for congressional action. Our hope and intention is to bring a bill to the floor of this Chamber before we adjourn for the year to give our colleagues a chance to express themselves on this issue.

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

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

S. 3252

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Credit Card Accountability Responsibility and Disclosure Act of 2008'' or the ''Credit CARD Act of 2008''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. REGULATORY AUTHORITY.

The Board of Governors of the Federal Reserve System (in this Act referred to as the ''Board'') may issue such rules and publish such model forms as it considers necessary to carry out this Act and the amendments made by this Act.

TITLE I—CONSUMER PROTECTION

SEC. 101. PRIOR NOTICE OF RATE INCREASES REQUIRED.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(i) ADVANCE NOTICE OF INCREASE IN INTEREST RATE REQUIRED.—

''(1) IN GENERAL.—In the case of any credit card account under an open end consumer credit plan, no increase in any annual percentage rate (other than an increase due to the expiration of any introductory percentage rate, or due solely to a change in another rate of interest to which such rate is indexed)—

''(A) may take effect before the beginning of the billing cycle which begins not earlier than 45 days after the date on which the obligor receives notice of such increase; or

''(B) may apply to any outstanding balance of credit under such plan, as of the effective date of the increase required under subparagraph (A).

''(2) NOTICE OF RIGHT TO CANCEL.—The notice referred to in paragraph (1) shall be made in a clear and conspicuous manner, and shall contain a brief statement of the right of the obligor to cancel the account before the effective date of the increase.''.

SEC. 102. FREEZE ON INTEREST RATE TERMS AND FEES ON CANCELED CARDS.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(j) FREEZE ON INTEREST RATE TERMS AND FEES ON CANCELED CARDS.—

''(1) IN GENERAL.—If an obligor under an open end consumer credit plan closes or cancels a credit card account, the repayment of the outstanding balance after the cancellation shall be subject to all terms and conditions in effect for the obligor immediately before the card was closed or cancelled, including the annual percentage rate and the minimum payment terms in effect immediately prior to such closure or cancellation.

''(2) RULE OF CONSTRUCTION.—Closure or cancellation of an account by the obligor shall not constitute a default under an existing cardholder agreement, and shall not trigger an obligation to immediately repay the obligation in full.''.

SEC. 103. LIMITS ON FEES AND INTEREST CHARGES.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(k) PROHIBITION ON PENALTIES FOR ON-TIME PAYMENTS.—If an open end consumer credit plan provides a time period within which an obligor may repay any portion of the credit extended without incurring an interest charge, and the obligor repays all or a portion of such credit within the specified time period, the creditor may not impose or collect an interest charge on the portion of the credit that was repaid within the specified time period.

''(l) OPT-OUT OF CREDITOR AUTHORIZATION OF OVER-THE-LIMIT TRANSACTIONS IF FEES ARE IMPOSED.—

''(1) IN GENERAL.—In the case of any credit card account under an open end consumer credit plan under which an over-the-limit-fee may be imposed by the creditor for any extension of credit in excess of the amount of credit authorized to be extended under such account, the consumer may elect to prohibit the creditor from completing any over-the-limit transaction that will result in a fee or constitute a default under the credit agreement, by notifying the creditor of such election in accordance with paragraph (2).

''(2) NOTIFICATION BY CONSUMER.—A consumer shall notify a creditor under paragraph (1)—

''(A) through the notification system maintained by the creditor under paragraph (4); or

''(B) by submitting to the creditor a signed notice of election, by mail or electronic communication, on a form issued by the creditor for purposes of this subparagraph.

''(3) EFFECTIVENESS OF ELECTION.—An election by a consumer under paragraph (1) shall be effective beginning 3 business days after the date on which the consumer notifies the creditor in accordance with paragraph (2), and shall remain effective until the consumer revokes the election.

''(4) NOTIFICATION SYSTEM.—Each creditor that maintains credit card accounts under an open end consumer credit plan shall establish and maintain a notification system, including a toll-free telephone number, Internet address, and Worldwide Web site, which permits any consumer whose credit card account is maintained by the creditor to notify the creditor of an election under this subsection, in accordance with paragraph (2).

''(5) ANNUAL NOTICE TO CONSUMERS OF AVAILABILITY OF ELECTION.—In the case of any credit card account under an open end consumer credit plan, the creditor shall include a notice, in clear and conspicuous language, of the availability of an election by the consumer under this paragraph as a means of avoiding over-the-limit fees and a higher amount of indebtedness, and the method for providing such election—

''(A) in the periodic statement required under subsection (b) with respect to such account at least once each calendar year; and

''(B) in any such periodic statement which includes a notice of the imposition of an over-the-limit fee during the period covered by the statement.

''(6) NO FEES IF CONSUMER HAS MADE AN ELECTION.—If a consumer has made an election under paragraph (1), no over-the-limit fee may be imposed on the account for any reason that has caused the outstanding balance in the account to exceed the credit limit.

''(m) OVER-THE-LIMIT FEE RESTRICTIONS.—With respect to a credit card account under an open end consumer credit plan, an over-the-limit fee, as described in subsection (c)(1)(B)(iii)—

''(1) may be imposed on the account only when an extension of credit obtained by the obligor causes the credit limit on such account to be exceeded, and may not be imposed when such credit limit is exceeded due to a fee or interest charge; and

''(2) may be imposed only once during a billing cycle if, on the last day of such billing cycle, the credit limit on the account is exceeded, and may not be imposed in a subsequent billing cycle with respect to such excess credit, unless the obligor has obtained an additional extension of credit in excess of such credit limit during such subsequent cycle.

''(n) NO INTEREST CHARGES ON FEES.—With respect to a credit card account under an open end consumer credit plan, if the creditor imposes a transaction fee on the obligor, including a cash advance fee, late fee, over-the-limit fee, or balance transfer fee, the creditor may not impose or collect interest with respect to such fee amount.

''(o) LIMITS ON CERTAIN FEES.—

''(1) NO FEE TO PAY A BILLING STATEMENT.—With respect to a credit card account under an open end consumer credit plan, the creditor may not impose a separate fee to allow the obligor to repay an extension of credit or finance charge, whether such repayment is made by mail, electronic transfer, telephone authorization, or other means.

''(2) REASONABLE FEES FOR VIOLATIONS.—The amount of any fee or charge that a card issuer may impose in connection with any omission with respect to, or violation of, the cardholder agreement, including any late payment fee, over the limit fee, increase in the applicable annual percentage rate, or any similar fee or charge, shall be reasonably related to the cost to the card issuer of such omission or violation.

''(3) REASONABLE CURRENCY EXCHANGE FEE.—With respect to a credit card account under an open end consumer credit plan, the creditor may impose a fee for exchanging United States currency with foreign currency in an account transaction, only if—

''(A) such fee reasonably reflects the costs incurred by the creditor to perform such currency exchange;

''(B) the creditor discloses publicly its method for calculating such fee; and

''(C) the primary Federal regulator of such creditor determines that the method for calculating such fee complies with this paragraph.''.

SEC. 104. CONSUMER RIGHT TO REJECT CARD BEFORE NOTICE IS PROVIDED OF OPEN ACCOUNT.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(p) CONSUMER RIGHT TO REJECT CARD BEFORE NOTICE OF NEW ACCOUNT IS PROVIDED TO CONSUMER REPORTING AGENCY.—A creditor may not furnish any information to a consumer reporting agency (as defined in section 603) concerning a newly opened credit card account under an open end consumer credit plan until the credit card has been used or activated by the consumer.''.

SEC. 105. USE OF TERMS CLARIFIED.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(q) USE OF TERMS.—The following requirements shall apply with respect to the terms of any credit card account under any open end consumer credit plan:

''(1) FIXED RATE.—The term 'fixed', when appearing in conjunction with a reference to the annual percentage rate or interest rate applicable with respect to such account, may only be used to refer to an annual percentage rate or interest rate that will not change or vary for any reason over the period specified clearly and conspicuously in the terms of the account.

''(2) PRIME RATE.—The term 'prime rate', when appearing in any agreement or contract for any such account, may only be used to refer to the bank prime rate published in the Federal Reserve Statistical Release on selected interest rates (daily or weekly), and commonly referred to as the 'H.15 release' (or any successor publication).''.

SEC. 106. APPLICATION OF CARD PAYMENTS.

Section 164 of the Truth in Lending Act (15 U.S.C. 1666c) is amended—

(1) by striking the section heading and all that follows through ''Payments'' and inserting the following:

''§ 164. Prompt and fair crediting of payments

''(a) IN GENERAL.—Payments'';

(2) by inserting '', by 5:00 p.m. on the date on which such payment is due,'' after ''in readily identifiable form'';

(3) by striking ''manner, location, and time'' and inserting ''manner, and location''; and

(4) by adding at the end the following:

''(b) APPLICATION OF PAYMENTS.—Upon receipt of a payment from a cardholder, the card issuer shall—

''(1) apply the payment first to the card balance bearing the highest rate of interest, and then to each successive balance bearing the next highest rate of interest, until the payment is exhausted; and

''(2) after complying with paragraph (1), apply the payment in a way that minimizes the amount of any finance charge to the account.

''(c) CHANGES BY CARD ISSUER.—If a card issuer makes a material change in the mailing address, office, or procedures for handling cardholder payments, and such change causes a material delay in the crediting of a cardholder payment made during the 60-day period following the date on which such change took effect, the card issuer may not impose any late fee or finance charge for a late payment on the credit card account to which such payment was credited.

''(d) PRESUMPTION OF TIMELY PAYMENT.—Any evidence provided by a consumer in the form of a receipt from the United States Postal Service or other common carrier indicating that a payment on a credit card account was sent to the card issuer not less than 7 days before the due date contained in the periodic statement for such payment shall create a presumption that such payment was made by the due date, which may be rebutted by the creditor for fraud or dishonesty on the part of the consumer with respect to the mailing date.''.

SEC. 107. LENGTH OF BILLING PERIOD.

Section 163(a) of the Truth in Lending Act (15 U.S.C. 1668(a)) is amended by striking ''mailed at least fourteen days prior'' and inserting ''mailed at least 21 days prior''.

SEC. 108. PROHIBITION ON UNIVERSAL DEFAULT AND UNILATERAL CHANGES TO CARDHOLDER AGREEMENTS.

(a) IN GENERAL.—Chapter 4 of the Truth in Lending Act (15 U.S.C. 1666 et seq.) is amended—

(1) by redesignating section 171 as section 173; and

(2) by inserting after section 170 the following:

''SEC. 171. LIMITS ON INTEREST RATE INCREASES.

''(a) IN GENERAL.—No card issuer may increase any annual percentage rate, fee, or finance charge applicable to a credit card account under an open end consumer credit plan, or terminate early a lower introductory rate, fee, or charge, except as permitted under this section.

''(b) EXCEPTIONS.—The limitation under subsection (a) shall not apply to—

''(1) an increase due to the scheduled expiration of an introductory term;

''(2) an increase in a variable annual percentage rate, fee, or finance charge in accordance with a credit card agreement that provides for changes according to an index or formula;

''(3) an increase due to a specific, material action or omission of a consumer in violation of an agreement that is directly related to such account and that is specified in the contract or agreement as grounds for an increase, except that—

''(A) the creditor may not take into account information not directly related to the account, including adverse information concerning the consumer, information in any consumer report, or changes in the credit score of the consumer; and

''(B) an increase described in this paragraph shall terminate not later than 6 months after the date on which it is imposed, if the consumer commits no further violations; or

''(4) a change that takes effect upon renewal of the card in accordance with section 172.

''(c) MAP TO LOWER RATE.—

''(1) IN GENERAL.—A card issuer that increases an annual percentage rate, fee, or finance charge pursuant to subsection (b)(3) shall include, together with the notice of such increase under section 127(i), a statement, provided in a clear and conspicuous manner—

''(A) of the discrete, specific action or omission of the consumer on which the increase was based; and

''(B) that the increase will terminate in 6 months if the consumer does not commit further violations.

''(2) BOARD AUTHORITY.—The Board may, by rule, provide for exceptions to the requirements of subsection (b)(3)(B), if the Board determines that there are other appropriate factors that creditors may consider in determining the appropriate annual percentage rate for particular consumers.

''SEC. 172. UNILATERAL CHANGES IN CREDIT CARD AGREEMENT PROHIBITED.

''A card issuer may not amend or change the terms of a credit card contract or agreement under an open end consumer credit plan, until after the date on which the credit card will expire if not renewed.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 4 of the Truth in Lending Act is amended by striking the item relating to section 171 and inserting the following:

''171. Universal defaults prohibited.

''172. Unilateral changes in credit card agreement prohibited.

''173. Applicability of State laws.''.

SEC. 109. ENHANCED PENALTIES.

Section 130(a)(2)(A) of the Truth in Lending Act (15 U.S.C. 1640(a)(2)(A)) is amended by striking ''or (iii) in the'' and inserting the following: ''(iii) in the case of an individual action relating to an open end consumer credit plan that is not secured by real property or a dwelling, twice the amount of any finance charge in connection with the transaction, with a minimum of $500 and a maximum of $5,000, or such higher amount as may be appropriate in the case of an established pattern or practice of such failures; or (iv) in the''.

SEC. 110. ENHANCED OVERSIGHT.

(a) IN GENERAL.—Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(s) EVALUATION OF CREDIT CARD POLICIES AND PROCEDURES.—

''(1) IN GENERAL.—In connection with its examination of a credit card issuer under its supervision, each agency referred to in paragraphs (1), (2), and (3) of section 108(a) shall conduct, as appropriate, an evaluation of the credit card policies and procedures used by such card issuer to ensure compliance with this section and sections 163, 164, 171, and 172. Such agency shall promptly require the card issuer to take any corrective action needed to address any violations of any such section.

''(2) ANNUAL REPORTS TO CONGRESS.—Each year, each agency referred to in subsections (a) and (c) of section 108 shall submit a report to Congress concerning the administration of its functions under this section, including such recommendations as the agency deems necessary or appropriate. Each such report shall include an assessment of the extent to which compliance with the requirements of this section is being achieved and a summary of the enforcement actions taken by the agency assigned administrative enforcement responsibilities under subsections (a) and (c) of section 108.''.

(b) STRENGTHENED CREDIT CARD INFORMATION COLLECTION.—Section 136(b) of the Truth in Lending Act (15 U.S.C. 1646(b)) is amended—

(1) in paragraph (1)—

(A) by striking ''The Board shall'' and inserting the following:

''(A) IN GENERAL.—The Board shall''; and

(B) by adding at the end the following:

''(B) INFORMATION TO BE INCLUDED.—The information under subparagraph (A) shall include, as of a date designated by the Board—

''(i) a list of each type of transaction or event for which one or more of the card issuers has imposed a separate interest rate upon a cardholder, including purchases, cash advances, and balance transfers;

''(ii) for each type of transaction or event identified under clause (i)—

''(I) each distinct interest rate charged by the card issuer to a cardholder, as of the designated date;

''(II) the number of cardholders to whom each such interest rate was applied during the calendar month immediately preceding the designated date, and the total amount of interest charged to such cardholders at each such rate during such month;

''(III) the number of cardholders who are paying the stated default annual percentage rate applicable in cases in which the account is past due or the account holder is otherwise in violation of the terms of the account agreement; and

''(IV) the number of cardholders who are paying above such stated default annual percentage rate;

''(iii) a list of each type of fee that one or more of the card issuers has imposed upon a cardholder as of the designated date, including any fee imposed for obtaining a cash advance, making a late payment, exceeding the credit limit on an account, making a balance transfer, or exchanging United States dollars for foreign currency;

''(iv) for each type of fee identified under clause (iii), the number of cardholders upon whom the fee was imposed during the calendar month immediately preceding the designated date, and the total amount of fees imposed upon cardholders during such month;

''(v) the total number of cardholders that incurred any interest charge or any fee during the calendar month immediately preceding the designated date; and

''(vi) any other information related to interest rates, fees, or other charges that the Board deems of interest.''; and

(2) by adding at the end the following:

''(5) REPORT TO CONGRESS.—The Board shall, on an annual basis, transmit to Congress and make public a report containing an assessment by the Board of the profitability of credit card operations of depository institutions. Such report shall include estimates by the Board of the approximate, relative percentage of income derived by such operations from—

''(A) the imposition of interest rates on cardholders, including separate estimates for—

''(i) interest with an annual percentage rate of less than 25 percent; and

''(ii) interest with an annual percentage rate equal to or greater than 25 percent;

''(B) the imposition of fees on cardholders;

''(C) the imposition of fees on merchants; and

''(D) any other material source of income, while specifying the nature of that income.''.

SEC. 111. CLERICAL AMENDMENTS.

Section 103(i) of the Truth in Lending Act (15 U.S.C. 1602(i)) is amended—

(1) by striking ''term'' and all that follows through ''means'' and inserting the following: ''terms 'open end credit plan' and 'open end consumer credit plan' mean''; and

(2) in the second sentence, by inserting ''or open end consumer credit plan'' after ''credit plan'' each place that term appears.

TITLE II—ENHANCED CONSUMER DISCLOSURES

SEC. 201. PAYOFF TIMING DISCLOSURES.

(a) IN GENERAL.—Section 127(b)(11) of the Truth in Lending Act (15 U.S.C. 1637(b)(11)) is amended to read as follows:

''(11)(A) A written statement in the following form: 'Minimum Payment Warning: Making only the minimum payment will increase the interest rate you pay and the time it takes to repay your balance.'.

''(B) Repayment information that would apply to the outstanding balance of the consumer under the credit plan, including—

''(i) the number of months (rounded to the nearest month) that it would take to pay the entire amount of that balance, if the consumer pays only the required minimum monthly payments and if no further advances are made;

''(ii) the total cost to the consumer, including interest and principal payments, of paying that balance in full, if the consumer pays only the required minimum monthly payments and if no further advances are made; and

''(iii) the monthly payment amount that would be required for the consumer to eliminate the outstanding balance in 36 months, if no further advances are made, and the total cost to the consumer, including interest and principal payments, of paying that balance in full if the consumer pays the balance over 36 months.

''(C)(i) Subject to clause (ii), in making the disclosures under subparagraph (B), the creditor shall apply the interest rate or rates in effect on the date on which the disclosure is made until the date on which the balance would be paid in full.

''(ii) If the interest rate in effect on the date on which the disclosure is made is a temporary rate that will change under a contractual provision applying an index or formula for subsequent interest rate adjustment, the creditor shall apply the interest rate in effect on the date on which the disclosure is made for as long as that interest rate will apply under that contractual provision, and then apply an interest rate based on the index or formula in effect on the applicable billing date.

''(D) All of the information described in subparagraph (B) shall—

''(i) be disclosed in the form and manner which the Board shall prescribe, by regulation, and in a manner that avoids duplication; and

''(ii) be placed in a conspicuous and prominent location on the billing statement, in typeface that is at least as large as the largest type on the statement.

''(E) In the regulations prescribed under subparagraph (D), the Board shall require that the disclosure of such information shall be in the form of a table that—

''(i) contains clear and concise headings for each item of such information; and

''(ii) provides a clear and concise form stating each item of information required to be disclosed under each such heading.

''(F) In prescribing the form of the table under subparagraph (E), the Board shall require that—

''(i) all of the information in the table, and not just a reference to the table, be placed on the billing statement, as required by this paragraph; and

''(ii) the items required to be included in the table shall be listed in the order in which such items are set forth in subparagraph (B).

''(G) In prescribing the form of the table under subparagraph (D), the Board shall employ terminology which is different than the terminology which is employed in subparagraph (B), if such terminology is more easily understood and conveys substantially the same meaning.''.

(b) CIVIL LIABILITY.—Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended, in the undesignated paragraph following paragraph (4), by striking the second sentence and inserting the following: ''In connection with the disclosures referred to in subsections (a) and (b) of section 127, a creditor shall have a liability determined under paragraph (2) only for failing to comply with the requirements of section 125, 127(a), or any of paragraphs (4) through (13) of section 127(b), or for failing to comply with disclosure requirements under State law for any term or item that the Board has determined to be substantially the same in meaning under section 111(a)(2) as any of the terms or items referred to in section 127(a), or any of paragraphs (4) through (13) of section 127(b).''.

SEC. 202. REQUIREMENTS RELATING TO LATE PAYMENT DEADLINES AND PENALTIES.

Section 127(b)(12) of the Truth in Lending Act (15 U.S.C. 1637(b)(12)) is amended to read as follows:

''(12) REQUIREMENTS RELATING TO LATE PAYMENT DEADLINES AND PENALTIES.—

''(A) LATE PAYMENT DEADLINE AND POSTMARK DATE REQUIRED TO BE DISCLOSED.—In the case of a credit card account under an open end consumer credit plan under which a late fee or charge may be imposed due to the failure of the obligor to make payment on or before the due date for such payment, the periodic statement required under subsection (b) with respect to the account shall include, in a conspicuous location on the billing statement—

''(i) the date on which the payment is due or, if different, the date on which a late payment fee will be charged, together with the amount of the fee or charge to be imposed if payment is made after that date; and

''(ii) the date by which the payment must be postmarked, if paid by mail, in order to avoid the imposition of a late payment fee with respect to the payment, and a statement to that effect.

''(B) DISCLOSURE OF INCREASE IN INTEREST RATES FOR LATE PAYMENTS.—If 1 or more late payments under an open end consumer credit plan may result in an increase in the annual percentage rate applicable to the account, the statement required under subsection (b) with respect to the account shall include conspicuous notice of such fact, together with the applicable penalty annual percentage rate, in close proximity to the disclosure required under subparagraph (A) of the date on which payment is due under the terms of the account.

''(C) REQUIREMENTS RELATING TO POSTMARK DATE.—

''(i) IN GENERAL.—The date included in a periodic statement pursuant to subparagraph (A)(ii) with regard to the postmark on a payment shall allow, in accordance with regulations prescribed by the Board under clause (ii), a reasonable time for the consumer to make the payment and a reasonable time for the delivery of the payment by the due date.

''(ii) BOARD REGULATIONS.—The Board shall prescribe guidelines for determining a reasonable period of time for making a payment and delivery of a payment for purposes of clause (i), after consultation with the Postmaster General of the United States and representatives of consumer and trade organizations.

''(D) PAYMENTS AT LOCAL BRANCHES.—If the creditor, in the case of a credit card account referred to in subparagraph (A), is a financial institution which maintains branches or offices at which payments on any such account are accepted from the obligor in person, the date on which the obligor makes a payment on the account at such branch or office shall be considered to be the date on which the payment is made for purposes of determining whether a late fee or charge may be imposed due to the failure of the obligor to make payment on or before the due date for such payment.''.

SEC. 203. RENEWAL DISCLOSURES.

Section 127(d) of the Truth in Lending Act (15 U.S.C. 1637(d)) is amended—

(1) by striking paragraph (2);

(2) by redesignating paragraph (3) as paragraph (2); and

(3) in paragraph (1), by striking ''Except as provided in paragraph (2), a card issuer'' and inserting the following: ''A card issuer that has changed or amended any term of the account since the last renewal or''.

TITLE III—PROTECTION OF YOUNG CONSUMERS

SEC. 301. EXTENSIONS OF CREDIT TO UNDERAGE CONSUMERS.

Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

''(8) APPLICATIONS FROM UNDERAGE CONSUMERS.—

''(A) PROHIBITION ON ISSUANCE.—No credit card may be issued to, or open end consumer credit plan established by or on behalf of, a consumer who has not attained the age of 21, unless the consumer has submitted a written application to the card issuer that meets the requirements of subparagraph (B).

''(B) APPLICATION REQUIREMENTS.—An application to open a credit card account by an individual who has not attained the age of 21 as of the date of submission of the application shall require—

''(i) the signature of the parent, legal guardian, or any other individual over the age of 21 having a means to repay debts incurred by the consumer in connection with the account, indicating joint liability for debts incurred by the consumer in connection with the account before the consumer has attained the age of 21;

''(ii) submission by the consumer of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account; or

''(iii) completion of a certified financial literacy or financial education course designed for young consumers.

''(C) CERTIFIED FINANCIAL LITERACY OR EDUCATION COURSES FOR YOUNG CONSUMERS.—

''(i) IN GENERAL.—The Secretary of the Treasury, acting through the Office of Financial Literacy and Education (in this subparagraph referred to as 'OFE'), shall make and publish a list of all courses and programs that have been certified for financial literacy or financial education purposes appropriate for young consumers. When developing the certification criteria the OFE shall take into account the course or program's—

''(I) proven track record in producing changed consumer behavior; and

''(II) use of practices or curricula that have been shown to change consumer behavior.

''(ii) EXPLICIT ELIGIBILITY.—Courses taken that are offered or required by colleges, universities, and high schools may be certified by the OFE for purposes of this subparagraph, as well as other programs and courses. The OFE shall make an effort to provide certification to all types of programs and courses, including those that are conducted by nonprofit, faith-based, or for-profit institutions and State and local governments.

''(iii) SELECT PROGRAMS.—From among those courses or programs that are certified by the OFE under this subparagraph, the OFE may designate a select number of programs or courses that produce results that are far better than those produced by other certified programs as 'highly certified'.''.

SEC. 302. RESTRICTIONS ON CERTAIN AFFINITY CARDS.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637), as amended by this Act, is amended by adding at the end the following:

''(t) RESTRICTIONS ON ISSUANCE OF AFFINITY CARDS TO STUDENTS.—No credit card account under an open end consumer credit plan may be established by an individual who has not attained the age of 21 as of the date of submission of the application pursuant to any direct or indirect agreement relating to affinity cards, as defined by the Board, between the creditor and an institution of higher education, as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), unless the requirements of subsection (c)(8) are met with respect to the obligor.''.

SEC. 303. PROTECTION OF YOUNG CONSUMERS FROM PRESCREENED CREDIT OFFERS.

(a) IN GENERAL.—Section 604(c)(1)(B) of the Fair Credit Reporting Act (15 U.S.C. 1681b(c)(1)(B)) is amended—

(1) in clause (ii), by striking ''and'' at the end; and

(2) in clause (iii), by striking the period at the end and inserting the following: ''; and

''(iv) the consumer report indicates that the consumer is age 21 or older, except that a consumer who is at least 18 years of age may elect, in accordance with subsection (e)(7), to authorize the consumer reporting agency to include the name and address of the consumer in any list of names provided by the agency pursuant to this paragraph.''.

(b) OPT-IN FOR YOUNG CONSUMERS.—Section 604(e) of the Fair Credit Reporting Act (15 U.S.C. 1681b(e)) is amended—

(1) by striking the subsection heading and inserting the following:

''(e) ELECTION OF CONSUMERS REGARDING LISTS.—''; and

(2) by adding at the end the following:

''(7) OPT-IN FOR UNDERAGE CONSUMERS.—

''(A) IN GENERAL.—A consumer who is at least 18 years of age, but has not attained his or her 21st birthday, may elect to have the name and address of the consumer included in any list provided by a consumer reporting agency under subsection (c)(1)(B) in connection with a credit or insurance transaction that is not initiated by the consumer by notifying the agency in accordance with subparagraph (B) that the consumer consents to the use of a consumer report relating to the consumer in connection with any credit or insurance transaction that is not initiated by the consumer.

''(B) MANNER OF NOTIFICATION.—An election by a consumer described in subparagraph (A) shall be in writing, using a signed notice of election form issued or made available electronically by the consumer reporting agency at the request of the consumer for purposes of this paragraph.

''(C) EFFECTIVENESS OF ELECTION.—An election by a consumer under subparagraph (A) to be included in a list provided by a consumer reporting agency—

''(i) shall be effective until the earlier of—

''(I) the 21st birthday of the consumer; or

''(II) the date on which the consumer notifies the agency, through the notification system established by the agency under paragraph (5), that the election is no longer effective; and

''(ii) shall be effective with respect to each affiliate of the agency.

''(D) RULE OF CONSTRUCTION.—An election by a consumer under subparagraph (A) to be included in a list provided by a consumer reporting agency may not be construed to limit the applicability of this subsection to any person age 21 or older, and the consumer may elect to be excluded from any such list after the attainment of his or her 21st birthday in the manner otherwise provided under this subsection.''.

TITLE IV—FEDERAL AGENCY COORDINATION

SEC. 401. INCLUSION OF ALL FEDERAL BANKING AGENCIES.

(a) IN GENERAL.—Section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended in the second sentence—

(1) by striking ''The Board of Governors of the Federal Reserve System (with respect to banks) and the Federal Home Loan Bank Board (with respect to savings and loan institutions described in paragraph (3)) and the National Credit Union Administration Board (with respect to Federal credit unions described in paragraph (4))'' and inserting ''Each appropriate Federal banking agency''; and

(2) by inserting ''in consultation with the Commission'' after ''shall prescribe regulations''.

(b) FTC CONCURRENT RULEMAKING.—Section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended by inserting after the second sentence the following: ''Notwithstanding any other provision of this section, whenever such agencies commence such a rulemaking proceeding, the Commission, with respect to the entities within its jurisdiction under this Act, may commence a rulemaking proceeding and prescribe regulations in accordance with section 553 of title 5, United States Code. The Commission, the Federal banking agencies, and the National Credit Union Administration Board shall consult and coordinate with each other so that the regulations prescribed by each such agency are consistent with and comparable to the regulations prescribed by each other such agency, to the extent practicable.''.

(c) PRESERVATION OF STATE LAW.—Section 18(f)(6) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(6)) is amended to read as follows:

''(6) Notwithstanding any other provision of this subsection or any other provision of law, regulations promulgated under this subsection shall be considered supplemental to State laws governing unfair and deceptive acts and practices, and may not be construed to preempt any provision of State law that provides equal or greater protections.''.

(d) GAO STUDY AND REPORT.—Not later than 18 months after the date of enactment of this Act, the Comptroller General shall transmit to Congress a report on the status of regulations of the Federal banking agencies and the National Credit Union Administration regarding unfair and deceptive acts or practices by depository institutions and Federal credit unions.

(e) TECHNICAL AND CONFORMING AMENDMENTS.—Section 18(f) of the Federal Trade Commission Act (15 U.S.C. 57a(f)) is amended—

(1) in the subsection heading, by striking ''BOARD'' and all that follows through ''ADMINISTRATION'' and inserting ''APPROPRIATE FEDERAL BANKING AGENCIES''

(2) in paragraph (1), in the first sentence—

(A) by striking ''banks or savings and loan institutions described in paragraph (3), each agency specified in paragraph (2) or (3) of this subsection shall establish'' and inserting ''depository institutions or Federal credit unions, each appropriate Federal banking agency shall establish''; and

(B) by striking ''banks or savings and loan institutions described in paragraph (3), subject to its jurisdiction'' and inserting ''the depository institutions or Federal credit unions subject to the jurisdiction of such appropriate Federal banking agency'';

(3) in paragraph (1), in the final sentence—

(A) by striking ''each such Board'' and inserting ''each such appropriate Federal banking agency'';

(B) by striking ''banks or savings and loan institutions described in paragraph (3), or Federal credit unions described in paragraph (4), as the case may be,'' each place that term appears and inserting ''depository institutions or Federal credit unions subject to the jurisdiction of such appropriate Federal banking agency'';

(C) by striking ''(A) any such Board'' and inserting ''(A) any such appropriate Federal banking agency''; and

(D) by striking ''with respect to banks, savings and loan institutions'' and inserting ''with respect to depository institutions'';

(4) in paragraph (2)(C), by inserting ''than'' after ''(other'';

(5) in paragraph (3), by inserting ''by the Director of the Office of Thrift Supervision'' before the period at the end;

(6) in paragraph (4), by inserting ''by the National Credit Union Administration'' before the period at the end;

(7) in paragraph (6), by striking ''the Board of Governors of the Federal Reserve System'' and inserting ''any Federal banking agency or the National Credit Union Administration Board''; and

(8) by adding at the end the following new paragraph:

''(8) For purposes of this subsection—

''(A) the term 'appropriate Federal banking agency' has the same meaning as in section 3 of the Federal Deposit Insurance Act, and includes the National Credit Union Administration Board with respect to Federal credit unions;

''(B) the terms 'depository institution' and 'Federal banking agency' have the same meanings as in section 3 of the Federal Deposit Insurance Act (12 U.S.C. 1813); and

''(C) the term 'Federal credit union' has the same meaning as in section 101 of the Federal Credit Union Act (12 U.S.C. 1752).''.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. STUDY AND REPORT.

(a) STUDY REQUIRED.—The Comptroller General (in this section referred to as the ''Comptroller'') shall conduct a study on interchange fees and their effects on consumers and merchants. The Comptroller shall review—

(1) the extent to which interchange fees are required to be disclosed to consumers and merchants, and how such fees are overseen by the Federal banking agencies or other regulators;

(2) the ways in which the interchange system affects the ability of merchants of varying size to negotiate pricing with card associations and banks;

(3) the costs and factors incorporated into interchange fees, such as advertising, bonus miles, and rewards, how such costs and factors vary among cards; and

(4) the consequences of the undisclosed nature of interchange fees on merchants and consumers with regard to prices charged for goods and services.

(b) REPORT REQUIRED.—Not later than 180 days after the date of enactment of this Act, the Comptroller shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives containing a detailed summary of the findings and conclusions of the study required by this section, together with such recommendations for legislative or administrative actions as may be appropriate.

SEC. 502. CREDIT CARD SAFETY RATING SYSTEM COMMISSION STUDY.

(a) DEFINITION.—In this section, the term ''safety'' refers to the amount of risk to cardholders that results from credit card practices and terms in credit card agreements that are either not well understood by consumers, or are not easily understood, or could have an adverse financial effect on consumers, other than interest rates, periodic fees, or rewards.

(b) ESTABLISHMENT OF SAFETY RATING SYSTEM.—The Comptroller General of the United States (in this section referred to as the ''Comptroller'') shall establish an entity to be known as the ''Credit Card Safety Rating System Commission'' (in this section referred to as the ''Commission'').

(c) DUTIES.—The duties of the Commission shall be—

(1) to determine if a rating system to allow cardholders to quickly assess the level of safety of credit card agreements would be beneficial to consumers;

(2) to assess the impact on credit card transparency and consumer safety of various rating system policy options, including—

(A) the use of a 5-star rating system to reflect the relative safety of card terms, marketing and customer service practices, and product features;

(B) making the use of the system mandatory for all cards;

(C) requiring a graphic display of rating on all marketing material, applications, billing statements, and agreements associated with that credit card, as well as on the back of each such credit card;

(D) requiring an annual review of the safety rating system, to determine whether the point system is effectively aiding consumers and encouraging transparent competition and fairness to consumers; and

(E) requiring consumer access to ratings through public website and other outreach programs

(3) if it is deemed beneficial, to make recommendations to Congress concerning how such a system should be devised;

(4) to study the effects of such system on the availability and affordability of credit and the implications of changes in credit availability and affordability in the United States and in the general market for credit services due to the rating system; and

(5) by not later than March 1 of the second year after the date of enactment of this Act, to submit a report to Congress containing detailed results and recommendations, including how to create such system, if creating such system is recommended.

(d) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—The Commission shall be composed of 15 members appointed by the Comptroller, in accordance with this section.

(2) QUALIFICATIONS.—

(A) IN GENERAL.—The membership of the Commission, subject to subparagraph (B), shall include individuals—

(i) who have achieved national recognition for their expertise in credit cards, debt management, economics, credit availability, consumer protection, and other credit card related issues and fields; and

(ii) who provide a mix of different professions, a broad geographic representation, and a balance between urban and rural representatives.

(B) MAKEUP OF COMMISSION.—The Commission shall be comprised of—

(i) 4 representatives from consumer groups;

(ii) 4 representatives from credit card issuers or banks;

(iii) 7 representatives from nonprofit research entities or nonpartisan experts in banking and credit cards; and

(iv) not fewer than 1 of the members described in clauses (i) through (iii) who represents each of—

(I) the elderly;

(II) economically disadvantaged consumers;

(III) racial or ethnic minorities; and

(IV) students and minors.

(C) ETHICS DISCLOSURES.—The Comptroller shall establish a system for public disclosure by members of the Commission of financial and other potential conflicts of interest relating to such members. Members of the Commission shall be treated in the same manner as employees of Congress whose pay is disbursed by the Secretary of the Senate for purposes of title I of the Ethics in Government Act of 1978 (Public Law 95–521).

(3) CHAIRPERSON; VICE CHAIRPERSON.—The Comptroller shall designate a member of the Commission, at the time of appointment of the member as Chairperson and a member as Vice Chairperson for that term of appointment, except that in the case of vacancy in the position of Chairperson or Vice Chairperson of the Commission, the Comptroller may designate another member for the remainder of the term of that member.

(4) TERMS.—Members of the Commission shall be appointed for the life of the Commission. Any vacancies shall not affect the power and duties of the Commission but shall be filled in the same manner as the original appointment.

(5) COMPENSATION.—

(A) MEMBERS.—While serving on the business of the Commission (including travel time), a member of the Commission shall be entitled to compensation at the per diem equivalent of the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code, and while so serving away from home and the regular place of business of the member, the member may be allowed travel expenses, as authorized by the Chairperson.

(B) OTHER EMPLOYEES.—For purposes of pay (other than pay of members of the Commission) and employment benefits, rights, and privileges, all employees of the Commission shall be treated as if they were employees of the United States Senate.

(6) MEETINGS.—The Commission shall meet at the call of the Chairperson.

(e) DIRECTOR AND STAFF; EXPERTS AND CONSULTANTS.—Subject to such review as the Comptroller determines necessary to assure the efficient administration of the Commission, the Commission may—

(1) employ and fix the compensation of an Executive Director (subject to the approval of the Comptroller General) and such other personnel as may be necessary to carry out its duties (without regard to the provisions of title 5, United States Code, governing appointments in the competitive service);

(2) seek such assistance and support as may be required in the performance of its duties from appropriate Federal departments and agencies;

(3) enter into contracts or make other arrangements, as may be necessary for the conduct of the work of the Commission (without regard to section 3709 of the Revised Statutes of the United States (41 U.S.C. 5));

(4) make advance, progress, and other payments which relate to the work of the Commission;

(5) provide transportation and subsistence for persons serving without compensation; and

(6) prescribe such rules and regulations as it determines necessary with respect to the internal organization and operation of the Commission.

(f) POWERS.—

(1) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairperson, the head of that department or agency shall furnish that information to the Commission on an agreed upon schedule.

(2) DATA COLLECTION.—In order to carry out its functions, the Commission shall—

(A) utilize existing information, both published and unpublished, where possible, collected and assessed either by its own staff or under other arrangements made in accordance with this section;

(B) carry out, or award grants or contracts for, original research and experimentation, where existing information is inadequate; and

(C) adopt procedures allowing any interested party to submit information for the Commission's use in making reports and recommendations.

(3) ACCESS OF GAO INFORMATION.—The Comptroller shall have unrestricted access to all deliberations, records, and nonproprietary data of the Commission, immediately upon request.

(4) PERIODIC AUDIT.—The Commission shall be subject to periodic audit by the Comptroller.

(g) ADMINISTRATIVE AND SUPPORT SERVICES.—The Comptroller shall provide such administrative and support services to the Commission as may be necessary to carry out this section.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commission such sums as may be necessary to carry out this section.

Mr. LEVIN. Mr. President, I know the Senator from Connecticut has to leave, but before he does leave the floor, I congratulate and commend him on this bill. He has put a huge amount of effort into this issue over the years. This bill reflects that effort. His leadership in this matter will make a huge difference in getting this bill enacted. I thank him for that leadership and thank him for this bill.

Mr. DODD. I thank my colleague.

Mr. LEVIN. Mr. President, the legislation we are introducing today is going to combat credit card abuses that have been hurting American consumers for far too long. With all the economic hardship facing Americans today, from falling home prices to rising gasoline and food costs, it is more important than ever for Congress to act now to stop credit card abuses and protect American families from unfair credit card practices.

Credit card companies regularly use a host of unfair practices. They hike the interest rates of cardholders who pay on time and comply with their credit card agreements. They impose interest rates as high as 32 percent. They charge interest for debt that was paid on time. They apply higher interest rates retroactively to existing credit card debt. They pile on excessive fees and then have the gall to charge interest on those fees. They apply consumer payments first to the debt with the least expensive interest rate, saving the higher interest rate debt to be paid off last. And they engage in a number of other unfair practices that are burying American consumers in a mountain of debt. It is long past time to enact legislation to protect American consumers.

The bill we are introducing today will not only help protect consumers, but it will also help ensure that credit card companies willing to do the right thing are not put at a competitive disadvantage by companies continuing unfair practices.

Some argue that Congress does not need to ban unfair credit card practices. They contend that improved disclosure alone will empower consumers to seek out better deals. Sunlight can be a powerful disinfectant, but credit cards have become such complex financial products that even improved disclosure will not be enough to curb the abuses. Some practices are so confusing that consumers cannot easily understand them. Additionally, better disclosure does not always lead to greater market competition, especially when essentially an entire industry is using and benefiting from practices that unfairly hurt consumers.

Credit card issuers like to say they are engaged in a risky business, lending unsecured debt to millions of consumers. But it is clear they have learned to price credit card products in ways that produce enormous profit. For the last decade, credit card issuers have maintained their position as the most profitable sector in the consumer lending field and reported consistently higher rates of return than commercial banks.

In 2006, Americans used 700 million credit cards to buy about $2 trillion in goods and services. The average American family now has five credit cards. Credit cards are being used to pay for groceries, mortgage payments, and even taxes, and they are saddling U.S. consumers, from college students to seniors, with a mountain of debt. The latest figures show that U.S. credit card debt is now approaching $1 trillion. These consumers are routinely being subjected to unfair practices that squeeze them for ever more money, sinking them further into debt.

While the remaining legislative days in this Congress are dwindling, there is still time to enact strong credit card reform legislation. Too many American families are being hurt by too many unfair credit card practices to delay action any longer.

I commend Senator DODD for tackling credit card reform. I look forward to Congress taking the steps needed this session to ban unfair practices that are causing so much pain and financial damage to American families today.

Credit card abuse is a topic, as Senator DODD mentioned, with which I have been deeply involved over the past several years through a number of investigations in the Permanent Subcommittee on Investigations. We held two subcommittee hearings in 2007, and based on our investigative hearings, I introduced legislation called the Stop Unfair Practices in Credit Cards Act, S. 1395, to ban the outrageous credit card abuses that were documented in the hearings. I was pleased that Senators MCCASKILL, LEAHY, DURBIN, BINGAMAN, CANTWELL, WHITEHOUSE, KOHL, BROWN, STEVENS, and SANDERS, our Presiding Officer, joined as cosponsors.

This new bill, the Dodd-Levin bill introduced today, as Senator DODD mentioned, incorporates almost all the provisions of S. 1395, and it adds other important protections as well. It is the strongest credit card bill yet in Congress.

I would like to add to the record more detailing of the provisions of this bill, along with an overview of some of the most prevalent abuses that we uncovered and some of the stories that American consumers shared with us during the course of the inquiries carried out by my Permanent Subcommittee on Investigations.

With regard to excessive fees, the first case history we examined illustrates the fact that major credit card issuers today impose a host of fees on their cardholders, including late fees and over-the-limit fees that are not only substantial in themselves but can contribute to years of debt for families unable to immediately pay them.

Wesley Wannemacher of Lima, OH, testified at our March 2007 hearing. In 2001 and 2002, Mr. Wannemacher used a new credit card to pay for expenses mostly related to his wedding. He charged a total of about $3,200, which exceeded the card's credit limit by $200. He spent the next 6 years trying to pay off the debt, averaging payments of about $1,000 per year. As of February 2007, he had paid about $6,300 on his $3,200 debt, but his billing statement showed he still owed $4,400.

How is it possible that a man pays $6,300 on a $3,200 credit card debt, but still owes $4,400? Here is how. On top of the $3,200 debt, Mr. Wannemacher was charged by the credit card issuer about $4,900 in interest, $1,100 in late fees, and $1,500 in over-the-limit fees. He was hit 47 times with over-limit fees, even though he went over the limit only three times and exceeded the limit by only $200. Altogether, these fees and the interest charges added up to $7,500, which, on top of the original $3,200 credit card debt, produced total charges to him of $10,700.

In other words, the interest charges and fees more than tripled the original $3,200 credit card debt, despite payments by the cardholder averaging $1,000 per year. Unfair? Clearly, I think, but our investigation has shown that sky-high interest charges and fees are not uncommon in the credit card industry. While the Wannemacher account happened to be at Chase, penalty interest rates and fees are also employed by other major credit card issuers.

The week before the March hearing, Chase decided to forgive the remaining debt on the Wannemacher account, and while that was great news for the Wannemacher family, that decision doesn't begin to resolve the problem of excessive credit card fees and sky-high interest rates that trap too many hard-working families in a downward spiral of debt.

These high fees are made worse by the industry-wide practice of including all fees in a consumer's outstanding balance so that they incur interest charges. It is one thing for a bank to charge interest on funds lent to a consumer; charging interest on penalty fees goes too far.

Another galling practice featured in our March hearing involves the fact that credit card debt that is paid on time routinely accrues interest charges, and credit card bills that are paid on time and in full are routinely inflated with what I call ''trailing interest.'' Every single credit card issuer contacted by the Subcommittee engaged in both of these unfair practices which squeeze additional interest charges from responsible cardholders.

Here is how it works. Suppose a consumer who usually pays his account in full, and owes no money on December 1, makes a lot of purchases in December, and gets a January 1 credit card bill for $5,020. That bill is due January 15. Suppose the consumer pays that bill on time, but pays $5,000 instead of the full amount owed. What do you think the consumer owes on the next bill?

If you thought the bill would be the $20 past due plus interest on the $20, you would be wrong. In fact, under industry practice today, the bill would likely be twice as much. That is because the consumer would have to pay interest, not just on the $20 that wasn't paid on time, but also on the $5,000 that was paid on time. In other words, the consumer would have to pay interest on the entire $5,020 from the first day of the new billing month, January 1, until the day the bill was paid on January 15, compounded daily. So much for a grace period. In addition, the consumer would have to pay the $20 past due, plus interest on the $20 from January 15 to January 31, again compounded daily. In this example, using an interest rate of 17.99 percent, which is the interest rate charged to Mr. Wannamacher, the $20 debt would, in one month, rack up $35 in interest charges and balloon into a debt of $55.21.

You might ask—hold on—why does the consumer have to pay any interest at all on the $5,000 that was paid on time? Why does anyone have to pay interest on the portion of a debt that was paid by the date specified in the bill—in other words, on time? The answer is, because that is how the credit card industry has operated for years, and they have gotten away with it.

There is more. One might think that once the consumer gets gouged in February, paying $55.21 on a $20 debt, and pays that bill on time and in full, without making any new purchases, that would be the end of it. But you would be wrong again. It's not over.

Even though, on February 15, the consumer paid the February bill in full and on time—all $55.21—the next bill has an additional interest charge on it, for what we call ''trailing interest.'' In this case, the trailing interest is the interest that accumulated on the $55.21 from February 1 to 15, which is time period from the day when the bill was sent to the day when it was paid. The total is 38 cents. While some issuers will waive trailing interest if the next month's bill is less than $1, if a consumer makes a new purchase, a common industry practice is to fold the 38 cents into the end-of-month bill reflecting the new purchase.

Now 38 cents isn't much in the big scheme of things. That may be why many consumers don't notice these types of extra interest charges or try to fight them. Even if someone had questions about the amount of interest on a bill, most consumers would be hard pressed to understand how the amount was calculated, much less whether it was incorrect. But by nickel and diming tens of millions of consumer accounts, credit card issuers reap large profits.

I think it is indefensible to make consumers pay interest on debt which they pay on time. It is also just plain wrong to charge trailing interest when a bill is paid on time and in full.

My subcommittee's second hearing focused on another set of unfair credit card practices involving unfair interest rate increases. Cardholders who had years-long records of paying their credit card bills on time, staying below their credit limits, and paying at least the minimum amount due, were nevertheless socked with substantial interest rate increases. Some saw their credit card interest rates double or even triple. At the hearing, three consumers described this experience.

Janet Hard of Freeland, MI, had accrued over $8,000 in debt on her Discover card. Although she made payments on time and paid at least the minimum due for over 2 years, Discover increased her interest rate from 18 percent to 24 percent in 2006. At the same time, Discover applied the 24 percent rate retroactively to her existing credit card debt, increasing her minimum payments and increasing the amount that went to finance charges instead of the principal debt. The result was that, despite making steady payments totaling $2,400 in 12 months and keeping her purchases to less than $100 during that same year, Janet Hard's credit card debt went down by only $350. Sky-high interest charges, inexplicably increased and unfairly applied, ate up most of her payments.

Millard Glasshof of Milwaukee, WI, a retired senior citizen on a fixed income, incurred a debt of about $5,000 on his Chase credit card, closed the account, and faithfully paid down his debt with a regular monthly payment of $119 for years. In December 2006, Chase increased his interest rate from 15 percent to 17 percent, and in February 2007, hiked it again to 27 percent. Retroactive application of the 27 percent rate to Mr. Glasshof's existing debt meant that, out of his $119 payment, about $114 went to pay finance charges and only $5 went to reducing his principal debt. Despite his making payments totaling $1,300 over 12 months, Mr. Glasshof found that, due to high interest rates and excessive fees, his credit card debt did not go down at all. Later, after the Subcommittee asked about his account, Chase suddenly lowered the interest rate to 6 percent. That meant, over a one year period, Chase had applied four different interest rates to his closed credit card account: 15 percent, 17 percent, 27 percent, and 6 percent, which shows how arbitrary those rates are.

Then there is Bonnie Rushing of Naples, FL. For years, she had paid her Bank of America credit card on time, providing at least the minimum amount specified on her bills. Despite her record of on-time payments, in 2007, Bank of America nearly tripled her interest rate from 8 to 23 percent. The bank said that it took this sudden action because Ms. Rushing's FICO credit score had dropped. When we looked into why it had dropped, it was apparently because she had opened Macy's and J.Jill credit cards to get discounts on purchases. Despite paying both bills on time, the automated FICO system had lowered her credit rating, and Bank of America had followed suit by raising her interest rate by a factor of three. Ms. Rushing closed her account and complained to the Florida attorney general, my subcommittee, and her card sponsor, the American Automobile Association. Bank of America eventually restored the 8 percent rate on her closed account.

In addition to these three consumers who testified at the hearing, the subcommittee presented case histories for five other consumers who experienced substantial interest rate increases despite complying with their credit card agreements.

I would also like to note that, in each of these cases, the credit card issuer told our subcommittee that the cardholder had been given a chance to opt out of the increased interest rate by closing their account and paying off their debt at the prior rate. But each of these cardholders denied receiving an opt-out notice, and when several tried to close their account and pay their debt at the prior rate, they were told they had missed the opt-out deadline and had no choice but to pay the higher rate. Our subcommittee examined copies of the opt-out notices and found that some were filled with legal jargon, were hard to understand, and contained procedures that were hard to follow. When we asked the major credit card issuers what percentage of persons offered an opt-out actually took it, they told the Subcommittee that 90 percent did not opt out of the higher interest rate—a percentage that is contrary to all logic and strong evidence that current opt-out procedures do not work.

The case histories presented at our hearings illustrate only a small portion of the abusive credit card practices going on today. Since early 2007, the subcommittee has received letters and e-mails from thousands of credit card cardholders describing unfair credit card practices and asking for help to stop them, more complaints than I have received in any investigation I have conducted in more than 25 years in Congress. The complaints stretch across all income levels, all ages, and all areas of the country.

The bottom line is that these abuses have gone on for too long. In fact, these practices have been around for so many years that they have, in many cases, become the industry norm, and our investigation has shown that many of the practices are too entrenched, too profitable, and too immune to consumer pressure for the companies to change them on their own.

Mr. President, in summary, this is what our bill contains:

No interest on debt paid on time.

The bill prohibits interest charges on any portion of credit card debt which the credit card holder paid on time during the grace period.

The bill prohibits credit card issuers from increasing interest rates on cardholders who are in good standing for reasons unrelated to the cardholder's behavior with respect to that card.

The bill requires increased interest rates to apply only to future debt and not to debt incurred prior to the increase.

The bill prohibits the charging of interest on credit card transaction fees, such as late fees and over-the-limit fees.

The bill prohibits the charging of repeated over-the-limit fees for a single instance of exceeding a credit card limit.

The bill requires payments to be applied first to the credit card balance with the highest rate of interest and to minimize finance charges.

The bill requires the credit card issuers must offer consumers the option of operating under a fixed credit card limit that cannot be exceeded.

The bill prohibits charging a fee to allow a credit card holder to make a payment on credit card debt, whether that payment is by mail, telephone, electronic transfer, or otherwise. Believe it or not, many credit card companies actually charge you a fee to make your payment.

The bill contains some of the following provisions as well:

It requires issuers to lower penalty rates that have been imposed on a cardholder after 6 months if the cardholder commits no further violations.

The bill gives each Federal banking agency the authority to prescribe regulations governing unfair or deceptive practices by banks and savings and loan institutions.

The bill requires issuers to provide individual consumer account information and disclose the total period of time and interest it will take to pay off the credit card balance if only minimum monthly payments are made.

And, as the Senator from Connecticut said, the bill contains a number of protections for young consumers from credit card solicitations.

Again, I commend Senator DODD for taking the leadership on this issue. As chairman of the Senate Banking Committee, his leadership will make a huge difference. It gives us a real chance of passing reform legislation relative to credit card abuses this session of the Congress.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public an addition to a previously announced hearing before the Committee on Energy and Natural Resources, Subcommittee on Public Lands and Forests. The hearing will be held on Wednesday, July 16, 2008, at 2:30 p.m., in room SD–366 of the Dirksen Senate Office Building.

In addition to the other measures previously announced, the Subcommittee will also consider H.R. 2632, to establish the Sabinoso Wilderness Area in San Miguel County, New Mexico, and for other purposes; and S. 2448, to amend the Surface Mining Control and Reclamation Act of 1977 to make certain technical corrections.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150, or by email to rachel_pasternack@energy.senate.gov.

For further information, please contact David Brooks at (202) 224–9863 or Rachel Pasternack at (202) 224–0883.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FINANCE

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, July 10, 2008, at 10 a.m., in room 215 of the Dirksen Senate Office Building.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 10, 2008, at 2:30 p.m.

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

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Homeland Security and Governmental Affairs be authorized to meet during the session of the Senate on Thursday, July 10, 2008, at 9:30 a.m. to conduct a hearing entitled ''The Roots of Violent Islamist Extremism and Efforts to Counter It.''

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

COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary be authorized to meet during the session of the Senate, to conduct a hearing entitled ''Passport Files: Privacy Protection Needed For All Americans'' on Thursday, July 10, 2008, at 10 a.m., in room SD–226 of the Dirksen Senate Office Building.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. REID. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on July 10, 2008, at 2:30 p.m. to hold a closed hearing.

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

SUBCOMMITTEE ON CLEAN AIR AND NUCLEAR SAFETY

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Clean Air and Nuclear Safety be authorized to meet during the session of the Senate on Thursday, July 10, 2008 at 10 a.m. in room 406 of the Dirksen Senate Office Building to hold a hearing entitled ''Environmental Protection Agency Oversight: Implementing the Renewable Fuel Standard.''

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

PRIVILEGES OF THE FLOOR

Mr. GRASSLEY. Madam President, I ask unanimous consent that Lynda Simmons of my Finance Committee staff have privileges of the floor for the duration of the 110th Congress.

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

Mr. MENENDEZ. Mr. President, I ask unanimous consent that Fern Goodhart, a fellow in my office, be granted floor privileges for the duration of today's session.

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

ORDERS FOR FRIDAY, JULY 11, 2008

Mr. DURBIN. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand adjourned until 3:30 p.m. tomorrow, Friday, July 11; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the