RSC
Republican Study Committee

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Legislative Bulletin……………………………………….………November 6, 2007

Contents:

Summary of the Bills Under Consideration Today:

Total Number of New Government Programs: 1

Total Cost of Discretionary Authorizations: $4.37 billion in FY 2008 and $4.4 billion in FY 2009.

Effect on Revenue: Increased $268 million over the FY 2008 – FY 2013 period and $98 million over the FY 2008 – FY 2017 period.

Total Change in Mandatory Spending: $0

Total New State & Local Government Mandates: 0

Total New Private Sector Mandates: 0

Number of *Bills* Without Committee Reports: 5

Number of *Reported* Bills that Don't Cite Specific Clauses of Constitutional Authority: 1

H.Con.Res. 162—Expressing the sense of Congress that Congress and the President should increase basic pay for members of the Armed Forces *(Murphy, D-PA)*

Order of Business: The resolution is scheduled for consideration on Tuesday, November 6, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.Con.Res. 162 would express the sense of Congress that:

- "Congress and the President should increase basic pay for members of all components of the Army, Navy, Air Force, and Marine Corps by 3.5 percent, effective January 1, 2008;
- "Congress and the President should increase the basic pay for members of all components of the Army, Navy, Air Force, and Marine Corps during fiscal years 2009 through 2012 by at least 1/2 of 1 percent more than the raise calculated under the Employment Cost Index (ECI); and
- "Congress and the President should provide a $40 special survivor indemnity allowance for persons affected by required Survivor Benefit Plan annuity offsets for dependency and indemnity compensation."

The resolution lists the following findings:

- "the United States continues to rely extensively upon the personnel of the Army, Navy, Marine Corps, Air Force, and Coast Guard who are deployed overseas and stationed at military support installations within the United States;
- "uniformed services personnel, regardless of branch of service or whether serving in the active or a reserve component, have carried out their mission objectives with valor, distinction, and steadfast dedication to the cause of liberty and democracy;
- "1,600,000 uniformed service men and women have deployed to Iraq or Afghanistan, many of whom have served multiple deployments;
- "there are currently more than 3,000,000 family members and dependents of those serving on active duty and reserve components;
- "nearly 40 percent of the members of the Armed Forces, while deployed away from their permanent duty stations, have left families with children behind;
- "over 1/2 of all service men and women who have deployed to Iraq are married;
- "military families have persevered in the face of challenges and continue to provide critically important comfort and care and numerous other contributions to their loved ones deployed overseas or stationed across the Nation;
- "there currently is a 4 percent gap between the pay of our service men and women and the private sector, and;
- "it is in our national interest to offer to the members of the Armed Forces comparable pay to that which the civilian sector provides in order to retain our highly qualified men and women in uniform and to faithfully reward their valiant service to our Nation."

Committee Action: H.Con.Res. 162 was introduced on May 24, 2007, and was referred to the Committee on Armed Services. On June 28, 2007, the resolution was referred to the Subcommittee on Military Personnel, which took no official action.

Cost to Taxpayers: The resolution authorizes no expenditure.

Does the Bill Expand the Size and Scope of Government?: No.

Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates? No.

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.R. 3997—Heroes Earnings Assistance and Relief Tax Act of 2007
(Rangel, D-NY)

Order of Business: The bill is scheduled to be considered on Tuesday, November 6, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3997 would modify tax provisions to grant tax benefits to veterans, active duty servicemen and certain volunteers. These modifications would reduce revenue by $643 million over the FY 2008 – FY 2012 period and $2.07 billion over the FY 2008 – FY 2017 period. In order to satisfy PAYGO requirements, the bill would increase penalties on individuals and business for failure to file accurate and timely tax returns. This pay-for would increase revenue by $911 million over the FY 2008 – FY 2012 period and $2.19 billion over the FY 2008 – FY 2017 period. The annual revenue effects of H.R. 3997 over a five and ten year period are listed in the table below.

Joint Committee on Taxation - Estimated Effects of H.R. 3997 (in millions of dollars)

Provisions	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013 - 17	FY 2008 - 17
Benefits for Military and Volunteer Firefighters	-25	-117	-136	-163	-192	-1,429	-2,067
Modifications to Supplemental Security Income (SSI)	-2	-2	-2	-3	-2	-15	-29
Provisions that Raise Revenue	72	180	198	227	234	1,283	2,194
Net Total	**45**	**61**	**60**	**61**	**40**	**-161**	**98**

The specific provisions of H.R. 3997 are as follows:

Benefits for Military and Volunteer Firefighters

Combat Pay for the Purposes of Earned Income Tax Credit

- Permanently extends the allowance of "combat pay" as earned income for the purposes of determining the earned income tax credit. According to the Joint Committee on Taxation (JCT), this provision will reduce revenue by $47 million over the FY 2008 – FY 2013 period and $83 million over the FY 2008 – FY 2017 period.

Modification of Mortgage Revenue Bonds for Veterans

- Permanently extends a provision that allows mortgage bonds to be issued to veterans regardless of the first-time homebuyer requirement (without this waiver, current law restricts using bonds to finance mortgages if the buyer had an ownership interest within the past three years). According to the JCT, this provision will reduce revenue by $171 million over the FY 2008 – FY 2013 period and $826 million over the FY 2008 – FY 2017 period.
- Increases the annual limit on qualified veterans' mortgage bonds that can be issued in Alaska, Oregon, and Wisconsin from $25 million to $100 million. H.R. 3997 also repeals a requirement in California and Texas that stipulates that veterans must have served prior to 1977 to receive mortgage bond loans. According to the JCT, these two provisions will reduce revenue by $69 million over the FY 2008 – FY 2013 period and $297 million over the FY 2008 – FY 2017 period.

Survivor and Disability Payments with Respect to Qualified Military Service

- Requires retirement plans from civilian jobs to treat the day prior to the date of a service member's death as the date which they had resumed employment and been terminated. This section allows deceased service members and their families to receive benefits that are contingent on termination of employment as a result of death to trigger benefits. According to the JCT, this provision will reduce revenue by $1 million over the FY 2008 – FY 2013 period and $2 million over the FY 2008 – FY 2017 period.

Treatment of Differential Military Pay as Wages

- Amends federal tax withholding laws to treat differential pay (pay that is voluntarily paid by an employer to an employee while they serve in the armed forces) as wage compensation and permit wage withholdings from differential payments for retirement plans. According to the JCT, this provision will reduce revenue by $4 million over the FY 2008 – FY 2013 period and $8 million over the FY 2008 – FY 2017 period.

Exclusion from Income for Volunteer Firefighters and Medical Responders

- Removes reductions or rebates of taxes by state and local governments, given to volunteer firefighters or emergency medical responders in exchange for their services, as taxable income. According to the JCT, this provision will reduce revenue by $377 million over the FY 2008 – FY 2013 period and $994 million over the FY 2008 – FY 2017 period.

Special Time Limitation to File Claims for Refunds Relating to Disability Determinations

- Extends the period of time that military personnel who receive disability determinations from the VA may file claims for credits or refunds. Currently, a taxpayer must file claims for credit or refund within three years of filing the refund or two years of paying the tax. This section extends that time for individuals who receive disability determinations until one year after the date of the determination. According to the JCT, this provision will reduce revenue by $5 million over the FY 2008 – FY 2013 period and $10 million over the FY 2008 – FY 2017 period.

Penalty Free Retirement Plan Withdrawals for Active Duty Reservists

- Permanently extends a provision that allows active duty reservists to make penalty free withdrawals from their retirement plans. According to the JCT, this provision will increase revenue by $1 million over the FY 2008 – FY 2013 period and reduce revenue by $6 million over the FY 2008 – FY 2017 period.

Permanent Extension of Disclosure Authority

- Permanently extends a provision that allows the disclosure of certain tax information to the Department of Veterans' Affairs (VA) for the purpose of determining eligibility for its pension and health-care programs. According to the JCT, this provision will increase revenue by $43 million over the FY 2008 – FY 2013 period and $164 million over the FY 2008 – FY 2017 period.

Contributions of Military Death Gratuities

- Allows recipients of military death gratuities to invest benefits from the gratuity into Roth IRAs or educational savings accounts regardless of annual contribution limits. According to the JCT, this provision will reduce revenue by $1 million over the FY 2008 – FY 2013 period and $4 million over the FY 2008 – FY 2017 period.

Suspension of Five Year Test for Peace Corps Volunteers

- Allows Peace Corps volunteers to suspend the "five-year test" for excluding gains on the sale of a principle residence from taxes. Under current law, taxpayers may exclude up to $250,000 ($500,000 for joint filers) in gains on the sale of their principle residence if they have lived in the residence for two of the last five years (the "five-year test"). This section would allow a Peace Corps volunteer to suspend the test requirement for up to ten years if they are absent from the residence due to their service obligations. According to the JCT, this provision will reduce revenue by $1 million over the FY 2008 – FY 2017 period.

Improvements in Supplemental Security Income (SSI)

Equitable Treatment of Military Families under SSI

- Reclassifies military cash allowances as earned income. Under current law, most military payments other than basic pay are treated as "unearned income." Every dollar of unearned income after $20 reduces SSI program benefits by $1. Thus, this section would increase SSI program benefits available to families of service members. According to the JCT, this provision will reduce revenue by $11 million over the FY 2008 – FY 2013 period and $26 million over the FY 2008 – FY 2017 period.

Removal of Penalties for Blind Veterans under SSI

- Prohibits consideration of state annuity payments made to blind veterans when determining SSI benefits. Under current law, state annuity payments made to blind veterans are regarded as unearned income and reduce SSI benefits. According to the JCT, this provision will reduce revenue by $1 million over the FY 2008 – FY 2013 period and $3 million over the FY 2008 – FY 2017 period.

Exclusion of Benefits for AmeriCorps Volunteers under SSI

- Prohibits consideration of benefits or allowances made to AmeriCorps volunteers when determining SSI benefits. A JCT revenue estimate is not currently available for this section.

Provisions that Raise Revenue

Increased Penalty for Failure to File Partnership Returns

- Increases the penalty on a partnership that fails to file a tax return from $50 per month to $100 per month and increases the amount of time the penalty can be assessed from five months to twelve months. This section would apply to all tax returns filed after enactment. According to the JCT, this provision will increase revenue by $283 million over the FY 2008 – FY 2013 period and $654 million over the FY 2008 – FY 2017 period.

Penalty for Failure to File S Corporation Returns

- Creates new penalties on S corporations (corporations that are exempt from federal income tax other than tax on certain capital gains and passive income) that fail to file a timely and accurate tax return. An increased penalty of $100 per month for each shareholder would be assessed for up to 12 months and could be levied on any S corporation that fails to submit all the required information on a return. According to the JCT, this provision will increase revenue by $413 million over the FY 2008 – FY 2013 period and $964 million over the FY 2008 – FY 2017 period.

Increase in Information Return Penalties

- Increases penalties on businesses for failure to file correct information returns, such as 1099 forms, which include information regarding amounts paid to employees and interest paid to shareholders. This section increases the penalties for businesses that correct the information within 30 days from a minimum of $15 to $25 and a maximum of $75,000 to $200,000. Penalties for businesses that fail to correct the information by August 1st would increase from a minimum of $50 to $100 and a maximum of $250,000 to $600,000. The bill would also increase maximum penalties on small businesses from

$25,000 to $75,000 if corrections are made within 30 days. If a small business fails to make corrections by August 1st the maximum amount is increased from $100,000 to $250,000. According to the JCT, this provision will increase revenue by $83 million over the FY 2008 – FY 2013 period and $280 million over the FY 2008 – FY 2017 period.

Increase the Minimum Penalty for Failure to File

- Increases the penalty for failure to file a tax return within 60 days of the due date from $100 to $200. Under current law, the penalty is the lesser of $100 or 100% of the tax owed. According to the JCT, this provision will increase revenue by $132 million over the FY 2008 – FY 2013 period and $296 million over the FY 2008 – FY 2017 period.

Committee Action: H.R. 3997 was introduced on October 30, 2007, and referred to the Committee on Ways and Means. On November 2, 2007, a mark-up was held and the bill was reported, as amended, by voice vote.

Administration Position: The Administration's position is not currently available.

Cost to Taxpayers: A CBO score for H.R. 3997 is not currently available. However, according to the JCT, the revenue reductions and increases in H.R. 3997 would result in a net increase in revenue of $268 million over the FY 2008 – FY 2013 and $98 million over the FY 2008 – FY 2017 period.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: An earmarks/revenue benefits statement required under House Rule XXI, Clause 9(a) was not available at press time.

Constitutional Authority: House Report 110 – 426 is not currently available. House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific powers* granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution." *[emphasis added]*

RSC Staff Contact: Andy Koenig; andy.koenig@mail.house.gov; 202-226-9717.

H.Res. 787—Expressing the support and sympathy of the House of Representatives and the people of the United States for the victims of the tragic fire that occurred in Ocean Isle Beach, North Carolina, on October 28, 2007 *(Clyburn, D-SC)*

Order of Business: The resolution is scheduled for consideration on Tuesday, November 6, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.Res. 787 would express the sense that the House:

- "expresses its deepest condolences to the families and friends of Lauren Mahon, Allison Walden, Travis Cale, Justin Anderson, Emily Yelton, William Rhea, and Cassidy Pendley; and offers its hope for the quick and full recovery of those students who were injured in the fire;
- "expresses immense gratitude for the efforts of countless emergency response personnel, local, State, and Federal officials, health care providers, volunteers, and citizens who have been part of the response; and
- "expresses its support for all of the students, faculty, administration, and staff at the University of South Carolina and Clemson University as they heal from this tragedy."

The resolution lists the following findings:

- "in the early morning of October 28, 2007, flames broke out at a beach house in Ocean Isle Beach, North Carolina;
- "the fire spread quickly and took the lives of seven college students, six attended the University of South Carolina and one went to Clemson University: Lauren Mahon of Simpsonville, South Carolina; Allison Walden of Chagrin Falls, Ohio; Travis Cale, Justin Anderson and Emily Yelton of Greenville, South Carolina; William Rhea of Florence, South Carolina, and Cassidy Pendley of Chapin, South Carolina;
- "6 University of South Carolina students were injured while escaping the flames and were treated at Brunswick Community Hospital;
- "local community members rushed to alert and assist emergency personnel to support the students and their families in the aftermath of the tragedy;
- "firefighters, paramedics, police officers, and other emergency personnel from the surrounding communities responded quickly and worked bravely to rescue the injured and extinguish the fire;
- "the State of North Carolina and local government officials responded to the fire and its aftermath quickly, effectively, and compassionately;
- "the immediate outpouring of support, assistance and compassion from the Nation and South Carolinians is greatly appreciated; and
- "the students, faculty, staff, and officials at Clemson University and University of South Carolina have come together as a university community to remember the fallen students and provide strength and support to its respective campuses through this difficult time."

Committee Action: H.Res. 787 was introduced on October 31, 2007, and was referred to the Committee on Oversight and Government Reform, which took no official action.

Cost to Taxpayers: The resolution authorizes no expenditure.

Does the Bill Expand the Size and Scope of Government?: No.

<u>Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates?</u> No.

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H.Res. 728—Expressing the support and sympathy of the House of Representatives and the people of the United States for the victims of the devastating flooding that occurred across many parts of Ohio in August 2007 and commending the communities, volunteer organizations, churches and emergency response agencies for their continuing work to restore the affected areas across the state (Jordan, R-OH)

<u>Order of Business</u>: The resolution is scheduled for consideration on Tuesday, November 6, 2007, under a motion to suspend the rules and pass the bill.

<u>Summary</u>: H.Res. 728 would express the sense that the House:

- "expresses its support and profoundest sympathy for the victims of the devastating flooding that occurred across much of Ohio and the surrounding region in August 2007;
- "conveys its gratitude to the local, State and Federal officials and emergency personnel who responded to this emergency and continue working to restore normalcy in the affected counties;
- "thanks the many volunteers, charitable organizations, business and individual donors, churches and religious organizations for their generosity in responding to this crisis; and
- "commends the people of Ohio for their indomitable spirit and for the grace and magnanimity with which they have supported one another during the flooding and continuing recovery."

The resolution lists the following findings:

- "heavy rainstorms brought severe flooding to Ohio and the upper Midwest over the week of August 19, 2007;
- "in many parts of Ohio, this was the worst flood since 1913 with nearly 15 inches of rain in some areas;
- "the record storms and flooding were responsible for up to 18 deaths across parts of the upper Midwest--some of these in Ohio;
- "over 500 citizens were forced to flee their homes and businesses and many hundreds of homes and businesses were damaged;
- "on August 21, 2007, Allen, Crawford, Hancock, Hardin, Paulding, Putnam, Richland, Seneca, Van Wert and Wyandot counties made initial local emergency declaration;
- "on August 22, 2007, Governor Ted Strickland issued a State disaster declaration for Allen, Crawford, Hancock, Hardin, Putnam, Richland, Seneca, Wyandot and Van Wert Counties;

- “on August 27, 2007, President George W. Bush issued a Federal disaster declaration for Allen, Crawford, Hancock, Putnam, Richland and Wyandot Counties and later added Hardin and Seneca Counties; and
- “Michigan, Minnesota, Wisconsin, Illinois, Iowa and Indiana also experienced serious, storms, flooding and tornadoes.”

Committee Action: H.Res. 728 was introduced on October 10, 2007, and was referred to the Committee on Oversight and Government Reform, which held a mark-up on October 23, 2007, and reported the resolution by unanimous consent.

Cost to Taxpayers: The resolution authorizes no expenditure.

Does the Bill Expand the Size and Scope of Government?: No.

Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates? No.

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H.Res. 782—Expressing the sense of the House with respect to the Boston Red Sox victory in the 2007 Major League Baseball World Series *(Capuano, D-MA)*

Order of Business: The resolution is scheduled for consideration on Tuesday, November 6, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.Res. 728 would express the sense that the House:

- “congratulates the Boston Red Sox for winning the 2007 Major League Baseball World Series and for all of their accomplishments during a stellar 2007 regular season and the eight Major League Baseball teams that played in the postseason;
- “recognizes the achievements of the Boston Red Sox players, manager, coaches, and support staff whose hard work, dedication, and spirit made this all possible;
- “commends the Colorado Rockies for a solid year, including an impressive late season surge that brought them to their first World Series and the fans and management of the Colorado Rockies for their hospitality towards all the Red Sox fans who traveled to Denver for the World Series; and
- “directs the Clerk of the House of Representatives to transmit an enrolled copy of this resolution to the 2007 Boston Red Sox team, Red Sox Manager Terry Francona, Red Sox General Manager Theo Epstein, Red Sox President and Chief Executive Officer Larry Lucchino, Red Sox Principal Owner John Henry; and Red Sox Chairman Tom Werne.”

The resolution lists the following findings:

- "in the early moments of October 29, 2007, the Boston Red Sox won their second World Series title in four seasons by besting the Colorado Rockies in just four games;
- "the Red Sox won their seventh world title in the 107-year history of the storied franchise;
- "the 2007 Red Sox World Champion team epitomized sportsmanship, selfless play, team spirit, determination, and heart in the course of winning 96 games in the regular season, winning the American League East Division Championship;
- "the entire Red Sox organization maintains a strong commitment to charitable causes in New England, demonstrated by the team's decades-long support of the Dana-Farber Cancer Institute's Jimmy Fund in the fight against childhood cancers;
- "Red Sox fans are everywhere, in the ball parks of opposing teams, in every State in the Union and in many foreign lands; and
- "a grateful Red Sox Nation thanks the team for an unforgettable season and for bringing another World Championship home to Boston."

Committee Action: H.Res. 782 was introduced on October 30, 2007, and was referred to the Committee on Oversight and Government Reform, which took no official action.

Cost to Taxpayers: The resolution authorizes no expenditure.

Does the Bill Expand the Size and Scope of Government?: No.

Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates? No.

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H.R. 1119—Purple Heart Family Equity Act of 2007 *(Davis, D-CA)*

Order of Business: The bill is scheduled to be considered on Tuesday, November 6, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1119 would authorize the Congressionally Chartered Order of the Purple Heart, Incorporated, to extend associate membership to "parents, spouse, and lineal descendants" (currently associate membership is reserved for parents and lineal descendants only).

Additional Background: According to the Department of Veterans' Affairs, the Congressionally Chartered Order of the Purple Heart was formed as a veterans' service organization in 1932. The purpose of the organization is to accept tax deductible gifts that help with the costs of service injuries.

Committee Action: H.R. 1119 was introduced on February 16, 2007, and referred to the Committee on the Judiciary, which referred the bill to the Subcommittee on Immigration, Citizenship, Refugees, Border Security, and International Law. On July 27, 2007, a subcommittee mark-up was held and the bill was forwarded to the full committee, as amended, by voice vote. On August 2, 2007, a full committee mark-up was held and the bill was reported, as amended, by voice vote.

Cost to Taxpayers: According to CBO, enacting H.R. 1119 would have no impact on the federal budget.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: An earmarks/revenue benefits statement required under House Rule XXI, Clause 9(a) was not available at press time.

Constitutional Authority: A House Report citing constitutional authority was not available at press time. House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific powers* granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution." *[emphasis added]*

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H.R. 2884—Kendell Frederick Citizenship Assistance Act *(Cummings, D-MD)*

Order of Business: The bill is scheduled to be considered on Tuesday, November 6, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2884 would require the Secretary of Homeland Security to allow for the use of fingerprints that an individual provides when they enlist into the Armed Forces for fingerprint requirements of naturalization applications. To meet the requirement an individual must submit the application within 24 months of enlistment.

H.R. 2884 would establish a toll free telephone service available only to members of the Armed Forces and their families to provide information related to naturalization services. The bill would require the Secretary to update the appropriate application forms, instructions and guidebooks for obtaining naturalization to reflect these changes.

The bill would also require the Comptroller General of the United States to submit a report within 120 days of enactment on the entire process for the adjudication of an application for naturalization of service members.

Additional Background: According to a Washington Post Article from November 5, 2005, Kendall K. Frederick was a U.S. Reservist with the 983rd Engineer Battalion stationed in

Monclova, Ohio. Frederick was born in Trinidad and came to the United States with his family when he was 14 years old. He attended high school in Randallstown, Maryland, where he joined the ROTC. Following graduation, Frederick moved to Michigan to find work and joined the Army Reserve. There he was called up for active duty service with the 983rd based in Ohio.

Following his initial tour, Frederick returned home for leave but was quickly called back for a second six-month stint. Three weeks after his second arrival in Iraq, Frederick was killed by an improvised explosive device near Tikirt.

Though he had applied for citizenship well before he was first deployed, Frederick's application process was delayed because his fingerprints were misfiled. Fredrick was still in the process of obtaining his citizenship when he was killed on October 19, 2007. Following his death he was posthumously awarded United States citizenship and laid to rest in Arlington National Cemetery. According to the Washington Post, after his death, "Frederick was also awarded a Purple Heart, a Bronze Star, a Meritorious Service Medal and a posthumous promotion to Sergeant."

Committee Action: H.R. 2884 was introduced on June 27, 2007, and referred to the Committee on the Judiciary, which referred the bill to the Subcommittee on Immigration, Citizenship, Refugees, Border Security, and International Law. On July 25, 2007, a subcommittee mark-up was held and the bill was forwarded to the full committee, as amended, by voice vote. On October 10, 2007, a full committee mark-up was held and the bill was reported, as amended, by voice vote.

Cost to Taxpayers: A CBO score for H.R. 2884 was not available at press time.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: An earmarks/revenue benefits statement required under House Rule XXI, Clause 9(a) was not available at press time.

Constitutional Authority: A House Report citing constitutional authority was not available at press time. House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific powers* granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution." *[emphasis added]*

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H.R. 3866—Small Business Programs Act of 2007 *(Velazquez, D-NY)*

Order of Business: The bill is scheduled to be considered on Tuesday, November 6, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3866 would extend the authorization of funds for loan, contracting, investment, and other programs operated by the Small Business Administration (SBA). The bill would authorize funding through FY 2009, subject to appropriation.

The bill would reauthorize SBA programs as follows:

- $80 million in FY 2008 and $90 million in FY 2009 for technical assistance grants
- $110 million in FY 2008 and $120 million in FY 2009 in direct loans
- $29.3 billion in FY 2008 and $29.8 billion in FY 2009 in deferred participation and other business loans (these programs operate at zero subsidy)
- $4.5 billion in FY 2008 and FY 2009 in purchases of participating securities
- $4 billion in FY 2008 and FY 2009 in guarantees of debentures
- $7 million in FY 2008 and FY 2009 in BusinessLinc grants
- $140 million in FY 2008 and $145 million in FY 2009 for the Small Business Development Center program
- $17 million in FY 2008 and $17.5 million in FY 2009 for the Women's Business Center program
- $20 million in FY 2008 and FY 2009 for the HUB Zone program
- $3 million in FY 2008 and $4 million in FY 2009 for Veterans Business Development

H.R. 3866 would also reauthorize the Advisory Committee on Veterans Business Affairs and the National Women's Business Council through 2009.

Additional Background: According to the Small Business Committee, all of the program increases authorized in H.R. 3866 are less than three percent of current funding with the exception of the HUB Zone program and Veterans Business Development. The HUB Zone program's authorization level is doubled from $10 million to $20 million to fund a provision of H.R. 3867, the Small Business Contracting Program Improvements Act (passed in the House on October 30, 2007), which requires inspections of businesses receiving HUB Zone contracts. H.R. 3867 is currently under a veto threat. The Veterans Business Development program is increased by $3 million through FY 2009.

Committee Action: H.R. 3866 was introduced on October 17, 2007, and referred to the Committee on Small Business. The following day, the committee held a mark-up and reported the bill by voice vote.

Possible Conservative Concerns: Some conservatives may be concerned that H.R. 3866 increases authorization levels for SBA programs across the board in order to fund more than 11 SBA expansions that have been passed in the 110th Congress. Conservatives may also be concerned that H.R. 3866 doubles funding for HUB Zone programs to fund a provision of a bill (H.R. 3867) that is currently under a veto threat.

Administration Position: The Administration's position was not available at press time.

Cost to Taxpayers: A CBO score for H.R. 3866 was not available at press time. However, H.R. 3866 would authorize at least $4.37 billion in FY 2008 and $4.4 billion in FY 2009.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: An earmarks/revenue benefits statement required under House Rule XXI, Clause 9(a) was not available at press time.

Constitutional Authority: A House Report citing constitutional authority was not available at press time. House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific powers* granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution." *[emphasis added]*

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H.R. 3495—Kids in Disasters Well-being, Safety, and Health Act of 2007 *(Brown, D-FL)*

Order of Business: The bill is scheduled to be considered on Tuesday, November 6, 2007, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3495 would establish the National Commission on Children and Disasters. The purpose of the commission would be to:

- Conduct a study to assess the needs of children regarding preparation for, response to, and recovery from major disasters and emergencies;
- Build upon the investigations of other entities by reviewing findings and recommendations of other public and private organizations and commissions regarding children and disasters;
- Submit a report of specific findings and recommendations to address the needs of children in disasters to the President and Congress.

The commission will be composed of ten individuals appointed by the President, Congress, and certain federal agencies. The commission will be authorized to hold hearings, request government information, and receive assistance from certain federal agencies. The commission would also be authorized to hire staff and receive travel expenses, however, each member of the commission would serve without compensation. The commission would be terminated 180 days after the final report is submitted.

H.R. 3495 would authorize $2 million for FY 2008 and FY 2009 to fund the activities of the commission.

Additional Background: According to House Report 110 – 425, over 400,000 children under the age of five lived in areas that were damaged and flooded by Hurricane Katrina. During the Hurricane Katrina rescue operations, more than 5,192 children were reported to the National Center for Missing and Exploited Children as missing or displaced. As a result of chaos, it took more than six months for the last displaced child to be reunited with their family.

Committee Action: H.R. 3495 was introduced on September 7, 2007, and referred to the Committee on Transportation and Infrastructure, which referred the bill to the Subcommittee on Economic Development, Public Buildings and Emergency Management. On October 30, 2007, the subcommittee held a mark-up and reported the bill to the full committee by voice vote. The following day, the full committee held a mark-up and reported the bill, as amended, by voice vote.

Cost to Taxpayers: A CBO score is not available. However, H.R. 3495 would authorize $4 million over the FY 2008 – FY 2009 period.

Does the Bill Expand the Size and Scope of the Federal Government?: Yes, it creates a temporary federal commission to study the needs of children regarding preparation for, response to, and recovery from major disasters and emergencies.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: The Transportation and Infrastructure Committee, in House Report 110 – 425, asserts that, "H.R. 3495 contains no earmarks, limited tax benefits, or limited tariff benefits."

Constitutional Authority: The Transportation and Infrastructure Committee, in House Report 110 – 425, cites constitutional authority in Article 1, Section 8, but fails to cite a specific clause. House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific powers* granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution." *[emphasis added]*

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S. 2265—A bill to extend the existing provisions regarding the eligibility for essential air service subsidies through fiscal year 2008 (Thune, R-SD)

Order of Business: The bill is scheduled to be considered on Tuesday, November 6, 2007, under a motion to suspend the rules and pass the bill.

Summary: S. 2265 would extend a provision of the Vision 100—Century of Aviation Reauthorization Act that allows an individual in an area where Essential Air Service (EAS) has been eliminated to request a review of the action. The provision would apply retroactively to any final order issued since September 29, 2007 (the date that the clause expired). The provision would be extended through September 30, 2008.

Additional Background: The EAS is a government program that was created following airline deregulation in 1978. The purpose of the EAS is to provide air services to communities that were served before deregulation, but have since lost access to airline service. Under the Vision 100—Century of Aviation Reauthorization Act, some EAS coverage was terminated or scheduled for termination. The provision extended in this bill allows individuals in areas where EAS is being suspended to request a review.

Committee Action: S. 2265 passed the Senate by unanimous consent on October 30, 2007. The following day the bill was received in the House and was referred to the Committee on Transportation and Infrastructure, which took no official action.

Cost to Taxpayers: A CBO score for S. 2265 was not available at press time.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: No.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: An earmarks/revenue benefits statement required under House Rule XXI, Clause 9(a) was not available at press time.

Constitutional Authority: A House Report citing constitutional authority was not available at press time. House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific powers* granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution." *[emphasis added]*

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