

|               |            |              |
|---------------|------------|--------------|
| Stupak        | Tonko      | Watt         |
| Sullivan      | Towns      | Waxman       |
| Sutton        | Tsongas    | Weiner       |
| Tanner        | Turner     | Welch        |
| Taylor        | Upton      | Westmoreland |
| Teague        | Van Hollen | Whitfield    |
| Terry         | Velázquez  | Wilson (OH)  |
| Thompson (CA) | Visclosky  | Wilson (SC)  |
| Thompson (MS) | Walden     | Wittman      |
| Thompson (PA) | Walz       | Wolf         |
| Thornberry    | Wamp       | Woolsey      |
| Tiahrt        | Wasserman  | Wu           |
| Tiberi        | Schultz    | Yarmuth      |
| Tierney       | Waters     | Young (FL)   |
| Titus         | Watson     |              |

## NAYS—2

Linder Young (AK)

## NOT VOTING—7

|              |            |                 |
|--------------|------------|-----------------|
| Brown-Waite, | Davis (AL) | Kilpatrick (MI) |
| Ginny        | Hoekstra   | Slaughter       |
| Cardoza      | Honda      |                 |

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There is 1 minute left remaining on this vote.

□ 1304

So (two-thirds being in the affirmative) the rules were suspended and the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## SMALL BUSINESS AND INFRASTRUCTURE JOBS TAX ACT OF 2010

Mr. LEVIN. Madam Speaker, pursuant to House Resolution 1205, I call up the bill (H.R. 4849) to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, extend the Build America Bonds program, provide other infrastructure job creation tax incentives, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Ms. MCCOLLUM). Pursuant to House Resolution 1205, the amendment in the nature of a substitute printed in the bill modified by the amendment printed in House Report 111-455 is adopted and the bill, as amended, is considered read.

The text of the bill, as amended, is as follows:

H.R. 4849

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

**SECTION 1. SHORT TITLE; ETC.**

(a) **SHORT TITLE.**—This Act may be cited as the “Small Business and Infrastructure Jobs Tax Act of 2010”.

(b) **AMENDMENT OF 1986 CODE.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title; etc.

**TITLE I—SMALL BUSINESS TAX INCENTIVES****Subtitle A—General Provisions**

Sec. 101. Temporary exclusion of 100 percent of gain on certain small business stock.

**Subtitle B—Limitations and Reporting on Certain Penalties**

Sec. 111. Limitation on penalty for failure to disclose certain information.

Sec. 112. Annual reports on penalties and certain other enforcement actions.

**Subtitle C—Other Provisions**

Sec. 121. Nonrecourse small business investment company loans from the Small Business Administration treated as amounts at risk.

Sec. 122. Increase in amount allowed as deduction for start-up expenditures.

**TITLE II—INFRASTRUCTURE INCENTIVES**

Sec. 201. Extension of Build America Bonds.

Sec. 202. Exempt-facility bonds for sewage and water supply facilities.

Sec. 203. Extension of exemption from alternative minimum tax treatment for certain tax-exempt bonds.

Sec. 204. Elective payments in lieu of low income housing credits.

Sec. 205. Extension and additional allocations of recovery zone bond authority.

Sec. 206. Allowance of new markets tax credit against alternative minimum tax.

**TITLE III—REVENUE PROVISIONS**

Sec. 301. Limitation on treaty benefits for certain deductible payments.

Sec. 302. Treatment of securities of a controlled corporation exchanged for assets in certain reorganizations.

Sec. 303. Repeal of special rules for interest and dividends received from persons meeting the 80-percent foreign business requirements.

Sec. 304. Information reporting for rental property expense payments.

Sec. 305. Application of levy to payments to Federal vendors relating to property.

Sec. 306. Application of continuous levy to tax liabilities of certain Federal contractors.

Sec. 307. Required minimum 10-year term, etc., for grantor retained annuity trusts.

Sec. 308. Increase in information return penalties.

Sec. 309. Crude tall oil ineligible for cellulosic biofuel producer credit.

Sec. 310. Time for payment of corporate estimated taxes.

**TITLE IV—EXTENSION OF EMERGENCY CONTINGENCY FUND FOR STATE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAMS**

Sec. 401. 1-year extension of the emergency contingency fund for state temporary assistance for needy families programs.

**TITLE I—SMALL BUSINESS TAX INCENTIVES****Subtitle A—General Provisions****SEC. 101. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.**

(a) **IN GENERAL.**—Subsection (a) of section 1202 is amended by adding at the end the following new paragraph:

“(4) **SPECIAL 100 PERCENT EXCLUSION.**—In the case of qualified small business stock acquired after March 15, 2010, and before January 1, 2012—

“(A) paragraph (1) shall be applied by substituting ‘100 percent’ for ‘50 percent’,

“(B) paragraph (2) shall not apply, and

“(C) paragraph (7) of section 57(a) shall not apply.”.

(b) **CONFORMING AMENDMENTS.**—Paragraph (3) of section 1202(a) is amended—

(1) by striking “after the date of the enactment of this paragraph and before January 1, 2011” and inserting “after February 17, 2009, and before March 16, 2010”, and

(2) by striking “SPECIAL RULES FOR 2009 AND 2010” in the heading and inserting “SPECIAL 75 PERCENT EXCLUSION”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to stock acquired after March 15, 2010.

**Subtitle B—Limitations and Reporting on Certain Penalties****SEC. 111. LIMITATION ON PENALTY FOR FAILURE TO DISCLOSE CERTAIN INFORMATION.**

(a) **IN GENERAL.**—Subsection (b) of section 6707A is amended to read as follows:

“(b) **AMOUNT OF PENALTY.**—

“(1) **IN GENERAL.**—Except as otherwise provided in this subsection, the amount of the penalty under subsection (a) with respect to any reportable transaction shall be 75 percent of the decrease in tax shown on the return as a result of such transaction (or which would have resulted from such transaction if such transaction were respected for Federal tax purposes).

“(2) **MAXIMUM PENALTY.**—The amount of the penalty under subsection (a) with respect to any reportable transaction for any taxable year shall not exceed—

“(A) in the case of a listed transaction, \$200,000 (\$100,000 in the case of a natural person), or

“(B) in the case of any other reportable transaction, \$50,000 (\$10,000 in the case of a natural person).

“(3) **MINIMUM PENALTY.**—The amount of the penalty under subsection (a) with respect to any transaction for any taxable year shall not be less than \$10,000 (\$5,000 in the case of a natural person).”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to penalties assessed after December 31, 2006.

**SEC. 112. ANNUAL REPORTS ON PENALTIES AND CERTAIN OTHER ENFORCEMENT ACTIONS.**

(a) **IN GENERAL.**—The Commissioner of Internal Revenue, in consultation with the Secretary of the Treasury, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an annual report on the penalties assessed by the Internal Revenue Service during the preceding year under each of the following provisions of the Internal Revenue Code of 1986:

(1) Section 6662A (relating to accuracy-related penalty on understatements with respect to reportable transactions).

(2) Section 6700(a) (relating to promoting abusive tax shelters).

(3) Section 6707 (relating to failure to furnish information regarding reportable transactions).

(4) Section 6707A (relating to failure to include reportable transaction information with return).

(5) Section 6708 (relating to failure to maintain lists of advisees with respect to reportable transactions).

(b) **ADDITIONAL INFORMATION.**—The report required under subsection (a) shall also include information on the following with respect to each year:

(1) Any action taken under section 330(b) of title 31, United States Code, with respect to any reportable transaction (as defined in section 6707A(c) of the Internal Revenue Code of 1986).

(2) Any extension of the time for assessment of tax enforced, or assessment of any amount under such an extension, under paragraph (10) of section 6501(c) of the Internal Revenue Code of 1986.

(c) **DATE OF REPORT.**—The first report required under subsection (a) shall be submitted not later than December 31, 2010.

**Subtitle C—Other Provisions****SEC. 121. NONRECOURSE SMALL BUSINESS INVESTMENT COMPANY LOANS FROM THE SMALL BUSINESS ADMINISTRATION TREATED AS AMOUNTS AT RISK.**

(a) **IN GENERAL.**—Subparagraph (B) of section 465(b)(6) is amended to read as follows:

“(B) QUALIFIED NONRECOURSE FINANCING.—For purposes of this paragraph—

“(i) IN GENERAL.—The term ‘qualified non-recourse financing’ means any financing—

“(I) which is qualified real property financing or qualified SBIC financing,

“(II) except to the extent provided in regulations, with respect to which no person is personally liable for repayment, and

“(III) which is not convertible debt.

“(ii) QUALIFIED REAL PROPERTY FINANCING.—The term ‘qualified real property financing’ means any financing which—

“(I) is borrowed by the taxpayer with respect to the activity of holding real property,

“(II) is secured by real property used in such activity, and

“(III) is borrowed by the taxpayer from a qualified person or represents a loan from any Federal, State, or local government or instrumentality thereof, or is guaranteed by any Federal, State, or local government.

“(iii) QUALIFIED SBIC FINANCING.—The term ‘qualified SBIC financing’ means any financing which—

“(I) is borrowed by a small business investment company (within the meaning of section 301 of the Small Business Investment Act of 1958), and

“(II) is borrowed from, or guaranteed by, the Small Business Administration under the authority of section 303(b) of such Act.”.

(b) CONFORMING AMENDMENTS.—Subparagraph (A) of section 465(b)(6) is amended—

(1) by striking “in the case of an activity of holding real property,”; and

(2) by striking “which is secured by real property used in such activity”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to loans and guarantees made after the date of the enactment of this Act.

#### SEC. 122. INCREASE IN AMOUNT ALLOWED AS DEDUCTION FOR START-UP EXPENDITURES.

(a) IN GENERAL.—Subsection (b) of section 195 is amended by adding at the end the following new paragraph:

“(3) INCREASED LIMITATION FOR TAXABLE YEARS BEGINNING IN 2010 OR 2011.—In the case of any taxable year beginning in 2010 or 2011, paragraph (1)(A)(ii) shall be applied—

“(A) by substituting ‘\$20,000’ for ‘\$5,000’, and

“(B) by substituting ‘\$75,000’ for ‘\$50,000’.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

### TITLE II—INFRASTRUCTURE INCENTIVES

#### SEC. 201. EXTENSION OF BUILD AMERICA BONDS.

(a) IN GENERAL.—Subparagraph (B) of section 54AA(d)(1) is amended by striking “January 1, 2011” and inserting “April 1, 2013”.

(b) EXTENSION OF PAYMENTS TO ISSUERS.—

(1) IN GENERAL.—Subsection (a) of section 6431 is amended by striking “January 1, 2011” and inserting “April 1, 2013”.

(2) CONFORMING AMENDMENTS.—Subsection (g) of section 54AA is amended—

(A) by striking “January 1, 2011” and inserting “April 1, 2013”, and

(B) by striking “QUALIFIED BONDS ISSUED BEFORE 2011” in the heading and inserting “CERTAIN QUALIFIED BONDS”.

(c) REDUCTION IN PERCENTAGE OF PAYMENTS TO ISSUERS.—Subsection (b) of section 6431 is amended—

(1) by striking “The Secretary” and inserting the following:

“(1) IN GENERAL.—The Secretary”,

(2) by striking “35 percent” and inserting “the applicable percentage”, and

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

“(2) APPLICABLE PERCENTAGE.—For purposes of this subsection, the term ‘applicable percentage’ means the percentage determined in accordance with the following table:

| “In the case of a qualified bond issued during calendar year: | The applicable percentage is: |
|---|-------------------------------|
| 2009 or 2010 .....  | 35 percent                    |
| 2011 .....  | 33 percent                    |
| 2012 .....  | 31 percent                    |
| 2013 .....  | 30 percent”.                  |

(d) CURRENT REFUNDINGS PERMITTED.—Subsection (g) of section 54AA is amended by adding at the end the following new paragraph:

“(3) TREATMENT OF CURRENT REFUNDING BONDS.—

“(A) IN GENERAL.—For purposes of this subsection, the term ‘qualified build America bond’ includes any bond (or series of bonds) issued to refund a qualified build America bond if—

“(i) the average maturity date of the issue of which the refunding bond is a part is not later than the average maturity date of the bonds to be refunded by such issue,

“(ii) the amount of the refunding bond does not exceed the outstanding amount of the refunded bond, and

“(iii) the refunded bond is redeemed not later than 90 days after the date of the issuance of the refunding bond.

“(B) APPLICABLE PERCENTAGE.—In the case of a refunding bond referred to in subparagraph (A), the applicable percentage with respect to such bond under section 6431(b) shall be the lowest percentage specified in paragraph (2) of such section.

“(C) DETERMINATION OF AVERAGE MATURITY.—For purposes of subparagraph (A)(i), average maturity shall be determined in accordance with section 147(b)(2)(A).”.

(e) CLARIFICATION RELATED TO LEVEES AND FLOOD CONTROL PROJECTS.—Subparagraph (A) of section 54AA(g)(2) is amended by inserting “(including capital expenditures for levees and other flood control projects)” after “capital expenditures”.

#### SEC. 202. EXEMPT-FACILITY BONDS FOR SEWAGE AND WATER SUPPLY FACILITIES.

(a) BONDS FOR WATER AND SEWAGE FACILITIES EXEMPT FROM VOLUME CAP ON PRIVATE ACTIVITY BONDS.—

(1) IN GENERAL.—Paragraph (3) of section 146(g) is amended by inserting “(4), (5),” after “(2).”.

(2) CONFORMING AMENDMENT.—Paragraphs (2) and (3)(B) of section 146(k) are both amended by striking “(4), (5), (6),” and inserting “(6)”.

(b) TAX-EXEMPT ISSUANCE BY INDIAN TRIBAL GOVERNMENTS.—

(1) IN GENERAL.—Subsection (c) of section 7871 is amended by adding at the end the following new paragraph:

“(4) EXCEPTION FOR BONDS FOR WATER AND SEWAGE FACILITIES.—Paragraph (2) shall not apply to an exempt facility bond 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of which are to be used to provide facilities described in paragraph (4) or (5) of section 142(a).”.

(2) CONFORMING AMENDMENT.—Paragraph (2) of section 7871(c) is amended by striking “paragraph (3)” and inserting “paragraphs (3) and (4)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

#### SEC. 203. EXTENSION OF EXEMPTION FROM ALTERNATIVE MINIMUM TAX TREATMENT FOR CERTAIN TAX-EXEMPT BONDS.

(a) IN GENERAL.—Clause (vi) of section 57(a)(5)(C) is amended—

(1) by striking “January 1, 2011” in subclause (I) and inserting “January 1, 2012”, and

(2) by striking “AND 2010” in the heading and inserting “, 2010, AND 2011”.

(b) ADJUSTED CURRENT EARNINGS.—Clause (iv) of section 56(g)(4)(B) is amended—

(1) by striking “January 1, 2011” in subclause (I) and inserting “January 1, 2012”, and

(2) by striking “AND 2010” in the heading and inserting “, 2010, AND 2011”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 2010.

#### SEC. 204. ELECTIVE PAYMENTS IN LIEU OF LOW INCOME HOUSING CREDITS.

(a) IN GENERAL.—Chapter 65 (relating to abatements, credits, and refunds) is amended by adding at the end the following new subchapter:

##### “Subchapter C—Direct Payment Provisions

“Sec. 6451. Elective payments in lieu of low income housing credit for bond-financed buildings.

#### “SEC. 6451. ELECTIVE PAYMENTS IN LIEU OF LOW INCOME HOUSING CREDIT FOR BOND-FINANCED BUILDINGS.

“(a) IN GENERAL.—Any person making an election under this section with respect to any qualified bond-financed low-income building originally placed in service by such person during the taxable year shall be treated as making a payment, against the tax imposed by subtitle A for the taxable year, equal to the direct payment amount with respect to such building. Such payment shall be treated as made on the later of the due date of the return of such tax or the date on which such return is filed.

“(b) QUALIFIED BOND-FINANCED LOW-INCOME BUILDING.—For purposes of this section, the term ‘qualified bond-financed low-income building’ means any qualified low-income building to which paragraph (1) of section 42(h) does not apply by reason of paragraph (4)(B) of such section.

“(c) DIRECT PAYMENT AMOUNT.—For purposes of this section, the term ‘direct payment amount’ means, with respect to any building, 25.5 percent of the qualified basis of such building.

“(d) SPECIAL RULES FOR CERTAIN NON-TAXPAYERS.—

“(1) DENIAL OF PAYMENT.—Subsection (a) shall not apply with respect to any building placed in service by—

“(A) any governmental entity, or

“(B) any organization described in section 501(c) or 401(a) and exempt from tax under section 501(a).

“(2) SPECIAL RULES FOR PARTNERSHIPS AND S CORPORATIONS.—In the case of property originally placed in service by a partnership or an S corporation—

“(A) the election under subsection (a) may be made only by such partnership or S corporation,

“(B) such partnership or S corporation shall be treated as making the payment referred to in subsection (a) only to the extent of the proportionate share of such partnership or S corporation as is owned by persons who would be treated as making such payment if the building were placed in service by such persons, and

“(C) the return required to be made by such partnership or S corporation under section 6031 or 6037 (as the case may be) shall be treated as a return of tax for purposes of subsection (a).

For purposes of subparagraph (B), rules similar to the rules of section 168(h)(6) (other than subparagraph (F) thereof) shall apply.

“(e) COORDINATION WITH LOW INCOME HOUSING CREDIT.—In the case of any property with respect to which an election is made under this section, no credit shall be determined under section 42 with respect to such building for any taxable year.

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

“(1) OTHER DEFINITIONS.—Terms used in this section which are also used in section 42 shall have the same meaning for purposes of this section as when used in such section.

“(2) APPLICATION OF RECAPTURE RULES, ETC.—Except as otherwise provided by the Secretary, rules similar to the rules of section 42 shall apply, including the recapture rules of section 42(j).

“(3) **PROVISION OF INFORMATION.**—A person shall not be treated as having elected the application of this section unless the taxpayer provides such information as the Secretary may require for purposes of verifying the proper amount to be treated as a payment under subsection (a) and evaluating the effectiveness of this section.

“(4) **EXCLUSION FROM GROSS INCOME.**—Any credit or refund allowed or made by reason of this section shall not be includible in gross income or alternative minimum taxable income.

“(g) **TERMINATION.**—Subsection (a) shall not apply with respect to any building placed in service during a taxable year beginning after December 31, 2010.”

(b) **CONFORMING AMENDMENTS.**—

(1) Subparagraph (A) of section 6211(b)(4) is amended by inserting “and subchapter C of chapter 65 (including any payment treated as made under such subchapter)” after “6431”.

(2) Subparagraph (B) of section 6425(c)(1) is amended—

(A) by striking “the credits” and inserting “the sum of—

“(i) the credits”,

(B) by striking the period at the end of clause (i) thereof (as amended by this paragraph) and inserting “, plus”, and

(C) by adding at the end the following new clause:

“(ii) the credits allowed (and payments treated as made) under subchapter C.”

(3) Paragraph (3) of section 6654(f) is amended—

(A) by striking “the credits” and inserting “the sum of—

“(A) the credits”,

(B) by striking the period at the end of subparagraph (A) thereof (as amended by this paragraph) and inserting “, and”, and

(C) by adding at the end the following new subparagraph:

“(B) the credits allowed (and payments treated as made) under subchapter C of chapter 65.”

(4) Subparagraph (B) of section 6655(g)(1) is amended—

(A) by striking “the credits” and inserting “the sum of—

“(i) the credits”,

(B) by striking the period at the end of clause (i) thereof (as amended by this paragraph) and inserting “, plus”, and

(C) by adding at the end the following new clause:

“(ii) the credits allowed (and payments treated as made) under subchapter C of chapter 65.”

(5) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting “, or from the provisions of subchapter C of chapter 65 of such Code” before the period at the end.

(6) The table of subchapters for chapter 65 is amended by adding at the end the following new item:

SUBCHAPTER C. DIRECT PAYMENT PROVISIONS

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to buildings placed in service after the date of the enactment of this Act.

## **SEC. 205. EXTENSION AND ADDITIONAL ALLOCATIONS OF RECOVERY ZONE BOND AUTHORITY.**

(a) **EXTENSION OF RECOVERY ZONE BOND AUTHORITY.**—Section 1400U-2(b)(1) and section 1400U-3(b)(1)(B) are each amended by striking “January 1, 2011” and inserting “January 1, 2012”.

(b) **ADDITIONAL ALLOCATIONS OF RECOVERY ZONE BOND AUTHORITY BASED ON UNEMPLOYMENT.**—Section 1400U-1 is amended by adding at the end the following new subsection:

“(c) **ALLOCATIONS OF 2010 RECOVERY ZONE BOND LIMITATIONS BASED ON UNEMPLOYMENT.**—

“(1) **IN GENERAL.**—The Secretary shall allocate the 2010 national recovery zone economic development bond limitation and the 2010 na-

tional recovery zone facility bond limitation among the States in the proportion that each such State’s 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all of the States.

“(2) **MINIMUM ALLOCATION.**—The Secretary shall adjust the allocations under paragraph (1) for each State to the extent necessary to ensure that no State (prior to any reduction under paragraph (3)) receives less than 0.9 percent of the 2010 national recovery zone economic development bond limitation and 0.9 percent of the 2010 national recovery zone facility bond limitation.

“(3) **ALLOCATIONS BY STATES.**—

“(A) **IN GENERAL.**—Each State with respect to which an allocation is made under paragraph (1) shall reallocate such allocation among the counties and large municipalities (as defined in subsection (a)(3)(B)) in such State in the proportion that each such county’s or municipality’s 2009 unemployment number bears to the aggregate of the 2009 unemployment numbers for all the counties and large municipalities (as so defined) in such State.

“(B) **2010 ALLOCATION REDUCED BY AMOUNT OF PREVIOUS ALLOCATION.**—Each State shall reduce (but not below zero)—

“(i) the amount of the 2010 national recovery zone economic development bond limitation allocated to each county or large municipality (as so defined) in such State by the amount of the national recovery zone economic development bond limitation allocated to such county or large municipality under subsection (a)(3)(A) (determined without regard to any waiver thereof), and

“(ii) the amount of the 2010 national recovery zone facility bond limitation allocated to each county or large municipality (as so defined) in such State by the amount of the national recovery zone facility bond limitation allocated to such county or large municipality under subsection (a)(3)(A) (determined without regard to any waiver thereof).

“(C) **WAIVER OF SUBALLOCATIONS.**—A county or municipality may waive any portion of an allocation made under this paragraph. A State may by law treat a county or municipality as waiving any portion of an allocation made under this paragraph if there is a reasonable expectation that such allocation would not otherwise be used.

“(D) **SPECIAL RULE FOR A MUNICIPALITY IN A COUNTY.**—In the case of any large municipality any portion of which is in a county, such portion shall be treated as part of such municipality and not part of such county.

“(4) **2009 UNEMPLOYMENT NUMBER.**—For purposes of this subsection, the term ‘2009 unemployment number’ means, with respect to any State, county or municipality, the number of individuals in such State, county, or municipality who were determined to be unemployed by the Bureau of Labor Statistics for December 2009.

“(5) **2010 NATIONAL LIMITATIONS.**—

“(A) **RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS.**—The 2010 national recovery zone economic development bond limitation is \$10,000,000,000. Any allocation of such limitation under this subsection shall be treated for purposes of section 1400U-2 in the same manner as an allocation of national recovery zone economic development bond limitation.

“(B) **RECOVERY ZONE FACILITY BONDS.**—The 2010 national recovery zone facility bond limitation is \$15,000,000,000. Any allocation of such limitation under this subsection shall be treated for purposes of section 1400U-3 in the same manner as an allocation of national recovery zone facility bond limitation.”

(c) **AUTHORITY OF STATE TO WAIVE CERTAIN 2009 ALLOCATIONS.**—Subparagraph (A) of section 1400U-1(a)(3) is amended by adding at the end the following: “A State may by law treat a county or municipality as waiving any portion of an allocation made under this subparagraph if there is a reasonable expectation that such allocation would not otherwise be used.”

## **SEC. 206. ALLOWANCE OF NEW MARKETS TAX CREDIT AGAINST ALTERNATIVE MINIMUM TAX.**

(a) **IN GENERAL.**—Subparagraph (B) of section 38(c)(4) is amended by redesignating clauses (v) through (viii) as clauses (vi) through (ix), respectively, and by inserting after clause (iv) the following new clause:

“(v) the credit determined under section 45D, but only with respect to credits determined with respect to qualified equity investments (as defined in section 45D(b)) initially made before January 1, 2012.”

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to qualified equity investments (as defined in section 45D(b) of the Internal Revenue Code of 1986) initially made after March 15, 2010.

## **TITLE III—REVENUE PROVISIONS**

### **SEC. 301. LIMITATION ON TREATY BENEFITS FOR CERTAIN DEDUCTIBLE PAYMENTS.**

(a) **IN GENERAL.**—Section 894 (relating to income affected by treaty) is amended by adding at the end the following new subsection:

“(d) **LIMITATION ON TREATY BENEFITS FOR CERTAIN DEDUCTIBLE PAYMENTS.**—

“(1) **IN GENERAL.**—In the case of any deductible related-party payment, any withholding tax imposed under chapter 3 (and any tax imposed under subpart A or B of this part) with respect to such payment may not be reduced under any treaty of the United States unless any such withholding tax would be reduced under a treaty of the United States if such payment were made directly to the foreign parent corporation.

“(2) **DEDUCTIBLE RELATED-PARTY PAYMENT.**—For purposes of this subsection, the term ‘deductible related-party payment’ means any payment made, directly or indirectly, by any person to any other person if the payment is allowable as a deduction under this chapter and both persons are members of the same foreign controlled group of entities.

“(3) **FOREIGN CONTROLLED GROUP OF ENTITIES.**—For purposes of this subsection—

“(A) **IN GENERAL.**—The term ‘foreign controlled group of entities’ means a controlled group of entities the common parent of which is a foreign corporation.

“(B) **CONTROLLED GROUP OF ENTITIES.**—The term ‘controlled group of entities’ means a controlled group of corporations as defined in section 1563(a)(1), except that—

“(i) ‘more than 50 percent’ shall be substituted for ‘at least 80 percent’ each place it appears therein, and

“(ii) the determination shall be made without regard to subsections (a)(4) and (b)(2) of section 1563.

A partnership or any other entity (other than a corporation) shall be treated as a member of a controlled group of entities if such entity is controlled (within the meaning of section 954(d)(3)) by members of such group (including any entity treated as a member of such group by reason of this sentence).

“(4) **FOREIGN PARENT CORPORATION.**—For purposes of this subsection, the term ‘foreign parent corporation’ means, with respect to any deductible related-party payment, the common parent of the foreign controlled group of entities referred to in paragraph (3)(A).

“(5) **REGULATIONS.**—The Secretary may prescribe such regulations or other guidance as are necessary or appropriate to carry out the purposes of this subsection, including regulations or other guidance which provide for—

“(A) the treatment of two or more persons as members of a foreign controlled group of entities if such persons would be the common parent of such group if treated as one corporation, and

“(B) the treatment of any member of a foreign controlled group of entities as the common parent of such group if such treatment is appropriate taking into account the economic relationships among such entities.”

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

**SEC. 302. TREATMENT OF SECURITIES OF A CONTROLLED CORPORATION EXCHANGED FOR ASSETS IN CERTAIN REORGANIZATIONS.**

(a) IN GENERAL.—Section 361 (relating to non-recognition of gain or loss to corporations; treatment of distributions) is amended by adding at the end the following new subsection:

“(d) SPECIAL RULES FOR TRANSACTIONS INVOLVING SECTION 355 DISTRIBUTIONS.—In the case of a reorganization described in section 368(a)(1)(D) with respect to which stock or securities of the corporation to which the assets are transferred are distributed in a transaction which qualifies under section 355—

“(1) this section shall be applied by substituting ‘stock other than nonqualified preferred stock (as defined in section 351(g)(2))’ for ‘stock or securities’ in subsections (a) and (b)(1), and

“(2) the first sentence of subsection (b)(3) shall apply only to the extent that the sum of the money and the fair market value of the other property transferred to such creditors does not exceed the adjusted bases of such assets transferred (reduced by the amount of the liabilities assumed (within the meaning of section 357(e))).”

(b) CONFORMING AMENDMENT.—Paragraph (3) of section 361(b) is amended by striking the last sentence.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to exchanges after the date of the enactment of this Act.

(2) TRANSITION RULE.—The amendments made by this section shall not apply to any exchange pursuant to a transaction which is—

(A) made pursuant to an agreement which was binding on March 15, 2010, and at all times thereafter,

(B) described in a ruling request submitted to the Internal Revenue Service on or before such date, or

(C) described on or before such date in a public announcement or in a filing with the Securities and Exchange Commission.

**SEC. 303. REPEAL OF SPECIAL RULES FOR INTEREST AND DIVIDENDS RECEIVED FROM PERSONS MEETING THE 80 PERCENT FOREIGN BUSINESS REQUIREMENTS.**

(a) REPEAL OF SPECIAL RULE TREATING INTEREST AS UNITED STATES SOURCE.—Paragraph (1) of section 861(a) is amended by striking subparagraph (A) and by redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively.

(b) REPEAL OF EXCEPTION TO TAX ON DIVIDENDS RECEIVED BY NONRESIDENT ALIENS.—Paragraph (2) of section 871(i) is amended by striking subparagraph (B) and by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively.

(c) CONFORMING AMENDMENTS.—

(1) Section 861 is amended by striking subsection (c) and by redesignating subsections (d), (e), and (f) as subsections (c), (d), and (e), respectively.

(2) Paragraph (9) of section 904(h) is amended to read as follows:

“(9) TREATMENT OF CERTAIN DOMESTIC CORPORATIONS.—In the case of any dividend treated as not from sources with the United States under section 861(a)(2)(A), the corporation paying such dividend shall be treated for purposes of this subsection as a United States-owned foreign corporation.”

(3) Subsection (c) of section 2104 is amended in the last sentence by striking “or to a debt obligation of a domestic corporation” and all that follows and inserting a period.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2010.

(2) GRANDFATHER RULE FOR OUTSTANDING DEBT OBLIGATIONS.—

(A) IN GENERAL.—The amendments made by this section shall not apply to payments of interest on obligations issued before the date of the enactment of this Act.

(B) EXCEPTION FOR RELATED PARTY DEBT.—Subparagraph (A) shall not apply to any interest which is payable to a related person (determined under rules similar to the rules of section 954(d)(3)).

(C) SIGNIFICANT MODIFICATIONS TREATED AS NEW ISSUES.—For purposes of subparagraph (A), a significant modification of the terms of any obligation (including any extension of the term of such obligation) shall be treated as a new issue.

**SEC. 304. INFORMATION REPORTING FOR RENTAL PROPERTY EXPENSE PAYMENTS.**

(a) IN GENERAL.—Section 6041 is amended by adding at the end the following new subsection:

“(h) TREATMENT OF RENTAL PROPERTY EXPENSE PAYMENTS.—

“(1) IN GENERAL.—For purposes of subsection (a), a person receiving rental income from real estate (other than a qualified residence) shall be considered to be engaged in a trade or business of renting property.

“(2) QUALIFIED RESIDENCE.—For purposes of paragraph (1), the term ‘qualified residence’ means—

“(A) the principal residence (within the meaning of section 121) of the taxpayer, and

“(B) 1 other residence of the taxpayer which is selected by the taxpayer for purposes of this subsection for the taxable year and which is used by the taxpayer as a residence (within the meaning of section 280A(d)(1)).”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to payments made after December 31, 2010.

**SEC. 305. APPLICATION OF LEVY TO PAYMENTS TO FEDERAL VENDORS RELATING TO PROPERTY.**

(a) IN GENERAL.—Section 6331(h)(3) is amended by striking “goods or services” and inserting “property, goods, or services”.

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

**SEC. 306. APPLICATION OF CONTINUOUS LEVY TO TAX LIABILITIES OF CERTAIN FEDERAL CONTRACTORS.**

(a) IN GENERAL.—Subsection (f) of section 6330 is amended by striking “or” at the end of paragraph (2), by inserting “or” at the end of paragraph (3), and by inserting after paragraph (3) the following new paragraph:

“(4) the Secretary has served a Federal contractor levy.”

(b) FEDERAL CONTRACTOR LEVY.—Subsection (h) of section 6330 is amended—

(1) by striking all that precedes “any levy in connection with the collection” and inserting the following:

“(h) DEFINITIONS RELATED TO EXCEPTIONS.—For purposes of subsection (f)—

“(1) DISQUALIFIED EMPLOYMENT TAX LEVY.—A disqualified employment tax levy is,” and

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

“(2) FEDERAL CONTRACTOR LEVY.—A Federal contractor levy is any levy if the person whose property is subject to the levy (or any predecessor thereof) is a Federal contractor.”

(c) CONFORMING AMENDMENT.—The heading of subsection (f) of section 6330 is amended by striking “JEOPARDY AND STATE REFUND COLLECTION” and inserting “EXCEPTIONS”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to levies issued after December 31, 2010.

**SEC. 307. REQUIRED MINIMUM 10-YEAR TERM, ETC., FOR GRANTOR RETAINED ANNUITY TRUSTS.**

(a) IN GENERAL.—Subsection (b) of section 2702 is amended—

(1) by redesignating paragraphs (1), (2) and (3) as subparagraphs (A), (B), and (C), respec-

tively, and by moving such subparagraphs (as so redesignated) 2 ems to the right,

(2) by striking “For purposes of” and inserting the following:

“(1) IN GENERAL.—For purposes of”, and

(3) by striking “paragraph (1) or (2)” in paragraph (1)(C) (as so redesignated) and inserting “subparagraph (A) or (B)”, and

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

“(2) ADDITIONAL REQUIREMENTS WITH RESPECT TO GRANTOR RETAINED ANNUITIES.—For purposes of subsection (a), in the case of an interest described in paragraph (1)(A) (determined without regard to this paragraph) which is retained by the transferor, such interest shall be treated as described in such paragraph only if—

“(A) the right to receive the fixed amounts referred to in such paragraph is for a term of not less than 10 years,

“(B) such fixed amounts, when determined on an annual basis, do not decrease relative to any prior year during the first 10 years of the term referred to in subparagraph (A), and

“(C) the remainder interest has a value greater than zero determined as of the time of the transfer.”

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

**SEC. 308. INCREASE IN INFORMATION RETURN PENALTIES.**

(a) FAILURE TO FILE CORRECT INFORMATION RETURNS.—

(1) IN GENERAL.—Subsections (a)(1), (b)(1)(A), and (b)(2)(A) of section 6721 are each amended by striking “\$50” and inserting “\$100”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (a)(1), (d)(1)(A), and (e)(3)(A) of section 6721 are each amended by striking “\$250,000” and inserting “\$1,500,000”.

(b) REDUCTION WHERE CORRECTION WITHIN 30 DAYS.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(1) is amended by striking “\$15” and inserting “\$30”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(1)(B) and (d)(1)(B) of section 6721 are each amended by striking “\$75,000” and inserting “\$250,000”.

(c) REDUCTION WHERE CORRECTION ON OR BEFORE AUGUST 1.—

(1) IN GENERAL.—Subparagraph (A) of section 6721(b)(2) is amended by striking “\$30” and inserting “\$60”.

(2) AGGREGATE ANNUAL LIMITATION.—Subsections (b)(2)(B) and (d)(1)(C) of section 6721 are each amended by striking “\$150,000” and inserting “\$500,000”.

(d) AGGREGATE ANNUAL LIMITATIONS FOR PERSONS WITH GROSS RECEIPTS OF NOT MORE THAN \$5,000,000.—Paragraph (1) of section 6721(d) is amended—

(1) by striking “\$100,000” in subparagraph (A) and inserting “\$500,000”,

(2) by striking “\$25,000” in subparagraph (B) and inserting “\$75,000”, and

(3) by striking “\$50,000” in subparagraph (C) and inserting “\$200,000”.

(e) PENALTY IN CASE OF INTENTIONAL DISREGARD.—Paragraph (2) of section 6721(e) is amended by striking “\$100” and inserting “\$250”.

(f) ADJUSTMENT FOR INFLATION.—Section 6721 is amended by adding at the end the following new subsection:

“(f) ADJUSTMENT FOR INFLATION.—

“(1) IN GENERAL.—For each fifth calendar year beginning after 2012, each of the dollar amounts under subsections (a), (b), (d) (other than paragraph (2)(A) thereof), and (e) shall be increased by such dollar amount multiplied by the cost-of-living adjustment determined under section 1(f)(3) determined by substituting ‘calendar year 2011’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(2) ROUNDING.—If any amount adjusted under paragraph (1)—

“(A) is not less than \$75,000 and is not a multiple of \$500, such amount shall be rounded to the next lowest multiple of \$500, and

“(B) is not described in subparagraph (A) and is not a multiple of \$10, such amount shall be rounded to the next lowest multiple of \$10.”.

(g) **EFFECTIVE DATE.**—The amendments made by this section shall apply with respect to information returns required to be filed on or after January 1, 2011.

**SEC. 309. CRUDE TALL OIL INELIGIBLE FOR CELLULOSIC BIOFUEL PRODUCER CREDIT.**

(a) **IN GENERAL.**—Section 40(B)(6)(E) of the Internal Revenue Code of 1986 is amended by adding at the end the following new clause:

“(iv) **EXCLUSION OF CERTAIN PROCESSED FUELS WITH A HIGH ACID CONTENT.**—The term ‘cellulosic biofuel’ shall not include any processed fuel with an acid number greater than 25. For purposes of the preceding sentence, the term ‘processed fuel’ means any fuel other than a fuel—

“(I) more than 4 percent of which (determined by weight) is any combination of water and sediment, or

“(II) the ash content of which is more than 1 percent (determined by weight).”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to fuels sold or used on or after January 1, 2010.

**SEC. 310. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.**

(a) **SHIFT FROM 2015 TO 2014.**—The percentage under paragraph (1) of section 202(b) of the Corporate Estimated Tax Shift Act of 2009 in effect on the date of the enactment of this Act is increased by 4.5 percentage points.

(b) **SHIFT FROM 2016 TO 2015.**—The percentage under paragraph (2) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 3.5 percentage points.

(c) **SHIFT FROM 2020 TO 2019.**—The percentage under paragraph (3) of section 561 of the Hiring Incentives to Restore Employment Act in effect on the date of the enactment of this Act is increased by 1.25 percentage points.

**TITLE IV—EXTENSION OF EMERGENCY CONTINGENCY FUND FOR STATE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAMS**

**SEC. 401. 1-YEAR EXTENSION OF THE EMERGENCY CONTINGENCY FUND FOR STATE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAMS.**

(a) **IN GENERAL.**—Section 403(c) of the Social Security Act (42 U.S.C. 603(c)) is amended—

(1) in paragraph (2)(A), by inserting “, and for fiscal year 2011, \$2,500,000,000” before “for payment”;

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

“(B) **AVAILABILITY AND USE OF FUNDS.**—

“(i) **FISCAL YEARS 2009 AND 2010.**—The amounts appropriated to the Emergency Fund under subparagraph (A) for fiscal year 2009 shall remain available through fiscal year 2010 and shall be used to make grants to States in each of fiscal years 2009 and 2010 in accordance with the requirements of paragraph (3).

“(ii) **FISCAL YEAR 2011.**—Subject to clause (iii), the amounts appropriated to the Emergency Fund under subparagraph (A) for fiscal year 2011 shall remain available through fiscal year 2012 and shall be used to make grants to States based on expenditures in fiscal year 2011 for benefits and services provided in fiscal year 2011 in accordance with the requirements of paragraph (3).

“(iii) **RESERVATION OF FUNDS.**—Of the amounts appropriated to the Emergency Fund under subparagraph (A) for fiscal year 2011, \$500,000 shall be placed in reserve for use in fiscal year 2012, and shall be used to award grants for any expenditures described in this subsection incurred by States after September 30, 2011.”;

(3) in paragraph (2)(C), by striking “2010” and inserting “2012”;

(4) in paragraph (3)—

(A) in clause (i) of each of subparagraphs (A), (B), and (C)—

(i) by striking “year 2009 or 2010” and inserting “years 2009 through 2011”;

(ii) by striking “and” at the end of subclause (I);

(iii) by striking the period at the end of subclause (II) and inserting “; and”; and

(iv) by adding at the end the following:

“(III) if the quarter is in fiscal year 2011, has provided the Secretary with such information as the Secretary may find necessary in order to make the determinations, or take any other action, described in paragraph (5)(C).”; and

(B) in subparagraph (C), by adding at the end the following:

“(iv) **LIMITATION ON EXPENDITURES FOR SUBSIDIZED EMPLOYMENT.**—An expenditure for subsidized employment shall be taken into account under clause (ii) only if the expenditure is used to subsidize employment for—

“(I) a member of a needy family (without regard to whether the family is receiving assistance under the State program funded under this part); or

“(II) an individual who has exhausted (or, within 60 days, will exhaust) all rights to receive unemployment compensation under Federal and State law, and who is a member of a needy household (regardless of whether the household includes a child).”;

(5) by striking paragraph (5) and inserting the following:

“(5) **LIMITATIONS ON PAYMENTS; ADJUSTMENT AUTHORITY.**—

“(A) **FISCAL YEARS 2009 AND 2010.**—The total amount payable to a single State under subsection (b) and this subsection for fiscal years 2009 and 2010 combined shall not exceed 50 percent of the annual State family assistance grant.

“(B) **FISCAL YEAR 2011.**—Subject to subparagraph (C), the total amount payable to a single State under subsection (b) and this subsection for fiscal year 2011 shall not exceed 30 percent of the annual State family assistance grant.

“(C) **ADJUSTMENT AUTHORITY.**—If the Secretary determines that the Emergency Fund is at risk of being depleted before September 30, 2011, or that funds are available to accommodate additional State requests under this subsection, the Secretary may, through program instructions issued without regard to the requirements of section 553 of title 5, United States Code—

“(i) specify priority criteria for awarding grants to States during fiscal year 2011; and

“(ii) adjust the percentage limitation applicable under subparagraph (B) with respect to the total amount payable to a single State for fiscal year 2011.”; and

(6) in paragraph (6), by inserting “or for expenditures described in paragraph (3)(C)(iv)” before the period.

(b) **CONFORMING AMENDMENTS.**—Section 2101 of division B of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) is amended—

(1) in subsection (a)(2)—

(A) by striking “2010” and inserting “2011”; and

(B) by striking all that follows “repealed” and inserting a period; and

(2) in subsection (d)(1), by striking “2010” and inserting “2011”.

(c) **PROGRAM GUIDANCE.**—The Secretary of Health and Human Services shall issue program guidance, without regard to the requirements of section 553 of title 5, United States Code, which ensures that the funds provided under the amendments made by this section for subsidized employment do not support any subsidized employment position the annual salary of which is greater than, at State option—

(1) 200 percent of the poverty line (within the meaning of section 673(2) of the Omnibus Budg-

et Reconciliation Act of 1981, including any revision required by such section 673(2)) for a family of 4; or

(2) the median wage in any jurisdiction operating a program with funds provided pursuant to the amendments.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. LEVIN) and the gentleman from Michigan (Mr. CAMP) each will control 30 minutes.

The Chair recognizes the gentleman from Michigan.

**GENERAL LEAVE**

Mr. LEVIN. Madam Speaker, I ask that all Members may have 5 legislative days to revise and extend their remarks and insert extraneous material in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. LEVIN. In addition, the Ways and Means Ranking Member DAVE CAMP and I have asked the nonpartisan Joint Committee on Taxation to make available to the public a technical explanation of the modifications that were made to H.R. 4849 by the rule.

This technical explanation supplements the Committee Report 111-454, with information on the Committee's understanding and legislative intent behind these modifications. It is available on the Joint Committee's Web site at [www.jct.gov](http://www.jct.gov) and is listed under document numbered JCX-21-10.

It is now my pleasure to yield 1 minute to our most distinguished majority leader, STENY HOYER of Maryland.

Mr. HOYER. I thank the gentleman for yielding and I congratulate him for his leadership, and I thank Mr. CAMP as well for his work.

In the fall, Madam Speaker, of 2008, America did not know whether it was heading for the second Great Depression. Those weren't my words. Those were the words of Ben Bernanke, head of the Federal Reserve.

Since then, the work of the Obama administration and the Democratic Congress has headed off disaster. Most important has been the Recovery Act, which cut taxes for small businesses and 95 percent of families, funded thousands of job-creating projects across America, provided emergency assistance to those hit hardest by the recession, saved States from laying off teachers, firefighters, police officers, and much more.

No matter what its partisan critics say, the facts say it clearly: The Recovery Act is working.

The Recovery Act created some 2 million jobs. And since President Obama took office, monthly job losses are down 96 percent, from 726,000 over a 4-month average during the latter part of the Bush administration, to 27,500 over the last 4 months, a 96 percent improvement of job loss. That is not success, but it is progress. Success will be when we grow jobs, as we did in November.

Our economy is growing again. In the most recent quarter, it grew by 5.9 percent. That is the fastest rate in 6 years,

and the second straight quarter of growth under President Obama. In addition, it is a 12.3 percent turnaround from the last quarter of 2008 to the last quarter of 2009.

The Dow is up some 60 plus percent from the low it hit shortly after President Obama signed the Recovery Act, the S&P 500 is up 72 percent from its low, and the NASDAQ is up 87 percent now, since we passed the Recovery Act. That is progress to be proud of.

But as long as millions of Americans remain out of work, through no fault of their own, we have not reached the goal. We have not had the success we want.

We know that, to a family struggling through chronic unemployment, all the positive economic numbers in the world must look like they bear little relation to reality. That is because, time and again, employment numbers are the last part of a recession to turn around.

The families who are struggling and suffering right now did not create this economic collapse, but they are bearing its brunt. So it is imperative that we act for them.

This month, the President signed the HIRE Act, which eliminated the payroll tax for every employed worker who is hired. Now, the good news by that is that we don't pay anything unless we accomplish the objective. If they add the jobs, they get the credit, which the nonpartisan CBO calls one of the most effective methods of job creation.

The HIRE Act also gives businesses tax credits for keeping new employees on the payroll, helps small businesses finance their expansion, and extends job-creating and much-needed highway programs.

When the House passed the HIRE Act, Democrats made it clear on this floor that it was an important step, but by no means the last one. That is why we are back here today, and that is why I urge my colleagues to support the Small Business and Infrastructure Jobs Act.

This bill expands the successful Build America bonds and Recovery Zone bonds, which helps State and local governments fund needed projects and put people to work. As of this month, Build America bonds helped State and local governments pay for \$78 billion in infrastructure programs, projects that were needed but did not have the funds. Build America bonds assured that they had the funds and created the jobs.

This bill also contains provisions to help small business innovate and grow. It increases the deduction for business startup expenses, so enterprising Americans all over our country will have stronger incentives to open the books of new businesses, an important measure we owe to my Maryland colleague and friend, Congressman FRANK KRATOVIL.

And, it excludes 100 percent of small business capital gains from taxation, which will lead to a new influx of investment, the investment small busi-

nesses need to expand and hire new workers.

For Democrats, job creation is our single-most important job. I think, frankly, Republicans share that sentiment. I think that is a bipartisan sentiment. This bill carries that work forward, and I believe it will provide significant relief to the Americans who are still feeling the recession's harsh effects.

Again, I congratulate Mr. LEVIN for the work of his committee on bringing this to the floor. I also want to congratulate my friend, CHARLIE RANGEL, who has been so instrumental in working on these jobs bills for so long. Madam Speaker, I urge my colleagues to strongly support this legislation.

Mr. CAMP. Madam Speaker, I yield myself such time as I may consume.

It's tough to see this bill either as a small business bill or as a jobs bill, and, specifically, I have three concerns:

One, it raises taxes on employers during a recession, making it tougher for Americans to find needed work.

Two, roughly 80 percent of the so-called tax relief in the bill is dedicated to State and local governments.

□ 1315

Small governments are not small businesses, and they do not create the kind of private sector jobs that we need.

Three, the limited and very narrow tax provisions, even if well-intentioned, will not do enough to help employers create jobs.

Under this bill, American jobs will be taxed. That's the simple truth regarding the provision limiting treaty benefits for certain deductible payments. This is very similar to a provision offered previously by the gentleman from Texas (Mr. DOGGETT) and accounts for about 40 percent of the \$19.4 billion in tax increases in the bill.

There's never a good time to raise taxes on employers and American workers, but given the continued weakness in the economy, now may be the worst time. Data from the Department of Labor confirms that 48 States have lost jobs since the Democrats' stimulus bill passed, 3.3 million jobs have been eliminated since the Democrat stimulus bill passed, and a record 16 million Americans are out of work.

In case you need more evidence that the Democrat stimulus bill failed, just look at the \$2.5 billion in "emergency" welfare spending that was added to this bill. This money will be paid out in the third fiscal year since stimulus money first started flowing. That's the third year. This bill increases spending, it increases taxes and will not create private sector jobs. In that respect, this is the "Mini Me" of the Democrats' stimulus bill.

I encourage my colleagues to vote "no," and I reserve the balance of my time.

Mr. LEVIN. I yield myself such time as I may consume.

This, indeed, is a jobs bill. It's a continuation of the work in this Congress

by some of us to spur job creation to recover from the 8.4 million jobs lost in this recession and to improve the quality of life in our communities. The cornerstone, indeed, of this package is an extension of the Build America Bonds program. It's been an effective tool in job creation. It's been a vital resource for State and local governments looking to advance infrastructure programs.

Mr. CAMP talks about the number of States—I think you referred to 47—where jobs have been lost. I think every one of those States—it's 47—has benefited from the Build America Bonds program. The money goes to local communities for infrastructure, and that creates jobs. That's what finance experts have said about BABs. It's one of the economic recovery effort's biggest successes. As I mentioned, as of March 1, 2010, State and local governments have used BABs to finance more than \$78 billion in infrastructure programs.

Now, as to small business. The legislation excludes 100 percent of capital gains on small business stock to help encourage immediate investments in growth. It will, in turn, help our small businesses hire new workers and continue fueling our economic recovery. Also included are provisions to remove onerous penalties from small businesses so they can create more jobs. Also, there's a provision, an important one, to reduce the barrier of startup expenses on new businesses.

The bill would also extend, for 1 year, the TANF emergency contingency fund. The Governors Association has said this fund helps "speed economic recovery through subsidized employment and training programs."

This bill is completely offset and will not add a dime to the Federal deficit. The bill is offset with provisions to ensure compliance with our tax laws, close down a loophole that allows paper companies to claim a \$1.01 per gallon tax credit for highly corrosive fuel waste products, and it does crack down on foreign tax haven corporations that are taking advantage of the U.S. tax treaty network in order to dodge U.S. taxes. And to just say you're opposed to any tax increases? Tax increases on people who are avoiding paying legitimate taxes. I have a chart here, in very simple terms, that spells out how these companies, these foreign corporations that are not part of a tax-treaty country, how they evade taxes through a gimmick. And to oppose this because of that, I think, is very, very inappropriate.

So, in a word, this bill is another significant step towards helping our country continue down the path of economic recovery and job creation. It should be a bipartisan bill. In the markup that we held, there wasn't a single amendment offered by the minority to strike a specific jobs provision here. This Congress will continue to take additional targeted and effective steps to accelerate economic recovery for American families. And I



say with sadness, as I hear Mr. CAMP speak, that it looks like it will not receive the bipartisan support it so fully deserves.

I reserve the balance of my time.

Mr. CAMP. At this time I yield 3 minutes to a distinguished member of the Ways and Means Committee, the gentleman from California (Mr. HERGER).

Mr. HERGER. Madam Speaker, Republicans have been arguing ever since the debate on last year's failed stimulus bill that we need real tax relief to get our economy going and to create jobs. Today, the Democratic majority has brought forward a bill that offers \$3.5 billion in tax relief for small businesses. Unfortunately, it also includes \$19 billion in new taxes, including a major tax aimed directly at companies that invest in the U.S. and hire American workers. This comes just days after the Democrats rammed through a health care bill that raises taxes by \$569 billion. And if Congress does not extend the tax relief that expires at the end of this year, Americans will see their taxes go up by another \$3 trillion. So while there are some good things in this bill, it's hard to see how a collection of minor tax relief measures will spur job creation when small businesses are staring down the barrel of unprecedented tax increases in the year ahead.

When the Ways and Means Committee considered this bill last week, I offered an amendment to make permanent the \$250,000 expensing allowance under section 179; however, Democrats voted down this and every other effort to provide real, permanent tax relief for small businesses. What has been added to the bill is a new \$2.5 billion bailout for State welfare programs. This has nothing to do with creating jobs; yet it was mysteriously added to the bill after we marked it up in committee. I hope that this was not a deliberate plan to avoid having a vote in committee on the merits of this funding. After the public outrage over backroom dealmaking in the health care bill, it is disappointing to see the majority party again bypassing regular order to make last-minute changes to the bill reported by the committee.

Madam Speaker, the American people still want to know: Where are the jobs? This bill fails to answer that question, and the House should reject it.

Mr. LEVIN. It's now my privilege to yield 2 minutes to my colleague and friend, the gentleman from New York (Mr. RANGEL).

(Mr. RANGEL asked and was given permission to revise and extend his remarks.)

Mr. RANGEL. Thank you, Mr. Chairman.

I really can't understand how this discussion is dealing with Republicans and Democrats. When someone loses his job and loses his health care, loses his dignity and pride and ability to take care of his or her rent or pay the

mortgage or tuition in school, when they make applications for unemployment compensation, I really don't think that people ask: Are you a Republican or a Democrat? And this is true of health insurance as well as it is for education and job training. This is what makes America great, not the majority or minority party. At the end of the day, what have we done as Congress and a part of government to allow people to put their hopes and dreams together so that we can get a full recovery?

For those who are critical of this bill for what it hasn't done, it's only one step as we attempt to move forward to get America back to work. That's what we all want. For those who say that too much is given to government, my God, we're talking about putting people back to work so that they have the ability to buy from small business people.

We eliminate taxes for capital gains if you invest in small businesses. We provide incentives for startup funds so that people can have the small businesses. And there's not a mayor, there's not a Governor, who doesn't truly believe that putting people to work on infrastructure, building schools, getting involved in low-income housing—we're talking about jobs. Not Democratic jobs, not Republican jobs, but jobs that can put money in people's pockets to fulfill their obligations and their dreams.

So let's get away from this partisanship. Why don't we just ask: Is it good for America and not just good for our party?

Mr. CAMP. At this time, Madam Speaker, I yield 3 minutes to a member of the Ways and Means Committee, the distinguished gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. Another week, another stimulus. This ministimulus, the third or fourth such effort—I've lost count—is more proof of the failed economic policies of Washington Democrats and an acknowledgment that the massive \$860 billion stimulus bill has fallen far short of its debt-driven, wastefully spent promises to revive America's recovery.

From a jobs standpoint for small business, this bill does next to nothing. In fact, by increasing taxes on global companies that invest and create jobs here in America, this bill may actually kill more jobs than it creates.

This bill wrongly breaches long-standing tax treaties and increases taxes by more than \$7 billion on global companies with subsidiaries here in the United States. We want America to be the place Americans choose to put their workers. Why punish them, especially thousands of Americans without jobs?

This measure also expands the heavily taxpayer subsidized Build America Bonds, which are popular but are taking shape as a long-term entitlement to which our local governments are quickly becoming addicted. That's bad news for America's taxpayers.

Finally, much has been made of the centerpiece of this bill. It's a 100 percent cutout of capital gains on small businesses. But who qualifies for this? I can tell you who doesn't qualify as a small business. Look closely at the section that says, if you're in health, in law, engineering, architecture, accounting, actuarial science, performing arts, consulting, athletics, financial services, brokerage services, or any trade or business where the reputation of your employees counts. You're not eligible if you're in banking, insurance, financing, leasing, investing, or similar business. You're not eligible if you're a farming small business, a business involving extraction of commodities like energy or mining. You can't be a hotel, a motel, a restaurant, or similar business. You can't have ownership or dealings in or renting of real estate property or rental property.

The question is: Who does qualify for this?

□ 1330

The answer is nobody. That's why this does so little for small business, so little for our economy. The truth of the matter is, the reason businesses aren't hiring back workers or hiring new ones is they're scared of the policies in Washington. Cap-and-trade, new health care mandates, new taxes, new regulation, the scary debt. That's what's keeping small businesses on the sidelines. That's what's holding our economy back. This bill does not deserve our support. We can do better.

Mr. LEVIN. I now yield 2 minutes to another senior member of our committee, Mr. McDERMOTT of the great State of Washington.

(Mr. McDERMOTT asked and was given permission to revise and extend his remarks.)

Mr. McDERMOTT. Madam Speaker, the gentleman from California asked where the jobs are. Well, this 1-year extension of the TANF Emergency Contingency Fund will produce more than 160,000 subsidized job placements in clerical, health care, maintenance, human service, and customer service jobs in 35 States; and many of them are already up and running. Even Haley Barbour down in Mississippi thinks it's a good idea.

My office has received a tremendous increase in calls from out-of-work Americans who are reaching the end of their UI benefits. The long-term unemployed need help transitioning back into the changing job market, and they also need jobs right now. Proven programs like the Emergency Contingency Fund are already creating jobs at a lower cost than virtually any other program. If States are uncertain of the fund's extension, they will begin ramping down their subsidized employment programs beginning next month. It is critical that we pass this extension immediately. We have already received strong bipartisan support from the National Governors Association, the National Conference of State Legislatures, and the National Association

of Counties, all of them urging the Congress to extend this program.

Kevin Hassett of the conservative American Enterprise Institute said, "Given the state of the labor market, it is hard to imagine how any sensible person could oppose extending this emergency fund. If they are to be more than the party of 'no,' Republicans need to rally around the Democrats who have shown such reserved pragmatism."

I urge my colleagues on both sides of the aisle to support this bill.

Mr. CAMP. Madam Speaker, I yield myself such time as I may consume.

I have heard that this welfare expansion is about jobs. Frankly, it's not. Democrats propose to expand the welfare emergency fund that was contained in last year's failed stimulus bill by \$2.5 billion. They just extend it for another year and add that money. But since this legislation doesn't really alter how the money is spent, we can only assume the new spending will be a lot like the current spending. So what has the money been spent on so far? Almost none of it has been spent on jobs. Almost all of it has been spent on more and larger welfare checks.

I would like to insert in the RECORD from the recent Congressional Research Service report on how the welfare emergency funds have been spent to date. As of March 18, 2010, only 13 percent of those funds have been spent on subsidized employment. Instead, 87 percent was spent on short-term aid and basic assistance. That is, on welfare checks.

[From the Congressional Research Service,  
Mar. 23, 2010]

THE TANF EMERGENCY CONTINGENCY FUND  
(By Gene Falk, Specialist in Social Policy)  
STATE AND TRIBAL USE OF TANF EMERGENCY FUNDS

As of March 18, 2010, states and tribes have been awarded \$1.8 billion of the total \$5 billion appropriated. Figure 1 shows the TANF ECF grant awards by category of spending. The figure shows cumulative grant awards through March 18, 2010. It shows that \$848 million, a little less than half of the total grant awards of \$1.6 billion was to help finance increases in expenditures for basic assistance. Another \$726 million, 40% of the \$1.8 billion, was for non-recurrent short-term aid and \$231 million, 13% of the total, was for subsidized employment.

Mr. Speaker, I now yield 3 minutes to the gentleman from Illinois (Mr. ROSKAM), a distinguished member of the Ways and Means Committee.

Mr. ROSKAM. I thank the gentleman for yielding.

During the markup on this bill, Mr. RANGEL of New York was very magnanimous in his concern for our emotional well-being on our side of the aisle. And he said that no matter how sincere they are in their argument, it must be awkward and embarrassing just to say no. I really do appreciate that gesture and his concern for how we're feeling. But the good news for Mr. RANGEL is, we don't feel embarrassed, and this isn't awkward. In fact, it is with a sense of duty that we stand

up and say, You know what, this bill is a classic underperformer.

If you notice something, we're hearing echoes of the exact same rhetoric that we heard during the stimulus debate. The stimulus, as you will remember, was \$750 billion, plus or minus, plus interest, so you are at a trillion dollars worth of commitment and a stampede argument of spending that said, If we would only do this now, only do this quick, only do this right now, unemployment was going to peak at 8 percent. Well, that didn't happen in my home State of Illinois. In fact, The Chicago Tribune recently quoted a civic leader, the Civic Federation of Chicago, and this is what they said regarding the State of Illinois' budget morass, notwithstanding all the help that the majority has claimed that they've foisted on these States. They've said, This is historic. It is epic. It is impossible to overstate the level of peril.

That's with the majority's help.

So now the argument comes, "Well, you Republicans talk about small government all the time. Let's help small government here." I think that's an inherently flawed argument because what we're doing is borrowing and then foisting more spending.

Look, I think ultimately the most difficult and troublesome component of this is the overriding of 60 bilateral trade agreements. I have over 3,400 employees in my district alone in suburban Chicago. That's not to mention another over a quarter of a million employees who are employed by companies that are insourcing jobs.

I think the National Association of Manufacturers and the U.S. Chamber of Commerce got it just right when they opposed this bill for all the right reasons.

Mr. LEVIN. I yield 2 minutes to the very distinguished gentleman from Georgia, my friend JOHN LEWIS.

Mr. LEWIS of Georgia. Madam Speaker, I want to thank the chairman, my friend, for yielding.

Madam Speaker, not long ago, the American economy was headed toward disaster. In the past year, businesses have closed their doors, and more and more of our sisters and brothers have joined the unemployment line. In my district, unemployment is still over 10 percent. That is unacceptable. And with this bill, with this piece of legislation, we can do better.

While this Congress and this administration have brought our economy back from the brink of depression, there is still so much left to do. Today with this bill, we can take another step down that long road to recovery. This bill will create jobs, it will save jobs, and it will save our small businesses. Is it possible? Is it too much to ask for? Is there somehow and somehow that we all could come together and create jobs to put our people back to work?

This bill will help the family-owned restaurant that has served our community for years. It will help businesses that are facing cutbacks, and it will

help people follow their dreams to open their own businesses.

I urge my colleagues to pass this bill, for all of our small businesses, and to pass it now.

Mr. CAMP. Madam Speaker, I yield 1 minute to the gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Madam Speaker, you can't tell the people in Rockford, Illinois, whose unemployment is at 20 percent that all these stimulus bills are working. In fact, even before the President was sworn in, because he mentioned a carbon tax, near the city of East Dubuque over on the Mississippi River in the congressional district that I represent, Rentech, which makes anhydrous ammonia and urea, was all set to make an \$800 million investment to substitute coal for natural gas in the Fischer-Tropsches process resulting in the production of aircraft fuel. So 1,000 manufacturing jobs, an \$800 million investment, was wiped out because even the threat of cap-and-trade had the investors pull the plug on it.

And now we come up with still another bill, still another government program, this one to tax foreign direct investment, many of those people involved in the manufacturing sector. There are 240,000 jobs in Illinois that directly depend upon foreign direct investment.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. CAMP. I yield the gentleman an additional 15 seconds.

Mr. MANZULLO. We just passed the health care bill, the cap-and-trade. Every time we pass these bills, the people in the congressional district that I represent lose more jobs. We don't need help from Congress. We need Congress to leave the people alone.

Mr. LEVIN. I yield 2 minutes to my friend from Massachusetts (Mr. NEAL) who is such an active member of this committee on the issues before us.

Mr. NEAL. Madam Speaker, I want to thank the chairman of our committee, and I rise in support of the Small Business and Infrastructure Jobs Tax Act. As a former mayor, I am pleased that this bill contains a number of infrastructure tools to lower the costs for State and local development.

Let me put to rest the argument here that there was no cooperation on this bill. Mr. RYAN, a prominent Republican on the committee, and I supported legislation that would exempt private activity bonds from AMT. And it's working. The U.S. Department of Transportation cited this provision as saving \$635 million for construction projects at 38 airports around the country, including Cleveland, Milwaukee and Houston, among others. We don't check those airports to find out if they have a Republican Congressman or a Democratic Congressman. We think they are worthwhile undertakings.

These construction projects have created thousands of jobs nationwide at a time that our economy really needs



them. In my office, if you want to secure the information, we would be happy to provide you with the information about airport expansion which in many communities is a public and private partnership, but they have taken advantage of this initiative. These bonds are also used for student loans, and protection from AMT means lower rates on borrowers. In Massachusetts alone, 26,000 students will benefit.

The bill we are debating today also includes a provision offered by, yes, my friend Mr. TIBERI and I. We want to protect the New Markets Tax Credit from the AMT, a reasonable undertaking, a reasonable provision. Since its inception, this program has generated over \$15 billion of private sector investment in some of the poorest communities in this country. I will repeat. Mr. TIBERI and I sponsored this provision. Mr. RYAN and I have cosponsored provisions here. Protection from AMT means financing costs are lowered, freeing up greater investment for struggling neighborhoods.

And I want to submit, Mr. Chairman, and to the Speaker as well, there is not a Republican mayor in America who would be against the provisions that are offered here.

Mr. CAMP. Madam Speaker, I yield 2 minutes to the distinguished gentleman from New York (Mr. LEE).

Mr. LEE of New York. Madam Speaker, I rise today to support a provision in the bill allowing a tax deduction for small business startup expenses. This is one of the most significant things we can do to encourage entrepreneurs. That's why last year I joined with a colleague of mine from Maryland (Mr. KRATOVIL) to introduce legislation that increases the tax deduction from \$5,000 to \$20,000. Designed to motivate entrepreneurs to act now, this provision serves as an added incentive for entrepreneurs to get off the sidelines and create new job growth in the private sector.

As someone who has actually run a manufacturing company up until I came to Congress last year, it's very disappointing for me that I cannot support the underlying bill. This bill without a doubt will raise taxes on U.S. manufacturing and jeopardize jobs here at home.

American manufacturing workers are also facing an unfair playing field against our Chinese competitors. And according to the National Association of Manufacturers, this bill will "make it more difficult for them to compete in the global marketplace and, in some cases, will threaten U.S. jobs and economic growth." I believe we should be strengthening U.S. manufacturers, not saddling them with job-killing taxes. This will further impede efforts to grow our economy and create jobs right here in the good old United States.

Madam Speaker, it is past time that the House finally move through true pro-growth legislation. Unfortunately, despite the inclusion of the small busi-

ness startup deduction, the underlying bill just isn't it.

□ 1345

Mr. LEVIN. Madam Speaker, I yield 2 minutes to the very distinguished gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Madam Speaker, regarding these ill-considered arguments against the treaty-shopping provisions that allow a handful of firms to dodge their responsibilities to fund our national and homeland security, let's get the facts straight.

First, there is not one company headquartered in the United States that will pay one cent of additional taxes as a result of these provisions. Number two, there is not one company that is headquartered in a foreign country with whom we have a tax treaty that will pay one cent of additional taxes. And that covers, by the way, over 90 percent of all foreign investment in the United States that we were just hearing about, over 90 percent not touched whatsoever if they are headquartered in a country with a tax treaty.

What it does touch is the minority, defended by the Republican Party, that are determined to dodge their fair share of the cost of running America. Those are companies that are headquartered in tax havens that set up their operations specifically to dodge their tax responsibility. We believe they ought to follow the same rules as American-owned companies, as American-headquartered companies.

It is amazing to me that the same folks who would defend the flim-flam artists at Enron from dodging their tax responsibilities, that would defend the American corporations that renounce their American citizenship to move to some sunny tax haven, are now defending this small minority of firms that will not pay their fair share of American taxes.

And what of this phony argument that we are somehow violating our tax treaty responsibilities: well, it is just that, it is phony because this measure is actually an incentive to support the tax treaty system. That is where over 90 percent of the investment already is; and so we are saying, as the non-partisan Joint Committee on Taxation concluded, this provides an incentive for any responsible foreign investor to locate in a treaty country. The treaties are set up to help American companies. That is what these companies should do.

Mr. CAMP. Madam Speaker, I yield myself such time as I may consume, and I place in the RECORD a letter to Mr. LEVIN and myself from the Organization for International Investment, a large association representing over 5 million Americans. It is an association of U.S. subsidiaries of companies headquartered abroad which also accounts for one-fifth of all exports which says that the language in this legislation would override many of our bilateral income tax treaties and could

lead to retaliatory actions by other countries.

I would also note that during the markup of this legislation in committee, even the Obama administration's own witness, the Deputy Assistant Secretary of Tax Policy stated that the Treasury Department has, and I quote, "Concerns about the specifics of this provision and whether it will override many of our income tax treaties." She also stated the administration prefers a more targeted approach.

ORGANIZATION FOR  
INTERNATIONAL INVESTMENT,

March 15, 2010.

Hon. SANDER LEVIN,  
*Chairman, Committee on Ways and Means,  
House of Representatives, Washington, DC.*

Hon. DAVE CAMP,  
*Ranking Member, Committee on Ways and  
Means, House of Representatives, Wash-  
ington, DC.*

DEAR CHAIRMAN LEVIN AND REPRESENTATIVE CAMP, On behalf of the Organization for International Investment (OFII), I am writing to express concern with a tax provision included as Section 401 of the discussion draft of the Small Business and Infrastructure Jobs Tax Act of 2010. While we recognize the need for revenue, we must oppose Section 401 as an offset because it represents a clear and harmful override of our existing U.S. income tax treaties. Although positive changes were made to this proposal since it was originally introduced as an offset to the 2007 Farm Bill (H.R. 2419), OFII remains opposed because it still uniquely discriminates against U.S. subsidiaries of companies headquartered abroad and clearly violates many of our international agreements.

OFII is the largest association of U.S. subsidiaries of companies headquartered abroad. U.S. subsidiaries play an important role in the growth and vitality of the U.S. economy. They provide high-paying jobs for over five million Americans and account for almost one-fifth of all U.S. exports. A discriminatory tax increase sends a negative signal to international investors and may dissuade these companies from choosing the United States as a location for job creating investment.

As drafted, Section 401 would unilaterally override many of our bilateral income tax treaties and could lead to retaliatory actions by other countries or withdrawal by our treaty partners from existing treaties, negatively impacting international business transactions. The Senate has opposed this and similar provisions twice in the past two years for these reasons.

Congress has not held any hearings to examine this issue and whether the proposal is the appropriate remedy to address any perceived concerns. In this regard, there is no evidence that existing safeguards, including the substantial and restrictive anti-treaty shopping provisions (so-called "Limitation on Benefits" (LOB) provisions) contained in most of our current U.S. income tax treaties, are ineffective. Further, if material tax abuses were evident, the Treasury could implement changes to the U.S. Model Tax Treaty which would avoid the negative consequences of violating our international agreements.

Since a similar proposal was introduced in 2007, the Treasury has taken great strides to update the three bilateral tax treaties without LOB provisions (Iceland, Hungary, Poland). A protocol adding an LOB provision to the Iceland treaty was negotiated by Treasury and ratified by the Senate in 2008. A similar protocol with Hungary has been negotiated and initialed and could be ratified

this year. Treasury is expected to pursue a similar amendment to the treaty with Poland during 2010-2011.

Consistent with the conclusions in the Treasury Report that was released in November 2007 that reviewed potential abuse of income tax treaties, OFII believes re-negotiation of existing income tax treaties without LOB provisions is a more appropriate way to address the concerns underlying this provision and we urge you to oppose including Section 401 in the final version of the Small Business Jobs Bill. We would be glad to discuss our concerns with your staff in greater detail.

Sincerely,

NANCY McLERNON  
*President & CEO.*

ORGANIZATION FOR INTERNATIONAL  
INVESTMENT

OFII is the only business association in Washington D.C. that exclusively represents U.S. subsidiaries of foreign companies and advocates for their non-discriminatory treatment under state and federal law.

MEMBERS

ABB Inc., ACE INA Holdings, Inc., AEGON USA, AgustaWestland Inc., Ahold USA, Inc., Airbus North America Holdings, Air Liquide America L.P., Akzo Nobel Inc., Alcatel-Lucent, Alcon Laboratories, Inc.

Alfa Laval Inc., Allianz of North America, ALSTOM, AMEC, American Honda Motor Co., Inc., Anheuser-Busch, APL Limited, AREVA, Inc., Astellas Pharma US, Inc., AstraZeneca Pharmaceuticals.

BAE Systems, Barclays Capital, Barrick Goldstrike Mines, Inc., BASF Corporation, Bayer Corp., BIC Corp., Bimbo Foods, Inc., bioMérieux, Inc., BNP Paribas, Boehringer Ingelheim Corp.

BOSCH, BP, Bridgestone Americas Holding, Brother International Corp., Brunswick Group, BT, Bunge Ltd., Case New Holland, CEMEX USA, Cobham.

Coviden, Credit Suisse Securities (USA), Daiichi Sankyo, Inc., Daimler, Dassault Falcon Jet Corp., Deutsche Post World Net USA, Deutsche Telekom, Diageo, Inc., EADS, Inc., EDF International North America.

Eisai Inc., Elbit Systems of America, LLC, Electrolux Home Products, Inc., EMD Serono Inc., Ericsson, Evonik Degussa Corporation, Experian, Finmeccanica North America, Flextronics International, Food Lion, LLC.

France Telecom North America, Garmin International, Inc., GDF SUEZ Energy North America, Inc., Generali USA, Givaudan, GKN America Corp., GlaxoSmithKline, Hanson North America, Hitachi, Ltd., Holcim (US) Inc.

HSBC North America Holdings, Huhtamaki, Hyundai Motor America, Iberdrola Renewables, ING America Insurance Holdings, InterContinental Hotels Group, John Hancock Life Insurance Co., Lafarge North America, Lenova, Logitech Inc.

L'Oréal USA, Inc., Louisiana Energy Service (LES), Louisville Corporate Services, Inc., LVMH Moët Hennessy Louis Vuitton, Macquarie Aircraft Leasing Services, Macquarie Holdings Inc., Maersk Inc, Magna International, Marvell Semiconductor, McCain Foods USA.

Michelin North America, Inc. Miller Brewing Company, Mitsubishi Electric & Electronics, Munich Re, Nestlé USA, Inc., The Nielsen Company (US), Inc., Nokia, Inc., Novartis Corporation, Novelis Inc., Novo Nordisk Pharmaceuticals.

Oldcastle, Inc., Panasonic Corp. of North America, Pearson Inc., Pernod Ricard USA, Petrobras North America, Philips Electronics North America, QBE the Americas, Randstad North America, Reed Elsevier Inc., Rexam Inc.

Rio Tinto America, Roche Financial USA, Inc., Rolls-Royce North America Inc., Royal Bank of Canada, SABIC Innovation Plastics, Saint-Gobain, sanofi-aventis, SAP America, Schlumberger Technology Corp., Schott North America.

SGL Carbon LLC, Shell Oil Company, Siemens Corporation, Smith & Nephew, Inc., Sodexo, Inc., SolarWorld USA, Solvay America, Sony Corporation of America, Square D Company, Sumitomo Corp. of America.

Sun Life Financial U.S., Swiss Re America Holding Corp., Syngenta Corporation, Takeda North America, Tate & Lyle North America, Inc., Teva Pharmaceuticals USA, Thales USA, Inc., The Tata Group, Thomson Reuters, ThyssenKrupp USA, Inc.

Tim Hortons, Toa Reinsurance Company of America, Tomkins Industries, Inc., TOTAL Holdings USA, Inc., Toyota Motor North America, Tyco International (US), Inc., Tyco Electronics, UBS, Umicore USA, Unilever.

Vivendi, Vodafone, Voith Holding Inc., Volkswagen of America, Inc., Volvo Group North America, Inc., Welspun, Westfield LLC, White Mountains, Inc., Wolters Kluwer U.S. Corporation, WPP Group USA, Inc., XL Global Services, Zausser Foods Corporation, Zurich Insurance Group.

I yield 2 minutes to the distinguished gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Madam Speaker, I thank the gentleman for yielding, and I have to say I am confused. Now I am confused maybe because I am not on the Ways and Means Committee—I'm on the Appropriations Committee—and on March 16 at 10 o'clock we had a hearing, and our special guest at the hearing was Secretary of the Treasury Geithner, Secretary of OMB Orszag, and the President's Economic Adviser, Ms. Romer. All of them said to the full committee the stimulus program is working. It is the greatest program. In fact, I thought they were going to start high-fiving and hugging each other right there in the committee, they were so excited about it.

But now I am like you. You Democrats on the Ways and Means Committee, I kind of agree with you. It ain't working. We know that it is not working. That is why we are now debating the third stimulus jobs bill in the House. We had one a couple of weeks ago, we had one in December, and all it is is spend, spend, spend. The \$862 billion stimulus program was supposed to keep unemployment from getting to 8 percent, and it is now pushing 10 percent. Of course it is not working.

But does this work? It is just more spending, more money for municipal governments. I keep hearing the mayors like it and the county commissioners like it. Oh, yeah, we are sending them more money; I guess they do like it. They envy us because we can print it, and we can borrow it. In fact, we borrow a lot of money. In fact, if you look at it, every dollar that we spend, we actually borrow 40 cents. Now you would never do that back home, but that is what is going on. We borrow to pay for the military, to pay for education, to pay for transportation, to pay for the National Park Service. We borrow foreign aid. Can you think of the absurdity of that: we

borrow money to give it to other countries. That's what is going on. And here comes this bill with more borrowing.

You know, if you look at what has gone on, May of 2008, a \$168 billion stimulus bill failed. I voted "no." It was a George Bush bill. All of these stimulus bills, all of this spending does not create jobs. We need to vote this down.

Mr. LEVIN. Mr. Speaker, I yield myself 15 seconds.

To the gentleman who just spoke, this bill is paid for unlike bills you voted for. And also let me say to the distinguished gentleman, you are opposed to this bill because it isn't big enough or it is too small. It's not clear. The recovery program is beginning to work. This will make it work better, and yet you are standing here opposed to it.

I now yield 1 minute to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Madam Speaker, I thank the gentleman for yielding, and just to correct the record once again, this bill, unlike previous bills passed by our colleagues and friends on the other side of the aisle, is completely paid for. There is not a cent that would be added to the deficit. You have to make some tough decisions when you pay for things, but this bill is completely taken care of and paid for. So the tax cuts we give to small businesses, we take care of that. We don't do it in an irresponsible fashion. That is why we should vote for this legislation.

We need to put this country back on track and back to work, and this bill continues a series of legislation that have come through this House, gone to the Senate and been signed by the President which put America back to work. The economic recovery package which too many of our colleagues rail against, the independent, nonpartisan Congressional Budget Office has told us has already created at least 2 million jobs in America; and we still have more of the economic recovery package effects to take place over this coming year.

What we do know is if we keep at it and do it responsibly, we can put America back to work. That is what this is all about. That is why we should support this legislation. I urge my colleagues to support this bill.

Mr. CAMP. Madam Speaker, I yield 2 minutes to the gentleman from Louisiana (Mr. BOUSTANY), a distinguished member of the Ways and Means Committee.

Mr. BOUSTANY. Madam Speaker, I thank Ranking Member CAMP for yielding me this time.

We are talking about jobs, and this bill purports to be a job-creation bill, but I have deep reservations about one of the pay-fors in the bill. It is in section 301. It raises \$7.7 billion in taxes, and where do these taxes come from? Where does this tax increase come from? Well, it comes from U.S. companies who happen to be headquartered

overseas. What does that mean? These are companies that employ U.S. workers. These are companies that are in every one of our communities that also stimulate business activity that help create jobs in other businesses that affiliate with these and do business with them.

So what are we doing here? We are basically hurting U.S. job growth. We are hurting U.S. workers. Furthermore, this provision would basically abrogate some 60 bilateral tax treaties that we currently have. We know that the Senate has opposed these types of provisions in the past. So why are we doing this?

Secondly, in the course of the hearing, we had the Deputy Assistant Secretary for Tax Policy and she had questions about this approach and said that this was not the preferred approach of the administration and also expressed concerns that this could invite retaliation upon U.S. companies doing business overseas, further hurting U.S. jobs.

Now if we are going to create jobs, let's try to be sensible and make sure that our tax policy is coordinated with trying to create jobs. What do we know about these jobs in the U.S. by these U.S. companies who happen to be headquartered overseas? Well, they pay better wages. In fact, their compensation packages are roughly one-third more. These are high-skilled jobs so why on the one hand do we want to say we are going to create jobs and on the other hand focus on policies that will kill jobs? I just don't understand the logic here, and for those reasons I oppose this bill.

Mr. LEVIN. I am glad to now yield 1 whole minute to the distinguished gentleman from Maryland (Mr. VAN HOLLEN).

Mr. VAN HOLLEN. Madam Speaker, everyone in this body is entitled to their own opinions, but we are not entitled to our own facts. I wish some of our colleagues would read this bill. It does not add one penny to the deficit.

First, we have a speaker on the other side of the aisle complaining about the fact that it adds to the deficit when it doesn't; because the next speaker then complains about how we want to pay for it. Which is it?

This bill is paid for. This bill will help small businesses just like the economic recovery bill has helped stabilize the economy. Just a little over a year ago when President Obama was sworn in, our economy was in free fall. We were headed from recession to depression. Now we are here 14 months later, the economy has begun to stabilize. We went from 5.7 percent negative growth to 5.6 positive growth, the biggest swing in growth, 10 points, in 30 years. People are beginning to go back to work. Obviously, we have not turned the corner there, but it is a vast improvement from where this country was a little over a year ago. This is another important step by assisting small businesses to keep the engine going.

Mr. CAMP. I reserve the balance of my time.

Mr. LEVIN. Madam Speaker, I yield 1 minute to the gentleman from California (Mr. THOMPSON).

Mr. THOMPSON of California. Madam Speaker, I rise in support of this important jobs bill in general, and two provisions in particular.

The SBA provision makes a change to the Tax Code to encourage private investment in the Small Business Investment Company program, which in turn will help small businesses hire more employees.

The extension of the AMT exemption for private activity bonds is critically important to creating jobs and growing our economy. Bonds have been one of the economic recovery efforts' biggest successes, and they are responsible for creating jobs and funding important projects in nearly every State in our country.

One example can be seen at the Sacramento International Airport in my district. They sold bonds to complete their terminal renovation. This money was directly responsible for preserving 1,200 construction jobs and generating over \$1 billion in the surrounding community.

We must do everything we can to put Americans back to work. Today's jobs bill is paid for. Today's job bill is paid for and is one more way to spur economic development.

Mr. CAMP. I continue to reserve.

Mr. LEVIN. I yield 1 minute to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Madam Speaker, there is a certain amount of irony hearing our friends on the other side of the aisle talking about a recovery package that hasn't worked as well as all of us would like because it was deliberately scaled down in an effort to try to secure Republican support. More of it was put in tax cuts than we would have liked rather than in infrastructure to rebuild and renew America. We know if it would have been done the way the Democrats wanted, it would have worked better. Nonetheless, I hate to think what would happen in the State of Michigan without economic recovery money, in the State of Oregon without this money.

I have three brief points. One, by putting more money in infrastructure, we are going to be putting people to work. Second, this is fully paid for, unlike what we have seen with the efforts of our friends on the Republican side of the aisle when they were in charge. And, third, the pay-for is incorporating recommendations that came from the Bush administration Treasury that recognized there were corporations that were not meeting their obligations to the United States Treasury.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEVIN. I yield the gentleman an additional 30 seconds.

Mr. BLUMENAUER. These provisions will affect companies in a small num-

ber of countries—there are less than 10 percent of the countries that don't have a tax treaty with us—they will be encouraged to have a relationship to avoid tax avoidance. It will be an opportunity for people who are not paying their fair share now to put some money behind renewing and rebuilding America.

It is a good bargain for the taxpayer, it is a good bargain for revitalizing our communities, and I appreciate the committee bringing this bill forward.

□ 1400

Mr. CAMP. I yield 30 seconds to the gentleman from Louisiana (Mr. BOUSTANY).

Mr. BOUSTANY. I want to respond to what was just said about these tax provisions, and that is, the previous administration actually wanted to work through these treaties and recognized that there were some problems but did not just simply want to abrogate 60 tax treaties.

Mr. LEVIN. I yield 15 seconds to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. The last Administration offered proposals to address this time after time, and a Republican Congress wouldn't approve them. That is one of the reasons we need to take this firm action today. We see the benefits of doing that in the almost \$8 billion that are raised not from American companies but from companies that are located in these tax-haven locations.

Mr. CAMP. I yield myself such time as I may consume.

I would just say to the gentleman and to those on the floor, to say this is the same proposal that occurred in the previous administration is really an oversimplification. The previous administration really wanted to have a more targeted approach to this. They wanted to, certainly through treaty amendments, targeted domestic law provisions, that would address the problem of potential abuses under this area of law. But they didn't want to damage our treaty relationships with all of the other countries.

And as the gentleman from Louisiana has said, this would damage our treaty relationships with over 60 countries. We have a letter in the record from the organization overseeing nearly 5 million U.S. workers and companies headquartered abroad. The Treasury testified at the committee that this is not the approach they want to take. They would much prefer to take similar approaches to the Bush administration. So in terms of tax policy, we actually have the Treasury Department wanting to do the same thing.

This is outside of that. This is overbroad. It would hurt our relationships.

I reserve my time.

Mr. LEVIN. I yield 30 seconds to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. We are in no way saying that this is the same legislative language that the Bush Administration recommended. We are saying it addresses the same problem and that you

didn't like the Bush Administration approach any better than you liked the Obama Administration approach, any better than you like this approach. And the only beneficiaries of this obstruction to a legislative answer are the same tax dodgers in these tax havens that have been avoiding their responsibility. We want to level the playing field. We don't want to shirk treaty responsibilities. We want an incentive to encourage every one of these companies to go to a tax treaty country.

Mr. CAMP. I reserve my time.

Mr. LEVIN. I now yield 1½ minutes to the very distinguished gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Thank you for yielding, Mr. Chairman.

No more loopholes. No more sheltered tax havens. No more privileged class perks. Period. That is how we're paying for this bill.

Mr. Speaker, once again, the day after significant legislation has been passed, we're back at our greatest priority—putting people back to work. There are many sections of this bill that do that. I want to highlight just one of them: the Sustainable Water Infrastructure Investment Act. I hope you support that part of the legislation.

As it was introduced, this provision will generate significant investment through the use of tax-exempt bonds, and if we don't go that way, our communities are going to have to find the money to fix their infrastructure, to fix their sewer systems, to fix their water systems, and you know that is not going to happen. Our communities look to us for help. Our infrastructure is in disrepair, and it's just not our roads and it's just not our bridges.

Earlier this year the American Society of Civil Engineers gave the nation's water and water system the lowest grade of any infrastructure category, a D minus. This legislation aims to repair our crumbling water infrastructure while leveraging private capital to create jobs. Every dollar invested in public water and sewer infrastructure will add \$8.97 to the national economy. Economists estimate a \$1 billion investment—

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEVIN. I yield the gentleman an additional 10 seconds.

Mr. PASCRELL. Economists estimate a \$1 billion investment in water infrastructure will create 28,500 jobs.

For anybody to stand up here and say that this particular legislation does not specifically face off against the job lag in this country, they haven't read the bill.

Mr. CAMP. I reserve at this time.

Mr. LEVIN. Now it's my privilege to yield 1½ to the gentlewoman from Nevada, SHELLEY BERKLEY.

Ms. BERKLEY. I thank you, Mr. Chairman, for your leadership.

This legislation is yet another strong step towards economic recovery for Las Vegas, the State of Nevada, and the

Nation. The provisions of this bill will spur the creation and growth of small businesses and help State and local governments make critical job-creating infrastructure investments that are essential to long-term economic recovery.

Build America Bonds have been an essential source of funding for critical infrastructure projects in my district. That includes millions for investments by McCarran International Airport, millions for essential upgrades to water and sewer systems by the Las Vegas Water Authority, millions in highway and transit improvements by Clark County.

The extension of Recovery Zone Bond programs will make my district eligible for yet another source of financing for infrastructure projects that will spur economic growth and help bring down one of the highest unemployment rates in the Nation. Fifty percent of the building trades in Las Vegas are idle. Families are suffering.

Speaking of families, families and small businesses are going to directly benefit from this legislation. The increased deduction for small business start-up expenses will provide new opportunities for business creation and help create jobs we so desperately need.

And Temporary Assistance for Needy Families, this is incorporated in the bill and will help many Nevada families who struggle daily to help make ends meet.

The people of my district are struggling with difficult economic times. This Congress continues to focus on policies that will create new opportunity for growth and investment in Las Vegas and help entrepreneurs build job-creating small businesses.

Mr. CAMP. I continue to reserve.

Mr. LEVIN. I now have the privilege of yielding 1 minute to the gentlelady from Pennsylvania, ALLYSON SCHWARTZ.

Ms. SCHWARTZ. Democrats are committed to rebuilding America's economy, putting our workers back to work and ensuring our businesses can compete in a global 21st century economy.

Today we will vote on the Small Business and Infrastructure Jobs Tax Act, which makes smart investments, including: expanding Build America Bonds, which have been used by State and local governments across the country, including 21 times in my own home State of Pennsylvania, to finance \$2 billion in essential infrastructure projects; excluding capital gains taxes on the sale of small business stock; exempting water and sewer facility bonds from State volume caps initiating new infrastructure water projects which will improve the quality of our drinking water; and ending unfair tax penalties for small businesses that offer certain pension plans.

Let's be clear. This bill means voting for lower taxes for small businesses, for new infrastructure, and for new jobs. And it does not add to the deficit. In fact, it is paid for by collecting taxes

from corporations located in tax havens.

I urge a "yes" vote on this legislation.

Mr. CAMP. I continue to reserve, Madam Speaker.

Mr. LEVIN. I now yield 1 minute to the distinguished gentleman from Illinois, Mr. DANNY DAVIS.

Mr. DAVIS of Illinois. I want to thank the chairman for yielding.

I note that the State of Illinois has received \$4.853 billion in bonds up through January of this year. Many of those have gone to communities that are represented by individuals who certainly are not described as Democrats. As a matter of fact, they've gone to communities throughout the State.

These bonds are about building schools, roads, hospitals, creating jobs. There is no way under the sun that I could imagine not voting for this bill. It stimulates the economy, it builds jobs, it puts people to work.

Mr. CAMP. I continue to reserve.

Mr. LEVIN. I now yield 1 minute to the gentleman from North Carolina (Mr. ETHERIDGE).

Mr. ETHERIDGE. I thank the gentleman for yielding.

I rise to support this bill for our small businesses and local communities. Small businesses are the engine of our economy and right now they need help in order to grow, expand, and hire new workers. Research shows that almost every "new job" in this country is created by entrepreneurs who simply have an idea and the energy and the vision to make it a reality. We should support them, and this bill does so.

This bill also invests in our local communities by expanding successful Build America Bonds and water and sewer bonds which our communities badly need to restore our infrastructure and, more importantly, create jobs.

I met recently with a North Carolina housing finance agency, and yesterday I received a letter from the National Association of Counties, who both support this bill. Helping our small businesses, investing in infrastructure, and creating jobs should be a nonpartisan issue. We must come together to fix our economy. And as a former small business owner, I support this legislation for creating jobs on Main Street.

I urge a "yes" vote.

Mr. CAMP. I reserve my time.

Mr. LEVIN. It is now my privilege to yield 1 minute to the gentlelady from California (Ms. LINDA T. SANCHEZ) a member of the committee.

Ms. LINDA T. SANCHEZ of California. I would like to thank the chairman.

Madam Speaker, I rise today in strong support of H.R. 4849, legislation that invests in affordable housing, infrastructure, and small businesses.

I want to speak today about two provisions in the bill that are particularly important to the constituents I represent. I'm very pleased that the bill incorporates legislation that I wrote to

strengthen the low-income housing tax credit. A stable roof over a child's head contributes to his or her education, emotional well-being, and overall physical health.

In California alone, 4 percent low-income housing credits have been responsible for 125,000 new housing units in the last 20 years. By reviving the value of these credits, we will revitalize the housing sector, creating not just affordable homes but new jobs.

Additionally, this bill extends the Recovery Act's successful Build America Bonds program. These bonds are responsible for almost 25 percent of the current municipal bond market. As of the end of February, \$78 billion in Build America Bonds have been issued by State and local governments to build roads, bridges, and schools. And the jobs that are created pay a living wage. They are an investment in our community.

The SPEAKER pro tempore. The time of the gentlewoman has expired.

Mr. LEVIN. I yield the gentlelady an additional 30 seconds.

Ms. LINDA T. SANCHEZ of California. They are an investment in our community and an investment in our workforce, investments that are going to pay dividends for years to come.

I want to thank the chairman and the committee staff for their hard work on this bill, and I urge my colleagues to support this legislation.

□ 1415

Mr. CAMP. Madam Speaker, I am prepared to close. I yield myself such time as I may consume.

I urge a "no" vote on this legislation. From this debate, I think it's difficult to see whether this legislation is either a small business bill or a jobs bill. Frankly, it's neither one. The reason is the tax increases in this bill will hurt an already weak economy. To raise taxes on employers during a recession makes it even harder for Americans to find work.

Second, roughly 80 percent of the tax relief in this bill goes to State and local governments and to pay State and local governments. To borrow more money, as this bill does, is not what America needs right now.

Lastly, I would say there are some tax provisions, very small ones, that have received bipartisan support. But, frankly, those good things are outweighed by the structure of the bill and the way the bill is drafted, because even those well-intentioned measures will not do enough to help employers create jobs; and, particularly, the provision that would override our tax treaties with 60 countries, that even the Deputy Assistant Secretary for Tax Policy, when testifying before the committee, said she had concerns over, and also which has been rejected by the Senate, which means the almost \$7 to \$8 billion they are using to fund this bill will not see its way across the floor of the United States Senate. So I think we would do better to come back and

try to do something that would actually potentially do something about job creation and see its way to the President's desk for signature.

With that, I urge a "no" vote on this bill.

I yield back the balance of my time.

Mr. LEVIN. I yield myself the balance of my time.

I strongly urge a "yes" vote on this. I really urge my colleagues on the minority side to think not twice, but to think thrice before voting against this bill. I don't think everyone has to march in a partisan way in this place, especially on a bill that will help create jobs.

I have a letter regarding the contingency fund from a Republican Governor and a Democratic Governor, which states that, "currently, 23 States are drawing down the fund for subsidized jobs, with several more State applications pending approval. Many of these programs take time to develop and implement. By allowing States more time to access these funds, Congress can help maximize the impact of TANF ECF in providing crucial skill development and training to our workers."

Regarding the Build America Bonds, almost every State has taken advantage of these. It's for local communities and States to build—to build. Who builds roads? Who builds bridges? Not robots. Basically, it's human beings. So if you come here and vote "no," you are voting against jobs for human beings.

In terms of the pay-for, the only entities that will pay taxes will be those who are evading them, who are essentially using tax havens to avoid paying taxes.

I think the Senate will take a second look at this. I think this can become law, and we should join together to help make this become law. We owe it to the people of this country. This is a jobs bill.

Vote "yes."

Mr. LINDER. Madam Speaker, I oppose this legislation.

Since the Democrats' 2009 stimulus law, 3.3 million jobs have been eliminated, not the 3.7 million jobs they forecast it would create. Unemployment has risen to 10 percent, not the 8 percent peak Democrats promised. And 16 million Americans are currently unemployed, an all time record.

That stimulus legislation created numerous welfare expansions, including a new \$5 billion welfare "emergency fund." This fund directly undermines the successful 1996 welfare reforms by paying States more money if they increase welfare dependence instead of work. The legislation before us would extend and expand that welfare emergency fund, costing taxpayers another \$2.5 billion.

Democrats claim this welfare expansion will create jobs, as they claimed their stimulus bill would. The facts show stimulus didn't create jobs, and this won't, either.

Why are we doing this? According to the latest MIS figures, States have not spent over \$3 billion in the current welfare emergency fund. By the end of year, the Congressional Budget

Office estimates one-third of the fund—about \$1.5 billion—will remain unspent.

But instead of letting this "emergency" fund expire, or even just giving States more time to spend current funds, Democrats insist on shoving another \$2.5 billion in welfare out the door. This will cost taxpayers billions of dollars more, and benefit especially those few States that spent all of what Democrats promised in last year's stimulus bill. So the more you spend, the more you get. All on top of last year's trillion-dollar stimulus bill, and the trillion-dollar health takeover bill the President signed yesterday.

But it's not enough, because it's never enough.

Two weeks ago, in a hearing on welfare spending, one expert testified to the subcommittee on which I serve as Ranking Republican that government will spend \$953 billion on means-tested welfare programs next year, a nearly 50 percent increase since 2007. I asked the Obama Administration witness, who supported the welfare expansion before us today, whether her testimony was that \$953 billion is not enough. She responded: "Who's to say what is enough?"

The reality is we are the ones elected to represent the American people in saying what is enough. And after a trillion dollars in failed stimulus spending, and a trillion dollars for the government health care takeover yet to come, I say enough. Oppose this unnecessary welfare spending increase.

Mr. CONYERS. Madam Speaker, today I rise in support of H.R. 4849, the "Small Business and Infrastructure Jobs Tax Act of 2010." Today's legislation would provide much needed tax relief to small businesses, as well as assistance to states for infrastructure projects, housing tax credits, and direct aid for communities hit the hardest by job losses. This is a very timely bill and will provide a real benefit to States suffering through periods of unemployment, like my own State of Michigan.

As we are all too aware, states have been struggling with staggering budget deficits and have painfully cut back on many vital programs. One of the important proposals within the Act would extend \$2.5 billion funding for the Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund through 2011. TANF gives a one-time aid for needy families and subsidizes employment programs.

I also support provisions in H.R. 4849 that would allocate over two billion dollars in additional funding for Recovery Zone bonds and extend the popular Build America Bonds initiative. Recovery Zone bonds are low interest bonds aimed at funding investment in economically depressed areas, such as my congressional district. Build America Bonds, lauded as one of the most successful parts of the Recovery Act, are bonds with tax exemption on interest and will be extended for three years under this bill. Build America Bonds will allow for the construction of new schools, roads, environmental projects, public safety facilities, and government housing projects.

Madam Speaker, this Congress has passed sweeping legislation such as the Recovery Act, health insurance reform and fair pay for women. These actions have shown the American people that we can act in times of crisis. In this vein, I believe tax relief, coupled with aid to the States, can spur substantial job creation. I urge my colleagues to support this legislation.

Ms. EDDIE BERNICE JOHNSON of Texas. Madam Speaker, I rise today in support of H.R. 4849, the Small Business and Infrastructure Jobs Tax Act.

Specifically, I am pleased one of the provisions of this bill is the text of H.R. 537, The Sustainable Water Infrastructure Investment Act, of which I am a cosponsor.

This provision will help our local communities by removing the federally mandated State Volume Cap on Private Activity Bonds for water and wastewater projects.

Lifting this cap will allow additional private investment through the use of tax exempt bonds to address our critical water infrastructure needs.

Other infrastructure projects, such as airports, intercity high-speed rail, and solid waste disposal sites are already exempt from these bond caps.

Removing state volume caps on Private Activity Bonds for water and wastewater facilities is expected to reduce the cost of water projects, increase the number of water projects that communities initiate, improve our Nation's water infrastructure, and encourage public-private partnerships.

I am proud to support this bill that will enhance our water infrastructure, create local jobs, and encourage private capital investment in our communities.

Mr. LARSEN of Washington. Madam Speaker, I rise today in support of H.R. 4849, the Small Business and Infrastructure Jobs Tax Act of 2010.

This bill is another important step forward in helping small businesses create jobs in our communities and in assisting state and local governments to crawl out of their financial holes.

I agree with Secretary Geithner that by extending the Buy America Bonds program we are providing an important financing tool for state and local governments and investing in our country's long term economic growth in a cost-effective way.

As local governments continues to struggle financially, local officials can look forward to using the Buy America Bonds to build bridges, fix roads, and upgrade schools—all while creating jobs in our communities.

Snohomish County, in my district, is about to utilize the Buy America Bonds to fund public and private capital improvements that promote economic development and job growth throughout the county.

In addition, this bill includes provisions that will help small businesses obtain additional capital and encourage the formation of new businesses.

Small business is the engine that drives our economy, having created 65 percent of all new jobs in the last decade, and continues to play an important part of our economic recovery.

I will continue to do all I can to support our small businesses and create jobs.

Mr. DINGELL. Madam Speaker, I rise today in support of H.R. 4849, the Small Business and Infrastructure Jobs Tax Act. First, I would like to commend my friend and colleague from Michigan, Chairman of the Ways and Means Committee, SANDER LEVIN, for sponsoring this legislation. As all economists note, any true recovery must contain healthy and sustained growth in our small business sector. Fortunately, the Small Business and Infrastructure Jobs Act will spur growth among our small

businesses, provide incentives to invest in small businesses, and encourage small businesses to hire workers and entrepreneurs to take risks and start new businesses. Moreover, the bill does this without increasing the deficit.

The Small Business and Infrastructure Jobs Tax Act contains several small business tax provisions to spur investment, such as excluding capital gains taxes for those that purchase stock in small businesses, providing relief from burdensome tax penalties, and increasing the amount that can be deducted for expenditures made for starting a small business.

I am also pleased to see that this legislation emphasizes the job creation potential through local rebuilding. By extending the Build America Bonds program, state and local governments will be able to continue rebuilding our schools, hospitals and transit in an affordable manner. More importantly, extending this program through 2013 would allow our state and local governments to plan further into the future the necessary rebuilding projects. The Small Business and Infrastructure Jobs Tax Act also extends the Recovery Zone bonds for economically distressed areas through 2011, which will ensure areas like Southeast Michigan, now struggling with over 16 percent unemployment, can continue to invest in infrastructure projects, job training programs, education and economic development in our communities.

In addition, this legislation extends the Temporary Assistance for Needy Families Fund. This fund was created in the American Recovery and Reinvestment Act to help States handle increasing expenditures on assistance for families and to help create jobs programs that subsidizes employers or small businesses that hire unemployed workers. With the Fund already helping to employ 160,000 workers, this one-year extension will allow this good work to continue.

Finally, the bill will help to save American jobs by cracking down on foreign tax haven corporations that are taking advantage of the U.S. tax treaty network to dodge paying taxes and gain an advantage over American companies that play by the rules.

Madam Speaker, I urge my colleagues to join me in voting for this job-creating legislation.

Mr. POMEROY. Madam Speaker, helping North Dakota business create jobs is my top priority and today, Madam Speaker, Congress takes another step forward with a sharp focus on small businesses.

Small businesses are a proven engine of job creation. During the last economic expansion, companies with less than 20 employees accounted for 40 percent of the job growth while accounting for only 25 percent of all jobs.

One of the lingering difficulties of this recession is that many small businesses have limited access to the capital they need to operate, grow, and create new jobs. By providing small business tax relief, Congress can free up money and help small businesses feel they can afford to hire new employees and make investments that will build demand for goods and services.

In rural America, small business is business. For example, nearly 80 percent of North Dakotans are employed by companies with less than 500 employees and nearly 60 percent work for companies with less than 100 employees.

These small businesses are the companies on our small town Main Streets. Across numerous towns in North Dakota, ambitious business persons are finding opportunities to start up business, and the ranks of these new businesses are growing. A recent article in the Dickinson Press, reported that a number of small, North Dakota towns are seeing several new businesses starting up during the year. I ask permission to enter the article into the RECORD.

The Small Business and Infrastructure Jobs Act, H.R. 4849, will help new start-up businesses like KZ Photography, a company launched by Kim Zachmann last August. The bill would allow her to deduct from income, up to \$20,000 in expenses she might have incurred to set up her photography studio and get her business up and running in the town of Beach, North Dakota. Without the bill before us today, her deduction from income for those start up costs would be limited to only \$5,000.

The 100 percent exclusion from tax of gains on small business stock and the change to enable Small Business Investment Companies to deduct the investment losses would expand the access to capital for small business across the country.

While the Internal Revenue Service must act to stop abusive tax shelters, Congress today will vote to eliminate a disproportionate effect that some tax penalties have on small businesses. We have heard from individuals facing outlandish penalties. Under the bill, the tax penalty for failing to disclose on their taxes reportable transactions would be brought into proportion with the underlying tax savings for small businesses and not put the small business owner out of business.

These are provisions that have bipartisan support and will make a difference and spur job creation among small businesses. My colleague across the aisle, JERRY MORAN from Kansas, agreed that these provisions were needed to help small business and we introduced the "Small Business Jobs and Tax Relief Act."

I thank Chairman LEVIN for including small business tax incentives and relief that I authored the bill we are considering today. I also appreciate that we will also extend the highly successful Build America Bond program so that payments for the bonds to state and local governments would last through 2013.

When I held a roundtable with small businesses in Fargo, North Dakota, sharp and savvy business owners told me that Recovery Act funding is making a big difference and that they were vying with new national competitors. So, I urge my colleagues to pass the extension and expansion of the successful Build America Bonds, which have made it cheaper for state and local governments to finance the rebuilding of schools, sewers, hospitals and transit projects.

Communities like West Fargo and Rugby have used these bonds to launch projects and the bill also opens this funding opportunity to tribal governments for funding of water and sewer infrastructure improvements.

The Small Business and Infrastructure Jobs Act is good for North Dakota small businesses. I urge my colleagues to vote "yes" on H.R. 4849.



NUMBER OF BUSINESSES GROWING IN AREA TOWNS—OFFICIALS: YOUNGER PEOPLE MOVING IN

(By Beth Wischmeyer)

The number of businesses starting or being taken over by new owners is growing, officials in the communities of Bowman and Beach said Thursday.

Deb Walworth, executive director of Prairie West Development Foundation in Beach, said eight new businesses started in 2009, many of which were started by people in their 20s and 30s.

"We're seeing more young people," Walworth said. "I think this is just the tip of the iceberg, it's just beginning."

In 2008, Walworth said there were three new businesses that started.

Since 2004, Sentinel Butte has had three new businesses and the community of Golva has had two new businesses and one existing business come under new ownership, she said.

"These are really small communities that are seeing positive growth," Walworth said.

Ashley Alderson, executive director of the Bowman Economic Development Corp., said there have been about 10 new business counsels last year, some that have started, some that are starting and others that will open in the future.

"We've had quite a bit of new interest lately," Alderson said. "We've noticed it's been a really busy year for small business."

Alderson said she's been with the corporation for about two years, and said the past year was busier than her first year with new businesses.

The Beach area is seeing people moving back of all ages, Walworth said.

"I'm just really excited about the young families that are moving back, because if they don't have kids now, I think they plan to have families in the future," Walworth said. "We're also seeing the result of that coming through the schools, with kids coming through kindergarten and first grade there. That's a benefit to the school system too."

Kim Zachmann, who owns the photography business KZ Photography in Beach, said while photography has been an interest and a hobby for a number of years, she started pursuing it as a business last August.

Zachmann, who grew up in the Beach area, said she purchased a studio recently in town and now does photography full time.

"We haven't had a photographer here (in Beach) since about '03, so I knew there wasn't anyone in the Beach surrounding area, the closest one would be Dickinson, so I knew Beach could benefit from one," Zachmann said. "Beach is really good about supporting local businesses. I like the Beach area. I would like to live here the rest of my life if it was possible with a job and family and stuff like that."

Ed Gold, executive director of the Adams County Development Corporation, was out of the office Friday.

Walworth thinks the Beach area is a "good place to raise a family," a draw to many young families, she added.

"The cost of living isn't as much as it is in some of the larger places," Walworth said. "These people are coming from Las Vegas and the West Coast. They graduated from school here; one or the other of them, or both; and I think they're going for the safer communities to raise their family."

The SPEAKER pro tempore. The gentleman's time has expired.

All time for debate has expired.

Pursuant to House Resolution 1205, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

#### MOTION TO RECOMMIT

Mr. CAMP. Madam Speaker, I have a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. CAMP. In its current form.

Mr. LEVIN. Madam Speaker, I reserve a point of order against the gentleman's motion.

The SPEAKER pro tempore. The gentleman from Michigan reserves a point of order.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Camp moves to recommit the bill H.R. 4849 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Strike all after the enacting clause and insert the following:

#### SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Tax Incentives for Small Business Growth and Health Care Corrections Act of 2010".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

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

Sec. 1. Short title; etc.

#### TITLE I—SMALL BUSINESS TAX INCENTIVES

##### Subtitle A—General Provisions

Sec. 101. Temporary exclusion of 100 percent of gain on certain small business stock.

##### Subtitle B—Limitations and Reporting on Certain Penalties

Sec. 111. Limitation on penalty for failure to disclose certain information.

Sec. 112. Annual reports on penalties and certain other enforcement actions.

##### Subtitle C—Preservation of Health Savings Accounts and Health Flexible Spending Arrangements

Sec. 121. Repeal of limitations on medicines.

Sec. 122. Repeal of dollar limitation on health flexible spending arrangements.

##### Subtitle D—Other Provisions

Sec. 131. Nonrecourse small business investment company loans from the Small Business Administration treated as amounts at risk.

Sec. 132. Increase in amount allowed as deduction for start-up expenditures.

#### TITLE II—REVENUE PROVISIONS

Sec. 201. Exclusion of certain low-quality fuels from the cellulosic biofuel producer credit.

Sec. 202. Time for payment of corporate estimated taxes.

#### TITLE I—SMALL BUSINESS TAX INCENTIVES

##### Subtitle A—General Provisions

#### SEC. 101. TEMPORARY EXCLUSION OF 100 PERCENT OF GAIN ON CERTAIN SMALL BUSINESS STOCK.

(a) IN GENERAL.—Subsection (a) of section 1202 is amended by adding at the end the following new paragraph:

"(4) SPECIAL 100 PERCENT EXCLUSION.—In the case of qualified small business stock acquired after March 15, 2010, and before January 1, 2012—

"(A) paragraph (1) shall be applied by substituting '100 percent' for '50 percent',

"(B) paragraph (2) shall not apply, and

"(C) paragraph (7) of section 57(a) shall not apply."

(b) CONFORMING AMENDMENTS.—Paragraph (3) of section 1202(a) is amended—

(1) by striking "after the date of the enactment of this paragraph and before January 1, 2011" and inserting "after February 17, 2009, and before March 16, 2010", and

(2) by striking "SPECIAL RULES FOR 2009 AND 2010" in the heading and inserting "SPECIAL 75 PERCENT EXCLUSION".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to stock acquired after March 15, 2010.

##### Subtitle B—Limitations and Reporting on Certain Penalties

#### SEC. 111. LIMITATION ON PENALTY FOR FAILURE TO DISCLOSE CERTAIN INFORMATION.

(a) IN GENERAL.—Subsection (b) of section 6707A is amended to read as follows:

"(b) AMOUNT OF PENALTY.—

"(1) IN GENERAL.—Except as otherwise provided in this subsection, the amount of the penalty under subsection (a) with respect to any reportable transaction shall be 75 percent of the decrease in tax shown on the return as a result of such transaction (or which would have resulted from such transaction if such transaction were respected for Federal tax purposes).

"(2) MAXIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any reportable transaction for any taxable year shall not exceed—

"(A) in the case of a listed transaction, \$200,000 (\$100,000 in the case of a natural person), or

"(B) in the case of any other reportable transaction, \$50,000 (\$10,000 in the case of a natural person).

"(3) MINIMUM PENALTY.—The amount of the penalty under subsection (a) with respect to any transaction for any taxable year shall not be less than \$10,000 (\$5,000 in the case of a natural person)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to penalties assessed after December 31, 2006.

#### SEC. 112. ANNUAL REPORTS ON PENALTIES AND CERTAIN OTHER ENFORCEMENT ACTIONS.

(a) IN GENERAL.—The Commissioner of Internal Revenue, in consultation with the Secretary of the Treasury, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an annual report on the penalties assessed by the Internal Revenue Service during the preceding year under each of the following provisions of the Internal Revenue Code of 1986:

(1) Section 6662A (relating to accuracy-related penalty on understatements with respect to reportable transactions).

(2) Section 6700(a) (relating to promoting abusive tax shelters).

(3) Section 6707 (relating to failure to furnish information regarding reportable transactions).

(4) Section 6707A (relating to failure to include reportable transaction information with return).

(5) Section 6708 (relating to failure to maintain lists of advisees with respect to reportable transactions).

(b) **ADDITIONAL INFORMATION.**—The report required under subsection (a) shall also include information on the following with respect to each year:

(1) Any action taken under section 330(b) of title 31, United States Code, with respect to any reportable transaction (as defined in section 6707A(c) of the Internal Revenue Code of 1986).

(2) Any extension of the time for assessment of tax enforced, or assessment of any amount under such an extension, under paragraph (10) of section 6501(c) of the Internal Revenue Code of 1986.

(c) **DATE OF REPORT.**—The first report required under subsection (a) shall be submitted not later than December 31, 2010.

**Subtitle C—Preservation of Health Savings Accounts and Health Flexible Spending Arrangements**

**SEC. 121. REPEAL OF LIMITATIONS ON MEDICINES.**

Effective as of the enactment of the Patient Protection and Affordable Care Act, section 9003 of such Act (relating to distributions for medicine qualified only if for prescribed drug or insulin) is hereby repealed and any provision of law amended by such section is amended to read as such provision would read if such section had never been enacted.

**SEC. 122. REPEAL OF DOLLAR LIMITATION ON HEALTH FLEXIBLE SPENDING ARRANGEMENTS.**

Effective as of the enactment of the Patient Protection and Affordable Care Act, section 9005 of such Act (relating to limitation on health flexible spending arrangements under cafeteria plans) is hereby repealed and any provision of law amended by such section is amended to read as such provision would read if such section had never been enacted.

**Subtitle D—Other Provisions**

**SEC. 131. NONRECOURSE SMALL BUSINESS INVESTMENT COMPANY LOANS FROM THE SMALL BUSINESS ADMINISTRATION TREATED AS AMOUNTS AT RISK.**

(a) **IN GENERAL.**—Subparagraph (B) of section 465(b)(6) is amended to read as follows:

“(B) **QUALIFIED NONRECOURSE FINANCING.**—For purposes of this paragraph—

“(i) **IN GENERAL.**—The term ‘qualified nonrecourse financing’ means any financing—

“(I) which is qualified real property financing or qualified SBIC financing,

“(II) except to the extent provided in regulations, with respect to which no person is personally liable for repayment, and

“(III) which is not convertible debt.

“(ii) **QUALIFIED REAL PROPERTY FINANCING.**—The term ‘qualified real property financing’ means any financing which—

“(I) is borrowed by the taxpayer with respect to the activity of holding real property,

“(II) is secured by real property used in such activity, and

“(III) is borrowed by the taxpayer from a qualified person or represents a loan from any Federal, State, or local government or instrumentality thereof, or is guaranteed by any Federal, State, or local government.

“(iii) **QUALIFIED SBIC FINANCING.**—The term ‘qualified SBIC financing’ means any financing which—

“(I) is borrowed by a small business investment company (within the meaning of section 301 of the Small Business Investment Act of 1958), and

“(II) is borrowed from, or guaranteed by, the Small Business Administration under the authority of section 303(b) of such Act.”.

(b) **CONFORMING AMENDMENTS.**—Subparagraph (A) of section 465(b)(6) is amended—

(1) by striking “in the case of an activity of holding real property,” and

(2) by striking “which is secured by real property used in such activity”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to loans and guarantees made after the date of the enactment of this Act.

**SEC. 132. INCREASE IN AMOUNT ALLOWED AS DEDUCTION FOR START-UP EXPENDITURES.**

(a) **IN GENERAL.**—Subsection (b) of section 195 is amended by adding at the end the following new paragraph:

“(3) **INCREASED LIMITATION FOR TAXABLE YEARS BEGINNING IN 2010 OR 2011.**—In the case of any taxable year beginning in 2010 or 2011, paragraph (1)(A)(ii) shall be applied—

“(A) by substituting ‘\$20,000’ for ‘\$5,000’, and

“(B) by substituting ‘\$75,000’ for ‘\$50,000’.”.

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2009.

**TITLE II—REVENUE PROVISIONS**

**SEC. 201. EXCLUSION OF CERTAIN LOW-QUALITY FUELS FROM THE CELLULOSIC BIOFUEL PRODUCER CREDIT.**

(a) **IN GENERAL.**—Subparagraph (E) of section 40(b)(6) is amended by adding at the end the following new clause:

“(iii) **EXCLUSION OF CERTAIN LOW-QUALITY FUELS.**—The term ‘cellulosic biofuel’ shall not include any fuel if—

“(I) more than 4 percent of such fuel (determined by weight) is any combination of water and sediment,

“(II) the ash content of such fuel is more than 1 percent (determined by weight), or

“(III) the acid number of such fuel is greater than 25.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to fuels sold or used on or after January 1, 2010.

**SEC. 202. TIME FOR PAYMENT OF CORPORATE ESTIMATED TAXES.**

Notwithstanding section 6655 of the Internal Revenue Code of 1986, in the case of a corporation with assets of not less than \$1,000,000,000 (determined as of the end of the preceding taxable year)—

(1) the amount of any required installment of corporate estimated tax which is otherwise due in July, August, or September of 2010 shall be 100.75 percent of such amount, and

(2) the amount of the next required installment after an installment referred to in paragraph (1) shall be appropriately reduced to reflect the amount of the increase by reason of such paragraph.

Mr. CAMP (during the reading). Madam Speaker, I ask that the motion be considered as read.

Mr. LEVIN. I object.

The SPEAKER pro tempore. There is an objection.

The Clerk will continue to read.

□ 1430

Mr. LEVIN. Madam Speaker, I continue to reserve my point of order.

The SPEAKER pro tempore. The point of order is reserved.

The gentleman from Michigan (Mr. CAMP) is recognized for 5 minutes.

Mr. CAMP. Madam Speaker, today we begin to repeal some of the most troubling aspects of the Democrats’ health care bill. This Republican mo-

tion is straightforward. It strikes troubling tax increases, it maintains tax relief for small businesses, repeals unpopular provisions of the health care bill that force middle class families to pay more taxes and more for their health care, and is fully paid for in compliance with the PAYGO rules.

To meet the PAYGO rules, the motion eliminates the so-called emergency welfare spending and closes the Black Liquor tax loophole that’s repeatedly passed the House but has yet to become law.

Here’s what we keep: the few provisions that directly help small businesses, including an exclusion from capital gains tax on investments and qualifying small businesses; new protections for small businesses from excessive penalties if they unknowingly fail to disclose certain information related to their participation in tax shelters; and a temporary increase in the amount of small business start-up costs that can be immediately expensed.

In addition to this tax relief, we begin today to repeal some of the troubling aspects of the Democrats’ health care bill. Today we seek to eliminate two of the tax increases in the health care bill that would hit middle class families and violate the President’s pledge that you can keep the health care plan you have and like.

First, the motion repeals the cap on the minimum annual contribution to flexible spending accounts, which will be capped at \$2,500 per year under the health care bill starting in 2011.

FSAs, which are currently used by 35 million Americans, encourage consumers to be more aware of both the cost and quality of health care goods and services. Approximately 7 million Americans put more than \$2,500 into their FSAs. According to the Employers Council on Flexible Compensation, the median income of an FSA holder in 2008 was just \$55,000 a year. Repealing this provision would provide Americans with \$15.6 billion in tax relief.

Second, the motion repeals the ban on using several forms of health savings, including FSAs and health savings accounts, also known as HSAs, to purchase over-the-counter medicines. Not only does this ban discourage tax-free savings, it discourages Americans from choosing cheaper, nonprescription medicines when they’re available. By repealing this provision, we’ll not only provide \$5.5 billion in tax relief, but we’ll also help American families lower their health care bills.

This motion offers Members a clear choice. A vote against this motion is effectively a choice to close the Black Liquor loophole to pay for billions of dollars in additional Medicaid spending. A vote in favor of this motion is a vote to close that Black Liquor tax loophole to pay for small business tax relief that will actually help create jobs and undo some of the harmful tax increases on American families passed by the House in the dark of night on Sunday.

I urge my colleagues to vote "yes" on the motion, and I yield back the balance of my time.

Mr. LEVIN. Madam Speaker, I continue to reserve my point of order.

The SPEAKER pro tempore. The point of order is reserved.

Mr. LEVIN. Madam Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from Michigan (Mr. LEVIN) is recognized for 5 minutes.

Mr. LEVIN. Well, I guess here we start. You know, what's interesting here is the following: Mr. CAMP says that they pay for the small business provisions. They're already paid for in this bill. And so how inconsistent can he be?

He wants to continue to pay for them when they're already paid for, but he intends to vote against the bill. That is the height of inconsistency, and I think that's a reason to object, even if this turns out to be a motion to recommit that's in order.

And then let me just talk a bit about Black Liquor so we know what's going on. Talking about inconsistency, that's a charitable word. The Black Liquor provision is now in the health bill in the Senate, awaiting action. You know precisely that. So what you're now suggesting is, take it out of that bill that's being considered in reconciliation, and put it in here, and you're claiming you're paying for it.

"Inconsistency" is charitable. There could be other words used for that, including the unwillingness of the minority to face up to the need to pay for bills.

We pay for the bill that is now before us. We pay for the bill in ways that are more than defensible; they are necessary. And so a reason to object to this on its substance is that, essentially, this approach here is a sleight of hand.

I suggest to the gentleman from Michigan (Mr. CAMP) that you walk over to the Senate, ask them what's in reconciliation. It's not a very long distance from here. Just walk over there and whisper to the majority leader, or, if you want, you can whisper to the minority leader, is Black Liquor in the bill that's over there that is now being considered under reconciliation? And I think both of them will tell you it is.

So, essentially, what you're saying is we want to take something out of the bill that is being considered under reconciliation and claim to be paying for the small business provisions that you're going to vote against.

Now, my suggestion is that nobody is going to be fooled by that; and that what you ought to be doing is to tackle these issues straight on, and also to tackle the pay-for straight on and not pretend that you're paying for something when you're not.

So I don't know what's worse, the majority, the then-majority, now the minority, having refused to pay for bills that came through here year after year, bills that came before the Ways

and Means Committee that you never dreamed of paying for, whether that's worse than what you're now doing. I guess they're both as bad.

Yet what you're now doing is saying, well, we'll pay with something that's in a bill that's in the Senate that's soon going to become law.

POINT OF ORDER

Mr. LEVIN. So as a result, not only do I think that that motion to recommit deserves to be defeated on its substance, but I now want to press my point of order that the motion violates section 303 of the Budget Act because it includes a change in revenue in fiscal year 2011 before a budget resolution for that year has been adopted.

Mr. CAMP. Madam Speaker, before being recognized, would the gentleman please state his point of order.

Mr. LEVIN. You want me to restate it? You're getting more notice on the restatement than you gave to us on your motion to recommit. I'll be glad to repeat it once or twice.

I make a point of order that the motion violates section 303 of the Budget Act because it includes a change in revenue in FY 2011 before a budget resolution for that year has been adopted.

Mr. CAMP. Madam Speaker, I would like to be heard on the point of order.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan.

Mr. CAMP. Madam Speaker, my point would be that we actually raise revenues in years 2010 and 2011. We do not reduce revenues, so I would suggest that the point of order is without merit.

Mr. LEVIN. If I could speak briefly.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan.

Mr. LEVIN. It makes a change. That's all that's necessary to violate section 303.

I ask that the point of order be upheld.

Mr. CAMP. Madam Speaker, I would like to be heard further on the point of order.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan.

Mr. CAMP. Madam Speaker, I am informed that the underlying bill has a Budget Act problem, and the waiving of all points of order against the consideration of the bill in the full House, including 303, would make the gentleman's point of order unacceptable and would make his point of order invalid.

Mr. LEVIN. Madam Speaker, if I could respond briefly.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Michigan.

Mr. LEVIN. Madam Speaker, I think that trying to do this through a motion to recommit is inappropriate. And I suggest that before they bring up motions to recommit, that they very much should look at what the rules of the House are.

Therefore, I insist on the point of order.

The SPEAKER pro tempore. If no other Member wishes to be heard, the Chair is going to consult the precedents before ruling.

□ 1455

Mr. LEVIN. Mr. Speaker, I believe there has been much consultation, and I now withdraw the point of order.

The SPEAKER pro tempore. The point of order is withdrawn.

The gentleman from Michigan may proceed for the 1 minute that was remaining.

Mr. LEVIN. I have withdrawn the point of order after there has been consultation with the parliamentarian, and so now we are back to the substance of the motion to recommit.

I want to strongly urge everyone to vote against this motion to recommit. It is wrong in substance in trying to change the bill that we passed. And also, what it does by a trick of hand is to pretend to pay for this motion to recommit by taking a provision that is in the bill that is now in the Senate, subject to reconciliation, and that I trust will pass fairly soon.

That is reason enough. I don't think it is appropriate for this body to vote for a motion to recommit pretending it is paying for it by taking a provision that we have included in a bill that we have passed and now is in the Senate for its consideration.

So I would urge every single Member on the majority side to vote "no" on this motion to recommit.

I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the yeas appeared to have it.

RECORDED VOTE

Mr. CAMP. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on the passage of the bill, if ordered, and motions to suspend the rules with regards to H.R. 4098 and H.R. 1879, if ordered.

The vote was taken by electronic device, and there were—yeas 184, nays 239, not voting 6, as follows:

[Roll No. 181]

YEAS—184

|              |             |              |
|--------------|-------------|--------------|
| Aderholt     | Blackburn   | Buyer        |
| Akin         | Blunt       | Calvert      |
| Alexander    | Boehner     | Camp         |
| Altmire      | Bonner      | Campbell     |
| Austria      | Bono Mack   | Cantor       |
| Bachmann     | Boozman     | Cao          |
| Bachus       | Boucher     | Capito       |
| Barrett (SC) | Boustany    | Carter       |
| Bartlett     | Brady (TX)  | Cassidy      |
| Barton (TX)  | Bright      | Castle       |
| Biggert      | Broun (GA)  | Chaffetz     |
| Bilbray      | Buchanan    | Coble        |
| Bilirakis    | Burgess     | Coffman (CO) |
| Bishop (UT)  | Burton (IN) | Cole         |

|                 |                 |               |                 |                  |                 |                 |                  |                  |
|-----------------|-----------------|---------------|-----------------|------------------|-----------------|-----------------|------------------|------------------|
| Conaway         | Kline (MN)      | Price (GA)    | Melancon        | Rahall           | Space           | Childers        | Jackson (IL)     | Perriello        |
| Crenshaw        | Lamborn         | Putnam        | Michaud         | Rangel           | Speier          | Chu             | Jackson Lee      | Peters           |
| Culberson       | Lance           | Radanovich    | Miller (NC)     | Reyes            | Spratt          | Clarke          | (TX)             | Peterson         |
| Davis (KY)      | Latham          | Rehberg       | Miller, George  | Richardson       | Stark           | Clay            | Johnson (GA)     | Pingree (ME)     |
| Dent            | LaTourette      | Reichert      | Mitchell        | Rodriguez        | Stupak          | Clyburn         | Johnson, E. B.   | Polis (CO)       |
| Diaz-Balart, L. | Latta           | Roe (TN)      | Mollohan        | Ross             | Sutton          | Cohen           | Kagen            | Pomeroy          |
| Diaz-Balart, M. | Lee (NY)        | Rogers (AL)   | Moore (KS)      | Rothman (NJ)     | Tanner          | Connolly (VA)   | Kanjorski        | Price (NC)       |
| Dreier          | Lewis (CA)      | Rogers (KY)   | Moore (WI)      | Roybal-Allard    | Teague          | Conyers         | Kaptur           | Quigley          |
| Duncan          | Linder          | Rogers (MI)   | Moran (VA)      | Ruppersberger    | Thompson (CA)   | Cooper          | Kennedy          | Rahall           |
| Edwards (TX)    | LoBiondo        | Rohrabacher   | Murphy (CT)     | Ryan (OH)        | Thompson (MS)   | Costa           | Kildee           | Rangel           |
| Ehlers          | Lucas           | Rooney        | Murphy (NY)     | Salazar          | Tierney         | Costello        | Kilroy           | Reyes            |
| Emerson         | Luetkemeyer     | Ros-Lehtinen  | Murphy, Patrick | Sanchez, Linda   | Titus           | Courtney        | Kind             | Richardson       |
| Fallin          | Lummis          | Roskam        | Nadler (NY)     | T.               | Tonko           | Crowley         | Kirk             | Rodriguez        |
| Flake           | Lungren, Daniel | Royce         | Napolitano      | Sanchez, Loretta | Towns           | Cuellar         | Kirkpatrick (AZ) | Ross             |
| Fleming         | E.              | Rush          | Neal (MA)       | Sarbanes         | Tsongas         | Cummings        | Kissell          | Rothman (NJ)     |
| Forbes          | Mack            | Ryan (WI)     | Oberstar        | Schakowsky       | Van Hollen      | Dahlkemper      | Klein (FL)       | Roybal-Allard    |
| Fortenberry     | Manzullo        | Scalise       | Obey            | Schauer          | Velázquez       | Davis (CA)      | Kosmas           | Ruppersberger    |
| Fox             | Marchant        | Schmidt       | Oliver          | Schiff           | Visclosky       | Davis (IL)      | Kratovil         | Rush             |
| Franks (AZ)     | McCarthy (CA)   | Schock        | Ortiz           | Schrader         | Walz            | Davis (TN)      | Kucinich         | Ryan (OH)        |
| Frelinghuysen   | McCaul          | Sensenbrenner | Pallone         | Schwartz         | Wasserman       | DeFazio         | Langevin         | Salazar          |
| Gallegly        | McClintock      | Sessions      | Pascrell        | Scott (GA)       | Schultz         | DeGette         | Larsen (WA)      | Sanchez, Linda   |
| Garrett (NJ)    | McCotter        | Shadegg       | Pastor (AZ)     | Scott (VA)       | Waters          | Delahunt        | Larson (CT)      | T.               |
| Gerlach         | McHenry         | Shimkus       | Payne           | Serrano          | Watson          | DeLauro         | Lee (CA)         | Sanchez, Loretta |
| Gingrey (GA)    | McIntyre        | Shuster       | Perlmutter      | Sestak           | Watt            | Dicks           | Lewis (GA)       | Sarbanes         |
| Gohmert         | McKeon          | Simpson       | Perriello       | Shea-Porter      | Waxman          | Dingell         | Lipinski         | Schakowsky       |
| Goodlatte       | McMorris        | Smith (NE)    | Peters          | Sherman          | Weiner          | Doggett         | Loebsack         | Schauer          |
| Granger         | Rodgers         | Smith (NJ)    | Peterson        | Shuler           | Welch           | Donnelly (IN)   | Schiff           | Schrader         |
| Graves          | Mica            | Smith (TX)    | Pingree (ME)    | Sires            | Wilson (OH)     | Doyle           | Lofgren, Zoe     | Schwartz         |
| Griffith        | Miller (FL)     | Souder        | Polis (CO)      | Skelton          | Woolsey         | Driehaus        | Lowey            | Scott (GA)       |
| Guthrie         | Miller (MI)     | Stearns       | Pomeroy         | Slaughter        | Wu              | Edwards (MD)    | Lujan            | Scott (VA)       |
| Hall (TX)       | Miller, Gary    | Sullivan      | Quigley         | Smith (WA)       | Yarmuth         | Edwards (TX)    | Lynch            | Serrano          |
| Harper          | Minnick         | Taylor        |                 | Snyder           |                 | Ellison         | Maffei           | Sestak           |
| Hastings (WA)   | Moran (KS)      | Terry         |                 |                  |                 | Ellsworth       | Maloney          | Shea-Porter      |
| Heller          | Murphy, Tim     | Thompson (PA) |                 |                  |                 | Engel           | Markey (CO)      | Sherman          |
| Hensarling      | Myrick          | Thornberry    | Brown (SC)      | Davis (AL)       | Kilpatrick (MI) | Eshoo           | Markey (MA)      | Shuler           |
| Herger          | Neugebauer      | Tiahrt        | Brown-Waite,    | Gutierrez        |                 | Etheridge       | Matheson         | Sires            |
| Hunter          | Nunes           | Tiberi        | Ginny           | Hoekstra         |                 | Farr            | Matsui           | Skelton          |
| Inglis          | Nye             | Turner        |                 |                  |                 | Fattah          | McCarthy (NY)    | Slaughter        |
| Issa            | Olson           | Upton         |                 |                  |                 | Filner          | McColum          | Snyder           |
| Jenkins         | Owens           | Walden        |                 |                  |                 | Foster          | McDermott        | Space            |
| Johnson (IL)    | Paul            | Westmoreland  |                 |                  |                 | Frank (MA)      | McGovern         | Speier           |
| Johnson, Sam    | Paulsen         | Whitfield     |                 |                  |                 | Fudge           | McIntyre         | Spratt           |
| Jones           | Pence           | Wilson (SC)   |                 |                  |                 | Garamendi       | McMahon          | Stark            |
| Jordan (OH)     | Petri           | Wittman       |                 |                  |                 | Giffords        | McNerney         | Stupak           |
| King (IA)       | Pitts           | Wolf          |                 |                  |                 | Gonzalez        | Meek (FL)        | Sutton           |
| King (NY)       | Platts          | Young (AK)    |                 |                  |                 | Gordon (TN)     | Meeks (NY)       | Tanner           |
| Kingston        | Poe (TX)        | Young (FL)    |                 |                  |                 | Grayson         | Melancon         | Teague           |
| Kirk            | Posey           |               |                 |                  |                 | Green, Al       | Michaud          | Thompson (CA)    |
|                 |                 |               |                 |                  |                 | Green, Gene     | Miller (NC)      | Thompson (MS)    |
|                 |                 |               |                 |                  |                 | Grijalva        | Miller, George   | Tierney          |
|                 |                 |               |                 |                  |                 | Gutierrez       | Mollohan         | Titus            |
|                 |                 |               |                 |                  |                 | Hall (NY)       | Moore (KS)       | Tonko            |
|                 |                 |               |                 |                  |                 | Halvorson       | Moore (WI)       | Towns            |
|                 |                 |               |                 |                  |                 | Hare            | Moran (VA)       | Tsongas          |
|                 |                 |               |                 |                  |                 | Harman          | Murphy (CT)      | Van Hollen       |
|                 |                 |               |                 |                  |                 | Hastings (FL)   | Murphy (NY)      | Velázquez        |
|                 |                 |               |                 |                  |                 | Heinrich        | Murphy, Patrick  | Visclosky        |
|                 |                 |               |                 |                  |                 | Herseth Sandlin | Murphy, Tim      | Walz             |
|                 |                 |               |                 |                  |                 | Higgins         | Nadler (NY)      | Wasserman        |
|                 |                 |               |                 |                  |                 | Hill            | Napolitano       | Schultz          |
|                 |                 |               |                 |                  |                 | Himes           | Neal (MA)        | Waters           |
|                 |                 |               |                 |                  |                 | Hinche          | Oberstar         | Watson           |
|                 |                 |               |                 |                  |                 | Hinojosa        | Obey             | Watt             |
|                 |                 |               |                 |                  |                 | Hirono          | Oliver           | Waxman           |
|                 |                 |               |                 |                  |                 | Hodes           | Ortiz            | Weiner           |
|                 |                 |               |                 |                  |                 | Holden          | Pallone          | Welch            |
|                 |                 |               |                 |                  |                 | Holt            | Pascrell         | Wilson (OH)      |
|                 |                 |               |                 |                  |                 | Honda           | Pastor (AZ)      | Woolsey          |
|                 |                 |               |                 |                  |                 | Hoyer           | Payne            | Wu               |
|                 |                 |               |                 |                  |                 | Inslee          | Perlmutter       | Yarmuth          |
|                 |                 |               |                 |                  |                 | Israel          |                  |                  |

## NOT VOTING—6

□ 1528

Messrs. PALLONE, BARROW, HOYER, KILDEE, MILLER of North Carolina, Mrs. KIRKPATRICK of Arizona, Ms. DEGETTE, Messrs. BOREN, SHULER, CLEAVER, Ms. RICHARDSON, Messrs. ACKERMAN, ISRAEL, WELCH, TIERNEY, KUCINICH, RAHALL, ROTHMAN of New Jersey, CARNAHAN, CAPUANO, Mrs. MALONEY, Mr. HOLT, and Ms. MOORE of Wisconsin changed their vote from “yea” to “nay.”

Messrs. COLE, LAMBORN, GINGREY of Georgia, HUNTER, EDWARDS of Texas, and CAO changed their vote from “nay” to “yea.”

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

## RECORDED VOTE

Mr. LEVIN. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 246, noes 178, not voting 5, as follows:

[Roll No. 182]

AYES—246

|                |                 |                  |
|----------------|-----------------|------------------|
| Ackerman       | Davis (CA)      | Honda            |
| Adler (NJ)     | Davis (IL)      | Hoyer            |
| Andrews        | Davis (TN)      | Inslee           |
| Arcuri         | DeFazio         | Israel           |
| Baca           | DeGette         | Jackson (IL)     |
| Baird          | Delahunt        | Jackson Lee      |
| Baldwin        | DeLauro         | (TX)             |
| Barrow         | Dicks           | Johnson (GA)     |
| Bean           | Dingell         | Johnson, E. B.   |
| Becerra        | Doggett         | Kagen            |
| Berkley        | Donnelly (IN)   | Kanjorski        |
| Berman         | Doyle           | Kaptur           |
| Berry          | Driehaus        | Kennedy          |
| Bishop (GA)    | Edwards (MD)    | Kildee           |
| Bishop (NY)    | Ellison         | Kilroy           |
| Blumenauer     | Ellsworth       | Kind             |
| Bocieri        | Engel           | Kirkpatrick (AZ) |
| Boren          | Eshoo           | Kissell          |
| Boswell        | Etheridge       | Klein (FL)       |
| Boyd           | Farr            | Kosmas           |
| Brady (PA)     | Fattah          | Kratovil         |
| Braley (IA)    | Filner          | Kucinich         |
| Brown, Corrine | Foster          | Langevin         |
| Butterfield    | Frank (MA)      | Larsen (WA)      |
| Capps          | Fudge           | Larson (CT)      |
| Capuano        | Garamendi       | Lee (CA)         |
| Cardoza        | Giffords        | Levin            |
| Carnahan       | Gonzalez        | Lewis (GA)       |
| Carney         | Gordon (TN)     | Lipinski         |
| Carson (IN)    | Grayson         | Loebsack         |
| Castor (FL)    | Green, Al       | Lofgren, Zoe     |
| Chandler       | Green, Gene     | Lowey            |
| Childers       | Grijalva        | Lujan            |
| Chu            | Hall (NY)       | Lynch            |
| Clarke         | Halvorson       | Maffei           |
| Clay           | Hare            | Maloney          |
| Cleaver        | Harman          | Markey (CO)      |
| Clyburn        | Hastings (FL)   | Markey (MA)      |
| Cohen          | Heinrich        | Marshall         |
| Connolly (VA)  | Herseth Sandlin | Matheson         |
| Conyers        | Higgins         | Matsui           |
| Cooper         | Hill            | McCarthy (NY)    |
| Costa          | Himes           | McCollum         |
| Costello       | Hinche          | McDermott        |
| Courtney       | Hinojosa        | McGovern         |
| Crowley        | Hirono          | McMahon          |
| Cuellar        | Hodes           | McNerney         |
| Cummings       | Holden          | Meek (FL)        |
| Dahlkemper     | Holt            | Meeks (NY)       |

|            |             |                |
|------------|-------------|----------------|
| Ackerman   | Berman      | Brown, Corrine |
| Adler (NJ) | Berry       | Butterfield    |
| Altire     | Bishop (GA) | Cao            |
| Andrews    | Bishop (NY) | Capps          |
| Arcuri     | Blumenauer  | Capuano        |
| Baca       | Bocieri     | Cardoza        |
| Baird      | Boren       | Carnahan       |
| Baldwin    | Boswell     | Carney         |
| Barrow     | Boucher     | Carson (IN)    |
| Bean       | Boyd        | Castle         |
| Becerra    | Brady (PA)  | Castor (FL)    |
| Berkley    | Braley (IA) | Chandler       |

## NOES—178

|              |                 |               |
|--------------|-----------------|---------------|
| Aderholt     | Burgess         | Flake         |
| Akin         | Burton (IN)     | Fleming       |
| Alexander    | Buyer           | Forbes        |
| Austria      | Calvert         | Fortenberry   |
| Bachmann     | Camp            | Fox           |
| Bachus       | Campbell        | Franks (AZ)   |
| Barrett (SC) | Cantor          | Frelinghuysen |
| Bartlett     | Capito          | Gallegly      |
| Barton (TX)  | Carter          | Garrett (NJ)  |
| Biggart      | Cassidy         | Gerlach       |
| Bilbray      | Chaffetz        | Gingrey (GA)  |
| Bilirakis    | Coble           | Gohmert       |
| Bishop (UT)  | Coffman (CO)    | Goodlatte     |
| Blackburn    | Cole            | Granger       |
| Blunt        | Conaway         | Graves        |
| Boehner      | Crenshaw        | Griffith      |
| Bonner       | Culberson       | Guthrie       |
| Bono Mack    | Davis (KY)      | Hall (TX)     |
| Boozman      | Dent            | Harper        |
| Boustany     | Diaz-Balart, L. | Hastings (WA) |
| Brady (TX)   | Diaz-Balart, M. | Heller        |
| Bright       | Dreier          | Hensarling    |
| Broun (GA)   | Duncan          | Herger        |
| Brown-Waite, | Ehlers          | Hunter        |
| Ginny        | Emerson         | Inglis        |
| Buchanan     | Fallin          | Issa          |

Jenkins Miller (FL) Scalise  
 Johnson (IL) Miller (MI) Schmidt  
 Johnson, Sam Miller, Gary Schock  
 Jones Minnick Sensenbrenner  
 Jordan (OH) Mitchell Sessions  
 King (IA) Moran (KS) Shadegg  
 King (NY) Myrick Shimkus  
 Kingston Neugebauer Shuster  
 Kline (MN) Nunes Simpson  
 Lamborn Nye Smith (NE)  
 Lance Olson Smith (NJ)  
 Latham Owens Smith (TX)  
 LaTourette Paul Smith (WA)  
 Latta Paulsen Souder  
 Lee (NY) Pence Stearns  
 Lewis (CA) Petri Sullivan  
 Linder Pitts Tiahrt  
 LoBiondo Platts Taylor  
 Lucas Poe (TX) Terry  
 Luetkemeyer Posey Thompson (PA)  
 Lummis Price (GA) Thornberry  
 Lungren, Daniel Putnam Tiahrt  
 E. Radanovich Tiberi  
 Mack Rehberg Turner  
 Manzullo Reichert Upton  
 Marchant Roe (TN) Walden  
 McCarthy (CA) Rogers (AL) Wamp  
 McCaul Rogers (KY) Westmoreland  
 McClintock Rogers (MI) Whitfield  
 McCotter Rohrabacher Wilson (SC)  
 McHenry Rooney Wittman  
 McKeon Ros-Lehtinen Wolf  
 McMorris Roskam Young (AK)  
 Rodgers Royce Young (FL)  
 Mica Ryan (WI)

## NOT VOTING—5

Brown (SC) Davis (AL) Kilpatrick (MI)  
 Cleaver Hoekstra

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE  
 The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in the vote.

□ 1537

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## SECURE FEDERAL FILE SHARING ACT

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and pass the bill, H.R. 4098, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. Towns) that the House suspend the rules and pass the bill, H.R. 4098, as amended.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 408, nays 13, answered “present” 1, not voting 7, as follows:

[Roll No. 183]  
 YEAS—408

Ackerman Barton (TX) Boccheri  
 Aderholt Bean Boehner  
 Adler (NJ) Becerra Bonner  
 Alexander Berkley Bono Mack  
 Altmire Berman Boozman  
 Andrews Berry Boren  
 Arcuri Biggert Boswell  
 Austria Bilbray Boucher  
 Baca Bilirakis Boustany  
 Bachmann Bishop (GA) Boyd  
 Bachus Bishop (NY) Brady (PA)  
 Baird Bishop (UT) Brady (TX)  
 Baldwin Blackburn Brady (IA)  
 Barrow Blumenauer Bright  
 Bartlett Blunt Brown, Corrine

Brown-Waite, Green, Al  
 Ginny Green, Gene  
 Buchanan Griffith  
 Burgess Grijalva  
 Burton (IN) Guthrie  
 Buyer Gutierrez  
 Calvert Hall (NY)  
 Camp Hall (TX)  
 Campbell Halvorson  
 Cantor Hare  
 Cao Harman  
 Capito Harper  
 Capps Hastings (FL)  
 Capuano Hastings (WA)  
 Cardoza Heinrich  
 Carnahan Heller  
 Carney Hensarling  
 Carson (IN) Herger  
 Carter Hereth Sandlin  
 Castle Higgins  
 Castor (FL) Hill  
 Chaffetz Himes  
 Chandler Hinchey  
 Childers Hinojosa  
 Chu Hirono  
 Clarke Hodes  
 Clay Holden  
 Cleaver Holt  
 Clyburn Honda  
 Coble Hoyer  
 Coffman (CO) Hunter  
 Cohen Inglis  
 Cole Inslee  
 Conaway Israel  
 Connolly (VA) Issa  
 Conyers Jackson (IL)  
 Cooper Jackson Lee  
 Costa (TX)  
 Costello Jenkins  
 Courtney Johnson (GA)  
 Crenshaw Johnson (IL)  
 Crowley Johnson, E. B.  
 Cuellar Johnson, Sam  
 Culberson Jones  
 Cummings Jordan (OH)  
 Dahlkemper Kagen  
 Davis (CA) Kanjorski  
 Davis (IL) Kaptur  
 Davis (KY) Kennedy  
 Davis (TN) Kildee  
 DeFazio Kilroy  
 DeGette Kind  
 Delahunt King (IA)  
 DeLauro King (NY)  
 Dent Kirk  
 Diaz-Balart, L. Kirkpatrick (AZ)  
 Diaz-Balart, M. Kissell  
 Dicks Klein (FL)  
 Dingell Kline (MN)  
 Doggett Kosmas  
 Donnelly (IN) Kratovil  
 Doyle Kucinich  
 Dreier Lamborn  
 Driehaus Lance  
 Edwards (MD) Langevin  
 Edwards (TX) Larsen (WA)  
 Ehlers Larson (CT)  
 Ellison Latham  
 Ellsworth LaTourette  
 Emerson Latta  
 Engel Lee (CA)  
 Eshoo Lee (NY)  
 Etheridge Levin  
 Fallon Lewis (CA)  
 Farr Lewis (GA)  
 Fattah Linder  
 Filner Lipinski  
 Flake LoBiondo  
 Fleming Loeb sack  
 Forbes Lowey  
 Fortenberry Lucas  
 Foster Luetkemeyer  
 Foxx Lujan  
 Frank (MA) Lummis  
 Franks (AZ) Lungren, Daniel  
 Frelinghuysen E.  
 Fudge Lynch  
 Gallegly Mack  
 Garamendi Maffei  
 Garrett (NJ) Maloney  
 Gerlach Manzullo  
 Giffords Markey (CO)  
 Gohmert Markey (MA)  
 Gonzalez Marshall  
 Goodlatte Matheson  
 Gordon (TN) Matsui  
 Granger McCarthy (CA)  
 Graves McCarthy (NY)  
 Grayson McCaul

McClintock  
 McCollum  
 McCotter  
 McDermott  
 McGovern  
 McHenry  
 McIntyre  
 McKeon  
 McMahon  
 McMorris  
 Rodgers  
 McNeerney  
 Meek (FL)  
 Meeks (NY)  
 Melancon  
 Mica  
 Michaud  
 Miller (FL)  
 Miller (MI)  
 Miller (NC)  
 Miller, Gary  
 Miller, George  
 Minnick  
 Mitchell  
 Mollohan  
 Moore (KS)  
 Moore (WI)  
 Moran (KS)  
 Moran (VA)  
 Murphy (CT)  
 Murphy (NY)  
 Murphy, Patrick  
 Murphy, Tim  
 Myrick  
 Nadler (NY)  
 Napolitano  
 Neal (MA)  
 Neugebauer  
 Nunes  
 Nye  
 Oberstar  
 Obey  
 Olson  
 Olver  
 Ortiz  
 Owens  
 Pallone  
 Pascarella  
 Pastor (AZ)  
 Paulsen  
 Payne  
 Pence  
 Perlmutter  
 Perriello  
 Peters  
 Peterson  
 Petri  
 Pingree (ME)  
 Pitts  
 Platts  
 Polis (CO)  
 Pomeroy  
 Posey  
 Price (NC)  
 Putnam  
 Quigley  
 Radanovich  
 Rahall  
 Rangel  
 Rehberg  
 Reichert  
 Reyes  
 Richardson  
 Rodriguez  
 Roe (TN)  
 Rogers (AL)  
 Rogers (KY)  
 Rogers (MI)  
 Rohrabacher  
 Rooney  
 Ros-Lehtinen  
 Roskam  
 Ross  
 Rothman (NJ)  
 Roybal-Allard  
 Ruppersberger  
 Rush  
 Ryan (OH)  
 Ryan (WI)  
 Salazar  
 Sanchez, Linda  
 T.  
 Sanchez, Loretta  
 Sarbanes  
 Scalise  
 Schakowsky  
 Schauer  
 Schiff  
 Schmidt

## NAYS—13

Akin Marchant Sensenbrenner  
 Broun (GA) Paul Westmoreland  
 Duncan Poe (TX) Young (AK)  
 Gingrey (GA) Price (GA)  
 Kingston Royce

## ANSWERED “PRESENT”—1

Lofgren, Zoe

## NOT VOTING—7

Barrett (SC) Cassidy Kilpatrick (MI)  
 Brown (SC) Davis (AL)  
 Butterfield Hoekstra

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes left in the vote.

□ 1546

So (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## NATIONAL GUARD EMPLOYMENT PROTECTION ACT

The SPEAKER pro tempore (Mr. BLUMENAUER). The unfinished business is the question on suspending the rules and passing the bill, H.R. 1879, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. FILNER) that the House suspend the rules and pass the bill, H.R. 1879, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the yeas have it.

Mr. HARE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 416, nays 1, not voting 12, as follows:

[Roll No. 184]  
 YEAS—416

Ackerman Akin Andrews  
 Aderholt Alexander Arcuri  
 Adler (NJ) Altmire Austria