The bill before us will take a small yet important step toward greater efficiency in Federal construction contracting. For more than 80 years, Federal contractors have been required to pay workers the locally prevailing wage. Additionally, since 1961, those same workers have been entitled to one and a half times their basic rate of pay for every hour worked that exceeds 40 hours per week.

While the Department of Labor is obligated to enforce these laws, the Government Accountability Office has long been responsible for processing claims of workers being denied their appropriate wages. If a Labor Department investigation determines a contractor has not been paid the appropriate wage, the names of affected employees are sent to the GAO by the department. The GAO then ensures underpaid workers receive the compensation they are due. The GAO's responsibility in this process is purely administrative. The GAO makes no determination on the merit of each claim nor does it have the authority to question the judgment of the Labor Department. In fact, the GAO doesn't even directly deliver to workers their lost wages. Instead, that responsibility is vested with the Department of Treasury.

While claims processing was once routine business for the GAO, this authority has increasingly transitioned to the executive agencies charged with enforcing the law, such as the Department of Defense involving matters of military pay. Additionally, personnel changes within the GAO are making it more difficult for the agency to meet this responsibility. Key staff members have retired and more are expected to do so at any time. The GAO should not have to undertake this administrative burden any longer.

H.R. 6371 will transfer this payment authority from the GAO to the Department of Labor, thereby reducing unnecessary bureaucracy and ensuring workers receive their compensation in a timely manner. By reforming the claims process, we can remove redundancies and promote greater efficiency within the Federal Government. I urge my colleagues to support the Streamlining Claims Processing for Federal Contractor Employees Act.

Before I conclude, I would like to take a moment to recognize a distinguished colleague who will soon be enjoying a well-deserved retirement. I wish she were with us this evening, but travel arrangements don't always work out as planned. Since 1993, Representative LYNN WOOLSEY has proudly represented the people of California's Sixth Congressional District. Her personal story has informed her work in public office, as well as inspired many of her colleagues on Capitol Hill, myself included.

I have had the opportunity over the last 2 years to work closely with Representative WOOLSEY on the Subcommittee on Workforce Protections and witness firsthand her passion for public service. While we may differ on a range of issues, no one can question her strong commitment to working families. I wish Representative WOOLSEY and her family all the best in the years ahead, and may they be long and filled with good health.

I reserve the balance of my time.

Mr. SCOTT of Virginia. I yield myself such time as I may consume.

First, Mr. Speaker, I would like to associate myself with the kind remarks about the gentlelady from California. She has had an excellent career in Congress, and has elected not to return. We will certainly miss her and her advocacy for those most in need.

Mr. Speaker, I rise in support of the pending legislation. H.R. 6371, the Streamlining Claims Processing for Federal Contractor Employees Act, will transfer certain responsibilities for overseeing and administering the Davis-Bacon Act from the Government Accountability Office to the Department of Labor.

Mr. Speaker, I agree with the gentleman from Michigan that this is a sensible and technical fix since the Department of Labor is responsible for many aspects of enforcing prevailing wage law. This change will allow for greater efficiency in the Davis-Bacon prevailing wage protections and will help ensure that workers receive unpaid wages as quickly as possible.

The gentleman from Michigan has pointed out that we should always promote streamlined and efficient government. That's why I'm particularly disappointed that this bill does not also transfer GAO's debarment authority under the Davis-Bacon Act. Moving that additional function would place more enforcement functions under one roof.

Mr. Speaker, I support Davis-Bacon because it provides protections to contractors and subcontractors working on federally funded contracts. The most obvious protection is that it requires all contractors and subcontractors to pay the prevailing wage, denying unfair competition to those contractors who underpay their employees. Davis-Bacon protections prevent government spending from driving down living standards. Improved productivity on projects with prevailing wage application offsets higher wages. Furthermore, better-skilled workers attracted by the higher wages are likely to complete the jobs more efficiently and with higher-quality work. Studies have shown that construction workers in prevailing wage States produce 13 to 15 percent more value added from their work compared to workers in States without prevailing wage laws.

Now I recognized that everyone does not agree with the underlying principles of the Davis-Bacon Act. However, regardless of one's position on the underlying law, we can all agree that the law ought to be administered as efficiently as possible. That's why I rise in support of H.R. 6371, and thank the gentleman from Michigan for introducing the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. WALBERG. Mr. Speaker, I yield myself the balance of my time.

The American people expect us to do all we can to promote better efficiency within the Federal Government. Washington allocates hundreds of billions of dollars each year on construction projects, affecting the lives of workers and employers across the country. We should never allow unnecessary bureaucracy to squander taxpayer resources or stand between workers and the wages they have earned. I urge my colleagues to support H.R. 6371, the Streamlining Claims Processing for Federal Contractor Employees Act.

I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. WALBERG) that the House suspend the rules and pass the bill, H.R. 6371.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. WALBERG. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

SPACE LAUNCH LIABILITY PROVISIONS EXTENSION

Mr. PALAZZO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6586) to extend the application of certain space launch liability provisions through 2014.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6586

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

SECTION 1. EXTENSION.

Section 50915(f) of title 51, United States Code, is amended by striking ''December 31, 2012'' and inserting ''December 31, 2014''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Mississippi (Mr. PALAZZO) and the gentleman from Illinois (Mr. COSTELLO) each will control 20 minutes.

The Chair recognizes the gentleman from Mississippi.

□ 1750

GENERAL LEAVE

Mr. PALAZZO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and to include extraneous material on H.R. 6586, the bill now under consideration.

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

There was no objection.

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

I want to begin by thanking Members for their bipartisan support of this legislation.

H.R. 6586 is a very simple bill. It extends for 2 years a commercial space transportation risk-sharing and liability regime that was established by Congress in 1988 with passage and enactment of the Commercial Space Launch Act Amendments. The structure of the liability regime is modeled on the Price-Anderson Act that governs risk-sharing for the nuclear power industry.

There are several features of the Commercial Space Launch Act Amendments, but one that is central to today's debate is indemnifying commercial launch and reentry operators against catastrophic losses suffered by the uninvolved public, or ''third parties.''

Since 1988, the Office of Commercial Space Transportation has licensed more than 200 commercial space launches and three reentries without any claims for Federal coverage for loss of life, serious injury, or significant property claims. The 1988 Act was driven in part by the emergence of foreign launch services companies that were made competitive through government subsidies and preferential foreign national laws, including indemnification.

Foreign launch companies continue to be formidable competitors. If this program were allowed to lapse, it would threaten our domestic market for launches, as the cost of insurance would significantly increase.

The Office of Commercial Space Transportation, as part of its licensing and permitting mission, administers financial responsibility and risk-sharing requirements for commercial launch and reentry operators. They calculate the required amount of financial responsibility based on the maximum probable loss of the license applicant's proposed launch or reentry. In the event there is a catastrophic accident, the operator's insurance coverage would be first in line. The government's liability would then cover excess claims above the insured amounts, but not to exceed $2.7 billion. And I also want to note that to trigger Federal indemnification, the administration must submit a request to Congress for claims in excess of insurance coverage, and Congress must, in turn, pass a separate appropriation bill to fund the request. Responsibility for any claims above the Federal cap would revert to the launch or reentry operator.

The Space and Aeronautics Subcommittee held two hearings this Congress examining the activities of the Office of Commercial Space Transportation and the performance of its licensing and indemnification regime. Administration and industry witnesses provided compelling evidence that indemnification for third-party claims is needed to preserve the U.S. commercial launch market. I want to reiterate that the Federal Government's exposure is only for third-party claims and only for amounts that exceed the maximum probable loss determined by the Office of Commercial Space Transportation.

Mr. Speaker, our commercial space launch industry needs this extension. While there are only a small number of commercial launches occurring today from domestic spaceports, this is about to change.

First, NASA relies on commercial providers to carry cargo, and eventually crew, to and from the international space station. SpaceX has already flown its first mission to ISS earlier this fall, and together with Orbital Sciences Corporation, these two companies are under contract to complete 20 cargo missions before the end of 2016.

Secondly, commercial manned spaceflights—orbital and suborbital—will require indemnification in order to launch from U.S. spaceports. While it's not clear when these types of services will begin, just like today's commercial communications satellite customers, launch customers will rely on an indemnification regime for third-party claims, or the business is at risk of going offshore.

I urge all Members to support this legislation, and I reserve the balance of my time.

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

I rise in support of H.R. 6586, to extend the application of certain space launch liability provisions through 2014.

First established by Congress as part of the Commercial Space Launch Act Amendments of 1988, the commercial space transportation risk-sharing liability and insurance regime is a vital program for the commercial space industry and has been extended five times since its original enactment.

The current extension expires on December 31 of this year, so it is important for Congress to act now so that there is sufficient time for this legislation to make its way to the President before the current authority expires.

Under the current three-tier regime, commercial space launch providers are required to purchase third-party liability insurance to compensate for maximum probable losses from third-party claims up to a level of $500 million. For claims above those maximum probable losses, the U.S. Government may pay successful liability claims up to $1.5 billion above that insured level subject to funds being appropriated by Congress for that purpose. Finally, for successful claims above the government indemnification, the launch providers assume responsibility for payment.

This risk-sharing regime has been vitally important for the development of a commercial space launch industry in the United States. Moreover, to date, the regime has not cost the U.S. Government a penny in third-party claims.

However, I would be remiss if I did not note some concerns about the program in its current form. Congress has not updated the program since its inception in 1988. This has resulted in an increased liability exposure for the U.S. taxpayer, and that exposure grows every year. I am concerned that taxpayer liability exposure is growing at the same time the industry and its associated insurance market is maturing. One would tend to think that the opposite should be the case. I hope that we can begin to address these issues before the next extension is necessary in 2014.

I want to thank Chairman HALL and Subcommittee Chairman PALAZZO for working with us on this bill, and I reserve the balance of my time.

Mr. PALAZZO. Mr. Speaker, I yield 3 minutes to the gentleman from Texas, Chairman HALL of the Science, Space, and Technology Committee.

Mr. HALL. Mr. Speaker, I, of course, rise in support of H.R. 6586, to extend the application of certain space launch liability regimes.

Everybody is hoping that the House won't be divided, that we're all going to work together. This is a good chance to show them that we are all together on a good bill.

Commercial launch in the United States has a very enviable record. Our rockets are highly reliable, and SpaceX, which has flown two Falcon 9 rockets to the international space station and returned two payloads, is the first commercial company to successfully reenter payloads from space. And in the next 2 months, Orbital Sciences Corporation is scheduled to launch its new rocket that is designed to carry cargo to the space station.

No matter these successes, our industry faces serious pricing challenges from foreign operators. They are able to offer substantially cheaper launch costs because of industrial policy and less expensive labor costs. They also offer generous indemnification coverage. In a report released earlier this summer, the Government Accountability Office stated:

> The United States provides less total third-party liability coverage than China, France, or Russia—the primary countries that have conducted commercial space launches in the last 5 years.

As Chairman Palazzo mentioned a few minutes ago, commercial launch activity in the United States is expected to pick up in the years to come: first through NASA's reliance on commercial launch companies to ferry cargo and astronauts to and from the international space station, and second, through the introduction of commercial human spaceflight services.

The bill before us would extend the indemnification regime for 2 years to December 31, 2014. It's important that we pass this bill to ensure that we do not jeopardize the ability of NASA to get cargo flights to the space station or inhibit our commercial launch operators' ability to compete for future payloads.

The Committee on Science, Space, and Technology will continue to monitor the activities of the Office of Commercial Space Transportation and the