March 10, 2011

colleague Senator WEBB, to repeal corn ethanol subsidies and reduce ethanol tariffs.

This legislation has two major provisions.

First, it repeals the 45 cent per gallon corn ethanol blender subsidies—26 U.S.C. 6426(b) and 26 U.S.C. 40(h)—as of July 1, 2011, eliminating the corn ethanol subsidy six months early and saving approximately \$3 billion for American taxpayers.

The bill would not affect the credit for noncorn, second generation "advanced biofuels" through 2011.

Second, the bill would lower the tariff on imported ethanol to the per gallon level of ethanol subsidies, to reestablish parity between the subsidy and the offsetting tariffs.

This removes the real trade barrier on imported ethanol, but also prevents foreign producers from benefitting from U.S. subsidies.

This legislation is necessary because the 54 cent-per-gallon tariff on ethanol imports and the 45 cent-per-gallon corn ethanol subsidy are fiscally irresponsible and environmentally unwise.

And their recent, 1-year extension in December 2010 made our country more dependent on foreign oil.

Subsidizing blending ethanol into gasoline is fiscally indefensible.

If the current subsidy were to exist through 2014 as the industry has proposed, the Federal Treasury would pay oil companies at least \$31 billion to use 69 billion gallons of corn ethanol that the Federal Renewable Fuels Standard already requires them to use under the Clean Air Act.

We cannot afford to pay industry for following the law.

According to this month's Government Accountability Office report on "Opportunities to Reduce Potential Duplication in Government Programs, Save Tax Dollars, and Enhance Revenue":

The ethanol tax credit and the renewable fuel standard can be duplicative in stimulating domestic production and use of ethanol, and can result in substantial loss of revenue to the Treasury.

GAO found that the ethanol tax credit, which will cost about \$5.7 billion in 2011, is largely unneeded to ensure demand for domestic ethanol production.

The agency recommends that Congress reconsider the necessity of the tax credit, given the effectiveness of the renewable fuel standard, which is administered by EPA.

This legislation would simply implement the GAO's recommendation by repealing this wasteful subsidy 6 months early.

In addition, this legislation would address the tariffs on ethanol that make our country more dependent on foreign oil.

The combined tariffs on ethanol are 11 to 15 cents per gallon higher than the ethanol subsidy it supposedly offsets, and this lack of parity puts imported ethanol at a competitive disadvantage against imported oil. This discourages imports of low carbon biofuel from Brazil, India, Australia, and other sugar producing countries, and it leads to more oil and gasoline imports from OPEC countries that enter the United States tariff-free.

Reducing the ethanol tariff will diversify our fuel supply, replace oil imports from OPEC countries with low carbon biofuel from our allies, and expand our trade relationships with democratic states.

The data overwhelmingly demonstrate that the costs of the current corn ethanol subsidy and tariff far outweigh the benefits.

The Center for Agricultural and Rural Development at Iowa State University recently estimated that a 1year extension of the ethanol subsidy and tariff would lead to only 427 additional direct domestic jobs at a cost of almost \$6 billion, or roughly \$14 million of taxpayer money per job.

According to a July 2010 study by the Congressional Budget Office, ethanol tax credits cost taxpayers \$1.78 for each gallon of gasoline consumption reduced, and \$750 for each metric ton of carbon dioxide equivalent emissions reduced.

The ethanol subsidy and the ethanol tariffs also threaten our environment.

They support and protect significantly more corn production in the Mississippi River watershed, which experts believe is a primary cause of a "dead zone" in the Gulf of Mexico.

The current ethanol subsidy lacks any requirement that the subsidized fuel lead to a reduction in greenhouse gas pollution.

And the tariff on ethanol imports also prevents greater use of imported ethanol made from sugarcane.

Both the U.S. Environmental Protection Agency and the California Air Resources Board agree that putting sugarcane ethanol in our current cars and trucks results in the least greenhouse gas pollution, of all widely available options.

In contrast, the legislation I am introducing would—for the first time limit subsidies only to "advanced biofuels" that reduce pollution at least 50 percent and are produced from noncorn biomass, such as cellulose, switchgrass, or algae.

And it would level the playing field for low carbon biofuel imports, which must compete against dirty oil from OPEC.

Historically our government has helped a product compete in one of three ways: subsidize it, protect it from competition, or require its use.

To my knowledge, corn ethanol is the only product receiving all three forms of support from the U.S. government at this time.

By eliminating ethanol subsidies and trade barriers, this legislation would produce a smaller budget deficit; a healthier Gulf of Mexico ecosystem; less global warming pollution; and reduced dependence on imported oil.

I look forward to working with my colleagues to advance responsible en-

ergy tax policies that reduce pollution, create jobs, and improve our international relationships.

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

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

S. 530

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

SECTION 1. ETHANOL ELIGIBLE FOR BLENDER INCOME TAX AND FUEL EXCISE TAX CREDITS.

(a) INCOME TAX CREDIT.—Section 40(h) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(4) ETHANOL ELIGIBLE FOR CREDIT.—In the case of any sale or use for any period after June 30, 2011, this subsection shall apply only to ethanol which qualifies as an advanced biofuel (as defined in section 211(o)(1)(B) of the Clean Air Act (42 U.S.C. 7545(o)(1)(B))).".

(b) EXCISE TAX CREDIT.—Section 6426(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(7) ETHANOL ELIGIBLE FOR CREDIT.—In the case of any sale, use, or removal for any period after June 30, 2011, no credit shall be determined under this subsection with respect to an alcohol fuel mixture in which any of the alcohol consists of ethanol unless the ethanol qualifies as an advanced biofuel (as defined in section 211(o)(1)(B) of the Clean Air Act (42 U.S.C. 7545(o)(1)(B))).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any sale, use, or removal for any period after June 30, 2011.

SEC. 2. ETHANOL TARIFF-TAX PARITY.

Not later than 30 days after the date of the enactment of this Act. and semiannually thereafter, the President shall reduce the temporary duty imposed on ethanol under subheading 9901.00.50 of the Harmonized Tariff Schedule of the United States by an amount equal to the reduction in any Federal income or excise tax credit under section 40(h), 6426(b), or 6427(e)(1) of the Internal Revenue Code of 1986 and take any other action necessary to ensure that the combined temporary duty imposed on ethanol under such subheading 9901.00.50 and any other duty imposed under the Harmonized Tariff Schedule of the United States is equal to, or lower than, any Federal income or excise tax credit applicable to ethanol under the Internal Revenue Code of 1986.

CONTINUING APPROPRIATIONS

Ms. KLOBUCHAR. Mr. President, I rise today to speak about the Senate votes on H.R. 1 and Inouye amendment No. 149 regarding spending levels for the remainder of this fiscal year.

I opposed H.R. 1 because it called for severe cuts with little or no thought to the economic consequences. By cutting programs that support our seniors and veterans, as well as programs that contribute to our economic activity, H.R. 1 would have jeopardized our economic recovery at a critical time.

I voted for the necessary spending cuts included in the Inouye amendment because I saw it as a start, not an end. I believe additional cuts are needed to address our fiscal challenges. I am very supportive of the bipartisan negotiations that are taking place for a longer term comprehensive deficit reduction plan and I would like us to move forward with the more difficult task of addressing our long-term fiscal challenges.

AMERICA INVENTS ACT

Mrs. McCASKILL. I would like to discuss my amendment, No. 139, to S. 23, the America Invents Act, on pending claims in false marking cases. I want to raise the issue so we can consider it in the future as this legislation progresses.

The Patent Act provides a cause of action against those who "falsely claim that their products are patented. A successful false-marking claimant must prove two elements: first, that an unpatented article has been marked as patented; and second that the marking was done with intent to deceive the public. These actions can hurt small businesses, start-ups and inventors who will be deterred from competing with such products.

The underlying bill alters the false marking provision by stipulating that the statute may only be privately enforced by a person who has suffered a competitive injury. In addition, damages would be limited to those that are adequate to compensate for the injury.

However, the legislation would also apply the newer rules to pending claims. These include claims that are now in the court system and under negotiation. By changing the rules in pending claims, the legislation allows potential wrongdoers to use the new law to protect themselves from past conduct.

This sets a bad precedent for our legal system and could absolve potential wrongdoers. My amendment would simply require that the changes to false marking provisions to apply only to prospective cases going forward. Small businesses and inventors that have expended considerable resources to protect themselves should not be penalized by a provision that retroactively eliminates pending claims.

My amendment is not an attempt to gut or strike the false markings provision. It is simply a modification to address the concerns of current litigants, consumers and small businesses. I urge my colleagues to strongly consider this issue going forward.

EYE DONOR MONTH

Mr. BROWN of Ohio. Mr. President, March is National Eye Donor Month a month—to honor those who have restored sight to blind or vision-impaired Americans across the country.

For the last 28 years, since National Eye Donor Month was first established in 1983, the eye donor community has raised public awareness about the need for eye donation.

Every March for each of the past 28 years, our Nation has honored dedi-

cated individuals who work tirelessly at hospitals, medical centers, doctors' offices, and eye banks across the country to educate the public on the need for cornea donations and work with the transplant teams.

We continue to give thanks to eye donors—and their families—who offered one last remarkable gift because they had the foresight to become organ donors.

Eye donation provides a precious second chance at clear vision for those with ocular diseases. Approximately 11.4 million Americans experience severe visual problems that are not correctable by glasses. A parent or grandparent cannot see their children or grandchildren play a little league game or walk across the stage at graduation. And many children experience momentous life events—and everyday happenings—without the eyesight that many of us take for granted.

Thankfully and miraculously, through eye donation and corneal transplants, vision that has been lost to disease or injury or infection can be restored. Since 1961, more than 700,000 corneal transplants have been performed to restore sight to children as young as 1 day old and adults as old as 103. And corneal transplants are highly successful; 90 percent of all corneal transplant operations effectively restore sight to the patient. Each year, eye banks across the country provide 52,000 corneal grafts for transplantation.

Ohio's Central Ohio Lions Eye Bank, COLEB, in Columbus performed corneal transplants for 340 patients in 2010. COLEB gave these 340 patients an opportunity to regain their sight and, with that, the ability to see their loved ones again-or for the first time. In southern Ohio, the Cincinnati Eye Bank for Sight Restoration, Inc., partnered with physicians at the University of Cincinnati to establish programs for public and professional education as well as conduct ocular medical research. The Cincinnati Eye Bank is able to serve 30 hospitals in southwestern Ohio. northern Kentucky. and eastern Indiana. In northern Ohio, the Cleveland Eye Bank, which serves nearly 5 million people and more than 60 hospitals in northern Ohio, created the Lasting Legacy program to honor the families of eye donors by publicly recognizing the donors' amazing gift of sight.

Simply put, corneal transplants made possible through eye donors change people's lives.

But more must be done. Some 1,600 Ohioans each year could have their sight restored through corneal transplants but are unable to because there are not enough organ donors.

I encourage all Americans to consider becoming eye donors. Even those without 20/20 vision or who have cataracts can donate. In Ohio, you can become an eye organ donor when you renew your driver's license. It is that easy.

I also urge my colleagues to work with local eye banks and the Eye Bank Association of America to promote the precious gift of eye donation. While 700,000 people have had their sight restored since 1961, tens of thousands more are waiting.

During this year's Eye Donor Month, I thank all those who continue to promote and advocate for eye donation and the gift of sight it gives.

ADDITIONAL STATEMENTS

TRIBUTE TO JD WAGGONER

• Mr. ROCKEFELLER. Mr. President, today I pay tribute to a dedicated professional who has worked at the West Virginia Library Commission for 40 years, including 9 years as its executive director, Mr. JD Waggoner.

JD Waggoner is a true leader and effective advocate for libraries. I have been extraordinarily proud to work closely with him over many years, and I understand and appreciate the special role that libraries play in communities across our State. In addition to his leadership at the commission, JD also has been a volunteer fireman which is another sign of his community service.

Thanks to the leadership of JD and others, our libraries are connected to the Internet and provide quality services to West Virginians. We worked together on the program I helped to create in the 1996 Telecommunications Act known as the E-Rate. This discount program provides \$2.25 billion in telecommunications. discounts for Internet access and internal connections to libraries and schools nationwide. In West Virginia, it provides over \$10 million each year to libraries and schools. JD Waggoner and his team have done an amazing job in managing this program and helping the smaller. rural libraries deal with the paperwork and challenges. Thanks to this access, our libraries now provide access to thousands of current publications for patrons to enjoy and learn.

The Library Commission also has a special initiative known as Learning Express. This program provides access to practice tests on a wide range of programs from the GED, ACT and SAT, and other professional licenses. This means that individuals can visit their libraries and, for free, take practice online exams to prepare for the real tests rather than pay expensive fees. This is a truly wonderful opportunity to help West Virginians advance their education. The director and the Library Commission are the support network for our libraries and the services range from Internet access to story hours and literacy efforts to hosting community groups and special events include movies or presentations. Libraries are hubs of activity and recent studies indicate people looking for work are more comfortable looking for work online at the library rather than an employment office.