

INTRODUCTION OF THE “PROXY VOTING TRANSPARENCY ACT OF 2009”

HON. MARY JO KILROY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 2009

Ms. KILROY. Madam Speaker, this week the House Financial Services Committee is scheduled to markup legislation requiring mandatory “say on pay” shareholder votes on executive compensation packages and corporate golden parachutes. Today, I am introducing legislation that will make sure all investors will be able to hold the institutions that cast these votes accountable for their decisions.

The “say on pay” legislation introduced by House Financial Services Committee Chairman BARNEY FRANK (D-MA), H.R. 3269, gives shareholders an important new tool by requiring annual nonbinding shareholder votes on executive compensation and golden parachutes. This legislation is much needed given the abuses that have come to light during the financial crisis, as numerous CEOs have walked away from failing companies with multi-million dollar paydays.

The “say on pay” votes mandated by H.R. 3269 will be executed through the corporate proxy process where traditionally votes are cast on corporate bylaw changes, director elections, and other matters. Many of these proxy votes are not cast by individual shareholders but rather by institutional investors who own shares on behalf of individuals, such as mutual funds, pension plans and hedge funds. Unfortunately, the only institutional investors currently required to disclose how they vote their proxies, including votes on executive compensation, are mutual funds. Some other institutional investors have voluntarily decided to disclose their proxy votes, but they are not legally required to do so.

The legislation I am introducing today will require mandatory disclosure of all institutional investor proxy votes on “say on pay” issues and all other matters, including the elections of corporate boards. This bill will bring long overdue disclosure to the proxy voting records of hedge funds and other institutional investors.

The need for disclosure of institutional investor proxy votes is a central recommendation of the July 2009 report of the Investors’ Working Group (IWG), an independent task force sponsored by the CFA Institute and the Council of Institutional Investors. The IWG task force is chaired by former SEC Chairmen Arthur Levitt, who was appointed SEC Chairman by President Clinton, and William Donaldson Levitt, who was appointed SEC Chairman by President George W. Bush. This bipartisan report recommends that:

Institutional investors—including pension funds, hedge funds and private equity firms—should make timely, public disclosures about their proxy voting guidelines, proxy votes cast, investment guidelines, and members of their governing bodies and report annually on holdings and performance.

The IWG task force is one of many voices calling for disclosure of institutional investor proxy votes. Both the AFL-CIO and the Investment Company Institute support their disclosure:

The AFL-CIO strongly supports increased transparency in proxy voting by all capital market participants . . .

Greater transparency around proxy voting by institutional investors should enhance the quality of the debate concerning how the corporate franchise is used, particularly in the context of “say on pay” proposals, where the public disclosure of advisory votes would maximize their influence over management.

The legislation I am introducing will make sure all investors can monitor corporate proxy votes cast by institutional investors. It accomplishes this by requiring annual disclosure of proxy votes by any entity that is required to file ownership reports pursuant to Sec. 13(f) of the Securities and Exchange Act of 1934. Today, Sec. 13(f) filers, who by definition invest more than \$100 million in equity assets, must report their holdings quarterly. My legislation simply requires that once a year these institutions use their 13F forms to disclose their comprehensive proxy voting records.

As Congress works on legislation providing new consumer protections and tougher regulation of Wall Street, I believe we must increase transparency and disclosure throughout the capital markets. This legislation marks an important step in that direction.

EARMARK DECLARATION

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 2009

Mr. SOUDER. Madam Speaker, pursuant to the House Republican standards on earmarks, I am submitting the following information regarding earmarks I received as part of the 2010 Department of Defense Appropriations Bill.

Requesting Member: Congressman MARK SOUDER

Bill Number: H.R. 3326

Account: Army, RDTE

Legal Name of Requesting Entity: Raytheon Company.

Address of Requesting Entity: 1010 Production Rd, Fort Wayne, IN 46808

Description of Request: The Advanced Field Artillery Tactical Data System (AFATDS) requires an additional \$7.2M in FY10 to develop an updated Joint Ground-Air Component Interface to enhance the responsiveness, accuracy and safety of air support to ground troops. The Joint Fires Interface updates will provide the ground commander with an improved capability to see near real time friendly air picture and capabilities. It will enable ground components to fully integrate and coordinate both surface and air delivered (from USAF, USMC and USN aircraft) conventional and precision munitions options used in support of combat operations. This capability will provide a reliable, complete digital connection between the Army and USMC fires system (AFATDS) and the Air Force Theater Battle Management Core System (TBMCS).

EARMARK DECLARATION

HON. MARIO DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 2009

Mr. MARIO DIAZ-BALART of Florida. Madam Speaker, I submit the following:

Requesting Member: Representative MARIO DIAZ-BALART (FL-25)

Bill Number: H.R. 3326

Account: Medical Advanced Technology

Name of Requesting Entity: University of Miami

Address of Requesting Entity: 1252 Memorial Drive, Coral Gables, FL 33146

Description of Request: I have secured \$3,000,000 for the Center for Ophthalmic Innovation. This funding will be used for the Bascom Palmer Institute at the University of Miami. Bascom Palmer sponsors numerous programs bringing eye care to the underserved of south Florida, a uniquely diverse population of ethnicities and races that presages the future of our nation. Effective treatments and cures for blinding eye trauma and disease are within our grasp. While remarkable advances have been made in recent decades, the remaining problems of eye trauma and eye disease are enormously complex. Nevertheless, the knowledge and technologies are out there in our universities and industry, waiting to be captured by ophthalmology. ONOVA (an acronym for the Center for Ophthalmic Innovation) at the Bascom Palmer Eye Institute brings together ideas, people, and cutting-edge technology from diverse backgrounds and venues—across medicine, biotechnology, and biomedical engineering—to develop practical solutions. The objective of this program is to bring the research efforts to the patient and to assemble the required multidisciplinary teams to accomplish this goal in the most efficient manner for rapid implementation. Severe ocular injuries from combat encountered in the wars in Iraq and Afghanistan represent a significant and frequent source of lifetime visual disability and is of immediate concern to the DOD. Approximately 10% to 17% of war casualties are due to eye trauma. For instance, in Operation Iraqi Freedom there were 797 ocular injuries between March 2003 and December 2005 resulting in 438 open eye injuries (i.e. ruptured globes). During an 8-month period alone from January to September 2004, 207 active military personnel in Iraq suffered severe ocular or ocular adnexal injuries, including 132 open globes with 82% of all ocular injuries caused by blast fragmentation from munitions and improvised explosive device. In addition, millions of retired military personnel suffer from disabling eye diseases with similar prevalence as the U.S. population. The current appropriation request will enable ONOVA not only to continue its current projects but also to perform new research projects based on the following ONOVA research framework. This scientific framework consists of inter-related modules that tackle the difficult problems of trauma and disabling eye diseases in a logical organized manner. Progress requires integration of state-of-art technology and utilizes interdisciplinary research teams in prevention, imaging & telemedicine, and regeneration & restoration to provide solutions to ocular trauma and disabling eye diseases from different angles. This team approach has and will continue to catalyze innovative ideas and concepts that will lead to the development of novel diagnostic techniques and effective treatment strategies. In the coming year we will add the artificial cornea (keratoprosthesis) project that develops and tests new types of cornea prosthesis. Prosthetic corneas have the potential of restoring vision in severe eye injuries involving the front part of the eye. Unlike donor

corneal tissue, corneal prosthesis can be readily available. We will also add new projects focusing on advanced diagnostic ocular imaging techniques combined with effective telemedicine that will lessen the morbidity of traumatic ocular injuries in military operations as well as explore newer modalities to assist in the visual restoration of the injured personnel.

Requesting Member: Representative MARIO DIAZ-BALART (FL-25)

Bill Number: H.R. 3326

Account: Operating Forces 1A3A Intermediate Maintenance

Name of Requesting Entity: Florida Gulf Coast University

Address of Requesting Entity: 10501 FGCU Blvd. South, Fort Myers, FL 33965

Description of Request: I have secured \$1,500,000 for developing and testing environmentally safe decontaminating agents for bio-defense. This funding will be used for the diversification of economy through development of new technologies attracting high tech-high wage jobs and development of environmentally friendly detection and detoxification technologies. Many commonly available biocides and toxin decontamination procedures are both too toxic and too persistent for certain applications. Chlorine, for example, is a very effective agent for sterilization and toxin destruction, but it can engender serious problems arising from its persistence and reactivity. Sometimes, the intake air or water entering a sealed compartment must be completely decontaminated, but new hazards arising from the deployed decontamination treatment must be avoided, particularly when the protected space is occupied by people. Currently, decontamination procedures are problematic because harsh, persistent agents are utilized, and although harsh decontaminating agents will destroy microbes and toxins, they can also harm human health, sensitive electronic equipment, furnishings and documents. Clearly, new biocides and toxin decontamination agents are needed and we have been researching alternatives and developing new applications. Short persistence times, acute toxicity in the killing zone, (immediately followed by a cessation of toxicity) and/or the ability to switch the biocidal activity "off," are highly desirable attributes. Our proprietary photocatalytic technology (a patent has been filed) produces biocidal oxidants during UV illumination, but when the light is turned off, the biocidal oxidant activity ceases within seconds, and residual oxidants spontaneously decompose or biodegrade. Further, the photocatalytic coatings we have discovered have electrical properties with a sensor activity, making them amenable to the creation of a device which can both detect and decontaminate, (with both capabilities contained within one unit). We have also begun to develop a family of alkaline biocides, with an enhanced permeability component to increase lethality. These biocides can be switched off by dilution and neutralization. New enhancements of existing oxidant systems are also being investigated. We intend to combine our expertise in materials science, biochemistry, molecular biology, analytical chemistry, marine biology, microbiology, and engineering to develop new biocidal technologies and solve problems of disinfection and toxin destruction in the context of biomedical, environmental and bio-defense applications. The tech-

nologies described above are "multi-use" and have applications in the fields of medicine, agriculture, aquaculture, and bio-defense.

EARMARK DECLARATION

HON. LOUIE GOHMERT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 2009

Mr. GOHMERT. Madam Speaker, pursuant to Republican Leadership standards, the following information is submitted regarding funding received in the first district of Texas as part of H.R. 3326—Department of Defense Appropriations Act, 2010.

Regional Geospatial Service Centers. Stephen F. Austin State University, Box 6078 SFA Station, Nacogdoches, TX 75962, OM,ARNG account, \$2,156,000 for the continuation of an initiative to establish Regional Geospatial Service Centers in Nacogdoches, Texas; El Paso, Texas; and Beaumont, Texas, and to provide emergency geospatial information services. The Center provides critical geospatial information to support emergency managers, planners, resource managers, landowners, individuals and policy makers, as demonstrated through its dramatic usefulness after the Columbia Shuttle disaster. These applications are now also assisting with national needs and have extremely important national security relevance.

Organic Semiconductor Modeling and Simulation (COSMOS). The University of Texas at Tyler, 3900 University Blvd., Tyler, TX 75799, RDTE,A account, \$1,100,000 for the Organic Semiconductor Modeling and Simulation Initiative—a collaborative research and development project. The funds will provide for research to improve the ability to design and fabricate flexible electronics, leading to the production of electronic textiles with far-reaching benefits to the Department of Defense, particularly for our armed forces, with demonstrated potential to revolutionize military uniforms and equipment to levels previously only seen in super-hero comic books. Yet, the research thus far has been very promising for producing electronic threads that receive light, convert it to energy, discern the colors or shapes around it, and morph accordingly.

EARMARK DECLARATION

HON. GEOFF DAVIS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 2009

Mr. DAVIS of Kentucky. Madam Speaker, pursuant to the Republican Leadership standards on earmarks, I am submitting the following information regarding earmarks I secured as part of H.R. 3326, the Defense Appropriations Act, 2010.

Requesting Member: Congressman GEOFF DAVIS

Bill Number: H.R. 3326

Account: Research, Development, Test & Evaluation, Army

Legal Name of Requesting Entity: Ashland Inc.

Address of Requesting Entity: 50 E. River Center Blvd, Covington, KY 41012

Description of Request: Appropriate \$500,000 to continue development of advanced coolant and lubricant systems utilizing nano-particle systems to enhance the capabilities of military ground vehicles and simplify supply logistics. Military vehicles must meet arduous cooling performance requirements. An Army goal is to increase the performance and durability of engines, power trains and their component parts in support of mobility, durability, reliability and survivability as well as reduce logistics costs. This project will help the Army meet these goals. This project is a valuable use of taxpayer funds because the reduced maintenance and longer engine life in military vehicles, which it enables, has the potential to reduce maintenance costs and enhance combat readiness.

Requesting Member: Congressman GEOFF DAVIS

Bill Number: H.R. 3326

Account: Other Procurement, Army

Legal Name of Requesting Entity: DRS Sustainment Systems

Address of Requesting Entity: 7375 Industrial Road, Florence, KY 41042

Description of Request: Appropriate \$3,500,000 to procure the next generation of mobile Army refrigeration systems/the Multi-Temperature Refrigerated Container System (MTRCS). This is a valuable use of taxpayer funds because MTRCS provides the Army with more efficient space utilization and reduced transportation requirements for food and refrigerated medical products. As a result, fewer vehicles will be required to transport these items on the battlefield, reducing the number of soldiers exposed to danger from IEDs, etc.

Requesting Member: Congressman GEOFF DAVIS

Bill Number: H.R. 3326

Account: Research, Development, Test & Evaluation, Army

Legal Name of Requesting Entity: MAG Industrial Automation Systems

Address of Requesting Entity: 3940 Olympic Blvd., Erlanger, KY 41018

Description of Request: Appropriate \$2,000,000 to develop a machine to produce lighter weight parts for military vehicles. The project is a valuable use of taxpayer funds because it supports development of technology that delivers light weight materials to produce lighter parts that reduce the weight of military vehicles. The results will be improved fuel efficiency, cost savings and enhanced combat readiness.

EARMARK DECLARATION

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 2009

Mr. SMITH of New Jersey. Madam Speaker, pursuant to the Republican Leadership standards on earmarks, I am submitting the following information regarding earmarks I received as part of H.R. 3293, The Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Bill, 2010:

Requesting Member: Rep. CHRISTOPHER H. SMITH

Bill Number: H.R. 3293