

By Ms. WARREN (for herself, Mr. MARKEY, Mr. REED, Mr. WHITEHOUSE, Mr. MURPHY, Mr. LEAHY, Ms. AYOTTE, Mr. SANDERS, Mrs. SHAHEEN, Mr. KING, and Mr. BLUMENTHAL):

S. Res. 287. A resolution congratulating the Boston Red Sox on winning the 2013 World Series; considered and agreed to.

#### ADDITIONAL COSPONSORS

S. 12

At the request of Mr. COATS, the name of the Senator from Florida (Mr. RUBIO) was added as a cosponsor of S. 12, a bill to provide for the transfer of naval vessels to certain foreign recipients.

S. 231

At the request of Mr. PORTMAN, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 231, a bill to reauthorize the Multinational Species Conservation Funds Semipostal Stamp.

S. 460

At the request of Mr. HARKIN, the name of the Senator from Hawaii (Ms. HIRONO) was added as a cosponsor of S. 460, a bill to provide for an increase in the Federal minimum wage.

S. 520

At the request of Mr. BEGICH, the name of the Senator from Mississippi (Mr. WICKER) was added as a cosponsor of S. 520, a bill to strengthen Federal consumer protection and product traceability with respect to commercially marketed seafood, and for other purposes.

S. 666

At the request of Mr. BLUMENTHAL, the name of the Senator from Ohio (Mr. BROWN) was added as a cosponsor of S. 666, a bill to prohibit attendance of an animal fighting venture, and for other purposes.

S. 734

At the request of Mr. NELSON, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of S. 734, a bill to amend title 10, United States Code, to repeal the requirement for reduction of survivor annuities under the Survivor Benefit Plan by veterans' dependency and indemnity compensation.

S. 795

At the request of Mr. COONS, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 795, a bill to amend the Internal Revenue Code of 1986 to extend the publicly traded partnership ownership structure to energy power generation projects and transportation fuels, and for other purposes.

S. 862

At the request of Ms. AYOTTE, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 862, a bill to amend section 5000A of the Internal Revenue Code of 1986 to provide an additional religious exemption from the individual health coverage mandate.

S. 933

At the request of Mr. LEAHY, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 933, a bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to extend the authorization of the Bulletproof Vest Partnership Grant Program through fiscal year 2018.

S. 1115

At the request of Mr. SCHUMER, the name of the Senator from New York (Mrs. GILLIBRAND) was added as a cosponsor of S. 1115, a bill to treat payments by charitable organizations with respect to certain firefighters as exempt payments.

S. 1174

At the request of Mr. BLUMENTHAL, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. 1174, a bill to award a Congressional Gold Medal to the 65th Infantry Regiment, known as the Borinqueneers.

S. 1187

At the request of Ms. STABENOW, the name of the Senator from Rhode Island (Mr. WHITEHOUSE) was added as a cosponsor of S. 1187, a bill to prevent homeowners from being forced to pay taxes on forgiven mortgage loan debt.

S. 1208

At the request of Mr. TESTER, the names of the Senator from Georgia (Mr. ISAKSON) and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of S. 1208, a bill to require meaningful disclosures of the terms of rental-purchase agreements, including disclosures of all costs to consumers under such agreements, to provide certain substantive rights to consumers under such agreements, and for other purposes.

S. 1226

At the request of Mr. BROWN, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 1226, a bill to promote industry growth and competitiveness and to improve worker training, retention, and advancement, and for other purposes.

S. 1349

At the request of Mr. MORAN, the name of the Senator from Minnesota (Ms. KLOBUCHAR) was added as a cosponsor of S. 1349, a bill to enhance the ability of community financial institutions to foster economic growth and serve their communities, boost small businesses, increase individual savings, and for other purposes.

S. 1369

At the request of Mr. JOHANNES, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 1369, a bill to provide additional flexibility to the Board of Governors of the Federal Reserve System to establish capital standards that are properly tailored to the unique characteristics of the business of insurance, and for other purposes.

S. 1551

At the request of Mr. WYDEN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1551, a bill to reform the authorities of the Federal Government to require the production of certain business records, conduct electronic surveillance, use pen registers and trap and trace devices, and use other forms of information gathering for foreign intelligence, counterterrorism, and criminal purposes, and for other purposes.

S. 1595

At the request of Mr. UDALL of New Mexico, the name of the Senator from Oregon (Mr. MERKLEY) was added as a cosponsor of S. 1595, a bill to establish a renewable electricity standard, and for other purposes.

S. 1599

At the request of Mr. LEAHY, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1599, a bill to reform the authorities of the Federal Government to require the production of certain business records, conduct electronic surveillance, use pen registers and trap and trace devices, and use other forms of information gathering for foreign intelligence, counterterrorism, and criminal purposes, and for other purposes.

S. 1618

At the request of Ms. COLLINS, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1618, a bill to enhance the Office of Personnel Management background check system for the granting, denial, or revocation of security clearances or access to classified information of employees and contractors of the Federal Government.

S. 1623

At the request of Mr. LEE, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 1623, a bill to amend the Fair Labor Standards Act of 1938 to provide compensatory time for employees in the private sector.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SCHATZ (for himself, Mr. ALEXANDER, and Mr. COATS):

S. 1652. A bill to amend the National Energy Conservation Policy Act to provide guidance on utility energy service contracts used by Federal agencies, and for other purposes; to the Committee on Energy and Natural Resources.

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

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

S. 1652

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Utility Energy Service Contracts Improvement Act of 2013”.

**SEC. 2. FINDINGS.**

Congress finds that—

(1) the Federal government is the largest consumer of energy in the United States;

(2) Federal agencies are expected to meet, by law, Executive order, and mandate, stringent energy efficiency and conservation targets;

(3) the utility energy service contract (referred to in this section as “UESC”) was developed to provide Federal agencies an effective means to implement energy efficiency, renewable energy and water efficiency projects, and has been used successfully to invest nearly \$2,700,000,000 in property at Federal facilities;

(4) the General Services Administration, which manages more than 9,600 Federal properties and is the lead agency for procuring utility services for the Federal government, has determined that UESCs may extend beyond a 10-year period under the law;

(5) the Federal Energy Management Program, which oversees the UESC program and is a principal office guiding agencies to use funding more effectively in meeting Federal and agency-specific energy and resource management objectives, has determined that UESCs may extend beyond a 10-year period under the law;

(6) extensive precedent exists for Federal agencies to contract for energy saving services using contracts with term limits of more than 10 years but not to exceed 25 years;

(7) a number of Federal agencies, contrary to congressional intent, have sought to limit UESC term limits to periods of less than 10 years; and

(8) greater flexibility with UESCs will help reduce the operational cost of Federal agencies, ultimately saving money for taxpayers.

**SEC. 3. UTILITY ENERGY SERVICE CONTRACTS.**

Part 3 of title V of the National Energy Conservation Policy Act is amended by adding after section 553 (42 U.S.C. 8259b) the following:

**“SEC. 554. UTILITY ENERGY SERVICE CONTRACTS.**

“(a) IN GENERAL.—Each Federal agency may use, to the maximum extent practicable, measures provided by law to meet energy efficiency and conservation mandates and laws, including through utility energy service contracts.

“(b) CONTRACT PERIOD.—The term of a utility energy service contract entered into by a Federal agency may have a contract period that extends beyond 10 years, but not to exceed 25 years.

“(c) REQUIREMENTS.—The conditions of a utility energy service contract entered into by a Federal agency shall include requirements for measurement, verification, and performance assurances or guarantees of the savings.”.

By Mr. REED (for himself and Mr. GRASSLEY)

S. 1654. A bill to amend the Internal Revenue Code of 1986 to deny tax deductions for corporate regulatory violations; to the Committee on Finance.

Mr. REED. Mr. President, today I am introducing, along with Senator GRASSLEY, the Government Settlement Transparency and Reform Act. This bill closes a loophole that allows corporations to reap tax benefits from payments made to the government stemming from settling corporate mis-

deeds. So this bill aims to end the subsidization of illegal corporate behavior by taxpayers.

Corporations accused of illegal activity routinely settle legal disputes with the government out of court because it allows both the company and the government to avoid the time, expense, and uncertainty of going to trial. Under Federal law, money paid to settle corporate civil or criminal penalties is not deductible. But under the tax code, offending companies may often write off any portion of a settlement that is not paid directly to the government as a penalty or fine for violation of the law. Corporations exploit this provision by later characterizing settlement penalties as restitution and a tax-deductible business expense.

I think it is common sense that, for example, a corporation should not agree to pay the government \$500 million in criminal or civil fines and then when they file their taxes count those fines as a business expense and take a tax windfall. Corporations that do this are effectively using taxpayer money to subsidize their illegal behavior. In 2005, the Government Accountability Office found that of the 34 companies and \$1 billion in settlements they examined, 20 companies took a tax deduction for some or all of the money it paid to the government. Those settlements were silent on whether that \$1 billion to the government counted as penalties or restitution. According to GAO, in 2 of those settlements, company representatives said they made a mistake in deducting civil penalty payments totaling \$1.9 million and said they would amend their tax returns.

The Reed-Grassley bill would address these practices by amending 162(f) of the tax code and requiring the government and the settling party to reach pre-filing agreements on how the settlement payments should be treated for tax purposes. The bill also clarifies the rules about what settlement payments are punitive and therefore non-deductible. Furthermore, it increases transparency by requiring the government to file a return at the time of settlement to accurately reflect the tax treatment of the amounts that will be paid by the offending party.

Over a 10 year budget window, this legislation is estimated to raise between \$200 to \$300 million in revenue.

With this legislation we can close this tax loophole that flies in the face of sensible and fair tax policy. The tax code should not be used to subsidize illegal activity by corporations—when a fine is levied that fine should not be construed as a legitimate business expense. Instead, it should be paid in full, with no tax deduction taken.

I want to thank Senator GRASSLEY for working with me on this legislation. I would also thank Chairman BAUCUS who introduced similar legislation in previous Congresses. They have long championed closing this loophole. I urge our colleagues to join us by co-

sponsoring this legislation and seeking its passage.

**SUBMITTED RESOLUTIONS****SENATE RESOLUTION 286—CONGRATULATING ORACLE TEAM USA FOR WINNING THE 34TH AMERICA'S CUP**

Mrs. FEINSTEIN (for herself, Mr. WHITEHOUSE, and Mrs. BOXER) submitted the following resolution; which was considered and agreed to:

S. RES. 286

Whereas the America's Cup is known as the oldest trophy in sports;

Whereas the United States has long maintained one of the most successful sailing traditions in the world, with its teams having won more America's Cup competitions than those of any other nation;

Whereas the America's Cup was hosted 13 times in New York City between 1870 and 1920, 12 times in Newport, Rhode Island, between 1930 to 1987, and 3 times in San Diego, California, between 1988 and 1995;

Whereas Newport, Rhode Island hosted the inaugural America's Cup World Series Season Championship, the final race in the new AC45 professional circuit in the lead-up to the 2013 finals, and is proud of its America's Cup heritage;

Whereas America's Cup World Series races were also held in San Diego and San Francisco, California;

Whereas on September 25, 2013, in San Francisco, California, Oracle Team USA won the 34th America's Cup, defeating Emirates Team New Zealand 9 races to 8;

Whereas this is the second consecutive America's Cup victory for Oracle Team USA, which previously won the 33rd America's Cup on February 14, 2010 in Valencia, Spain;

Whereas on September 18, 2013, Oracle Team USA had lost 8 of the first 11 races in the America's Cup finals to Emirates Team New Zealand, but refused to give up;

Whereas despite this deficit, skipper James Spithill declared: “We will keep fighting all the way to the end. There is still a lot of racing and I am still convinced that we can win races. We will go out in every single race thinking we can win; we have to.”;

Whereas beginning on September 19, 2013, Oracle Team USA was able to win 7 consecutive races to set up a winner-take-all race on the San Francisco Bay course;

Whereas Oracle Team USA was able to accomplish one of the greatest comebacks in sporting history by winning the final race in decisive fashion and securing their second consecutive America's Cup;

Whereas Ben Ainslie, Darren Bundock, Simon Daubney, Dirk de Ridder, Shannon Falcone, Kinley Fowler, Murray Jones, Rome Kirby, John Kostecky, Kyle Langford, Jonathan Macbeth, Brian MacInnes, Matthew Mason, Will McCarthy, Matt Mitchell, Joe Newton, Sam Newton, Gilberto Nobili, Philippe Persti, Tom Slingsby, Joe Spooner, Simeon Tienpont, and Brad Webb came together to form one of the most exciting and skilled crews to have ever raced in the America's Cup; and

Whereas the partnership between the City and County of San Francisco and Oracle Team USA owner Larry Ellison produced the most visually stunning and publicly accessible series of races in the history of the America's Cup: Now, therefore, be it

*Resolved*, That the Senate—

(1) congratulates Oracle Team USA for winning the 34th America's Cup;