



Rep. Jeb Hensarling (R-TX), Chairman
Russ Vought, Executive Director

132 Cannon House Office Building
Washington, DC 20515



www.house.gov/hensarling/rsc

ph (202) 226-9717 / fax (202) 226-1633

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Contents:

H.R. 2829 – PART I – Amendments to the Financial Services Appropriations Bill, FY 2008

H.R. 2829, the Financial Services Appropriations Act, FY 2008 (sponsored by Rep. Serrano, D-NY), is scheduled to be considered on the House floor on Wednesday, June 27, 2007, subject to an open rule ([H.Res. 517](#)), making in order any germane amendment under the five-minute rule. The rule allows one motion to recommit with or without instructions.

The rule waives all points of order against consideration of the bill, except those regarding PAYGO and earmarks, and allows the Chair to postpone consideration of the legislation at any time during its consideration. The rule also waives the no-authorizing-on-appropriations point of order against provisions in the underlying bill.

Note: The summaries below are based on RSC staff’s review of *actual amendment text*. For a summary of the underlying bill, see a separate RSC document released earlier today.

RSC Staff Contacts: Andy Koenig; andy.koenig@mail.house.gov; 202-226-1760 (1-16)
Derek Baker; derek.baker@mail.house.gov; 202-226-8585 (17-36)

Amendments Pre-Filed in the Congressional Record

Garrett (R-NJ) #1. Prohibits funds from being used by the Securities and Exchange Commission (SEC) to enforce section 404 of the Sarbanes-Oxley Act (SOX) with respect to non-accelerated filers.

Compliance with SOX section 404 requires publicly traded companies to make annual and/or quarterly reports on their internal control over financial reporting. Producing these internal reports is very costly, and especially burdensome to small and medium-sized business. As such, small and medium-sized companies have been classified as “non-accelerated filers” and have been given an extended period of time to comply with the regulations. The Garrett amendment denies the SEC from enforcing section 404 regulations against non-accelerated companies that have not yet been forced to file.

Upton (R-MI) #2: Prohibits funds from being used to purchase light bulbs that do not carry the “ENERGY STAR” or “Federal Energy Management Program” seal.

Garrett (R-NJ) #3. Almost identical to first Garrett amendment above. Prohibits funds from being used by the Securities and Exchange Commission (SEC) to enforce section 404 of the Sarbanes-Oxley Act (SOX) with respect to non-accelerated filers, *who are not required to comply with section 404 regulations until December 15, 2007 (making this slightly different from the first Garrett amendment).*

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Cardoza (D-CA) #4. Reduces funds for General Services Administration’s policy and operations budget by \$14.295 million (from \$142.945 million to \$128.65 million), which is equivalent to 10 percent.

Cardoza (D-CA) #5. Reduces funds for General Services Administration’s policy and operations budget by \$5 million (from \$142.945 million to \$137.945 million) and increases funds for expenses of the Office of the Inspector General by \$5 million (from \$47.382 million to \$52.382 million).

Conaway (R-TX) #6. Expresses the sense of the House that “any reduction in the amount appropriated by this Act achieved as a result of amendments adopted by the House should be dedicated to deficit reduction.”

Davis, Tom (R-VA) #7. Reduces funds for the office of special counsel’s salaries and expenses by \$1 million (from \$16.368 million to \$15.368 million) and increases funds for school improvement in the District of Columbia by \$1 million (from \$40.8 million to \$41.8 million). Of the \$1 million increase for school improvements, \$334,000 would be for improving public school education in D.C., \$333,000 would be for improving public charter schools in D.C., and \$333,000 would provide scholarships for D.C. students.

DeFazio (D-OR) #8. Transfers \$10 million from the Selective Services System’s budget for salaries and expenses (reduced from \$22 million to \$12 million) to the Small Business Administration’s budget for salaries and expenses (increased from \$346.553 million to \$356.553 million).

DeFazio (D-OR) #9. Prohibits funds from being used for the Selective Services System to plan, prepare, or conduct Area Office Mobilization Prototype Exercises. According to Selective Services, these exercises are conducted to access the “activation process” for the draft Lottery system. While some see these tests as a precursor to the re-instatement of the draft, Selective Services maintains that the exercise is essential to evaluating preparedness in the case of an emergency.

Ellsworth (D-IN) #10. Prohibit funds from being used to enter into a contract, in an amount higher than the simplified acquisition minimum, unless the contractor certifies in writing that he does not

have federal tax debt. In addition, the Federal Acquisition Regulation would then be modified to certify whether a prospective contractor:

- has or has not been convicted of violating any tax law or failing to pay taxes within the past three years;
- has or has not been notified of any delinquent taxes in the past three years;
- has or has not received notice of a tax lien that remains unsatisfied or has not been released within the past three years.

Hulshof (D-MO) #11. Reduces funds the Election Reform Programs by \$8 million (from \$59.224 million to \$51.224 million) and increases funds for the Federal Drug Control Program's High Intensity Drug Trafficking Areas Programs (from \$226 million to \$234 million).

Musgrave (R-CO) #12. Prohibits funds from being used to implement the FY 2008 pay increase for Members of Congress under section 601(a)(2) of the Legislative Reorganization Act of 1946, which provides for annual adjustments in pay at the rate of increase in the cost of living.

Musgrave (R-CO) #13. Reduces all discretionary appropriations in the bill 0.5 percent, or \$107.17 million (From \$21.434 billion to \$21.32683 billion).

Wolf (R-VA) #14. Enacts H.R. 473 of the 110th Congress (as introduced on January 16, 2007), which would establish Securing America's Future Economy (SAFE) Commission, and appropriates \$1.5 million for the Commission. The amendment reduces funds for Election Reform Programs by \$1.5 million (from \$300 million to \$298.5 million) for the purposes of an offset.

According to CRS, H.R. 473 "addresses (1) the unsustainable imbalance between long-term federal spending commitments and projected revenues; (2) increases in net national savings to provide for domestic investment and economic growth; (3) the implications of foreign ownership of federally issued debt instruments; and (4) revision of the budget process to place greater emphasis on long-term fiscal issues."

Among other things, the SAFE Commission is required to develop one or two methods for estimating the cost of legislation as an alternative to the current Congressional Budget Office (CBO) method; and hold at least one town-hall style public hearing within each Federal Reserve district.

Sessions (R-TX) #15. Strikes the language in the underlying bill (Section 738) that would impose imitations on the Administration's public-private competition initiative for certain government services (otherwise known as "competitive sourcing" or "OMB Circular A-76). The underlying section that would be struck also includes new causes of action (i.e. allows more lawsuits against the Administration).

Flake (R-AZ) #16. Prohibits funds from being used by the Small Business Administration for the Detroit Renaissance for a business district.

Flake (R-AZ) #17. Prohibits funds in the Act from being used by the Small Business Administration for the Fairplex Trade and Conference Center, Pomona, California.

Flake (R-AZ) #18. Prohibits funds in the Act from being used by the Small Business Administration for the Grace Johnstown Area Regional Industries Incubator and Workforce Development program.

Flake (R-AZ) #19. Prohibits funds in the Act from being used by the Small Business Administration for the Mitchell County Development Foundation, Inc. for the Home of the Perfect Christmas Tree project.

Flake (R-AZ) #20. Prohibits funds in the Act from being used by the Small Business Administration for the Oil Region Alliance of Business, Industry and Tourism.

Flake (R-AZ) #21. Prohibits funds in the Act from being used by the Small Business Administration for the San Francisco Planning and Urban Research Association, SPUR Urban Center.

Flake (R-AZ) #22. Prohibits funds in the Act from being used by Small Business Administration for the West Virginia University Research Corporation for renovations of a small business incubator.

Flake (R-AZ) #23. Prohibits funds in the Act from being used by Small Business Administration for the Youngstown Warren Regional Chamber, Salute to Success, Business Entrepreneurship Incubator.

Flake (R-AZ) #24. Prohibits funds in the Act from being used by the Small Business Administration for the City of Charlotte, NC, Belvedere Business Park Project.

Flake (R-AZ) #25. Prohibits funds in the Act from being used by the Small Business Administration for the City of Los Angeles, Adams-La Brea Retail Project.

Flake (R-AZ) #26. Prohibits funds in the Act from being used by the Small Business Administration for the Historic Downtown Retail Project, Valley Economic Development Center.

Flake (R-AZ) #27. Prohibits funds in the Act from being used by the Small Business Administration for SEKTDA [SE KY Tourism Development Association] for economic and small business development.

Flake (R-AZ) #28. Prohibits funds in the Act from being used by the Small Business Administration for the Advantage West Economic Development Group, Certified Entrepreneurial Community Program.

Flake (R-AZ) #29. Prohibits funds in the Act from being used by the Small Business Administration for the Boston Chinatown Neighborhood Center Workforce Development Initiative.

Flake (R-AZ) #30. Reduces funds in the Act for the federal payment to the District of Columbia Office of the Chief Financial Officer by \$6.148 million

Jordan (R-OH) #31. Reduces the overall appropriations in the Act by 8.9 percent, except those amounts that are “not required to be appropriated or otherwise made available by a provision of law.” This amendment would return funding to the FY2007 enacted level.

Goode (R-VA) #32. Prohibits funds in Title IV or VIII of the Act to be used to implement or enforce the Health Care Benefits Expansion Act of 1992 (D.C. Law 9-114; D.C. Official Code, section 32-701 et seq.).

D.C. enacted the Health Care Benefits Expansion Act in 1992, which created a domestic partner registry for unmarried couples and granted many of the same benefits to these domestic partners as legally married spouses. Congress passed a provision within an appropriations bill the same year that prohibited the use of federal taxpayer dollars for domestic partner benefits. Thus, federal funds have never been used for domestic partner benefits in D.C., and underlying bill text would change this for the first time. The Administration strongly opposes any change to the current prohibition on federal funds for domestic partner benefits, stating: “The Administration strongly opposes the bill’s exclusion of a longstanding provision that disallows the use of Federal funds to register unmarried, cohabitating couples in the District, to enable them to qualify for benefits on the same basis as legally married couples. Under Federal law, legal marriage is the union between a man and a woman. Federal tax dollars are not used to extend employment benefits to domestic partners of Federal employees, and D.C. should not enjoy an exception to this rule. *If the final version of H.R. 2829 does not include this longstanding provision, the President’s senior advisors would recommend he veto the bill.*” (emphasis added)

Goode (R-VA) #33. Identical to previous amendment. Prohibits funds in Title IV or VIII of the Act to be used to implement or enforce the Health Care Benefits Expansion Act of 1992 (D.C. Law 9-114; D.C. Official Code, section 32-701 et seq.).

Lucas (R-OK) #34. Prohibits funds in the Act to be used by the U.S. government to seize or take possession of (other than for value given in a sale or exchange) any coin, medal, or numismatic item made or issued by the U.S. government before January 1, 1933, that is not already in the possession of the U.S. government at the time of enactment of this Act. The amendment sponsor states that this amendment “provides a clear line of demarcation with regard to private ownership” of any coin or medal. The amendment sponsor adds that “under current law, the U.S. Mint has the authority to seize coins created if it believes they are unauthorized coins.”

Poe (R-TX) / Cuellar (D-TX) #35. Increases the funds in the Act for the Court of Appeal, District Courts, and Other Judicial Services account by \$10 million; decreases funds for the District of Columbia Courts account by \$10 million. The amendment sponsor states that “the rising number of criminal immigration cases has created considerable strain to federal district courts along the U.S.-Mexico border. This amendment is intended to “better handle the increasing caseload along the southwest border of the U.S., where federal courts have a greater percentage of their criminal caseload affected by immigration cases than other federal courts.”

Terry (R-NE) #36. Seeks to prohibit salary increases for Members of Congress for FY 2008 relating to adjustments that may otherwise be made under 5 U.S.C. 5303, which provides for automatic annual salary adjustments for “government organizations and employees.”

Text of the amendment:

Sec. 744. For purposes of the provisions of law amended by subparagraph (B) of section 704(a)(2) of the Ethics Reform Act of 1989 (5 U.S.C. 5318 note), relating to compensation of Members of Congress, no adjustment under section 5303 of title 5, United States Code, shall be considered to have taken effect in fiscal year 2008 in the rates of basic pay for the statutory pay systems.

Amendments Not Pre-Filed in the Congressional Record (with more to come)

Pence (R-IN) / Flake (R-AZ) / Hensarling (R-TX). Prohibits funds in this Act from being used to reinstate the "Fairness Doctrine," the former FCC political speech regulations requiring that TV and radio broadcasters present opposing viewpoints on controversial issues of public importance. The repeal of the Fairness Doctrine is widely seen as giving rise to the proliferation of conservative talk radio. Leading Democrats, such as Senator Dick Durbin (D-IL) and Senator Dianne Feinstein (D-CA) have called for the reinstatement of the Fairness Doctrine.

Souder (R-IN). Prohibits funds in the Act from being used by the District of Columbia for “any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.” The language in quotes is identical to language contained in current law.

The underlying bill text weakens a provision in current law that prohibits all funds (D.C. or federal) from being used for any needle exchange program in the District. Thus, if enacted unchanged, the District of Columbia could (and very likely would, based on statements from past and present D.C. elected officials) use local taxpayer funds to provide hypodermic needles and syringes to drug addicts to engage in illicit drug use.

Language in current law:

- SEC. 516. (a) None of the funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.
- (b) Any individual or entity who receives any funds contained in this Act and who carries out any program described in subsection (a) shall account for all funds used for such program separately from any funds contained in this Act.

Language in the underlying bill:

SEC. 812. None of the *Federal* funds contained in this Act may be used for any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug. (emphasis added).

[Click here](#) to view a Vancouver study regarding needle exchange program. To view an article published by Sen. Tom Coburn on this, [click here](#). Also, the Administration SAP stated strong reservations regarding lifting the current funding ban on needle exchange, stating:

“The Administration also strongly opposes lifting the ban on funding for needle distribution programs to illegal drug users in the District of Columbia. Needle distribution programs

facilitate illegal drug use. Drug use prevention and treatment programs are superior public health alternatives because these programs reduce both the sharing of contaminated needles and the harms of illegal drug use.”

The American Founding Fathers put in the United States Constitution, in one clause, the power for Congress to create the District of Columbia and to control it legislatively. Specifically, Article I, Section 8, Clause 17 gives Congress the power “To exercise exclusive Legislation in all Cases whatsoever, over such District (not exceeding ten Miles square) as may, by Cession of particular States, and the Acceptance of Congress, become the Seat of the Government of the United States, and to exercise like Authority over all Places purchased by the Consent of the Legislature of the State in which the Same shall be, for the Erection of Forts, Magazines, Arsenals, dock-Yards, and other needful Buildings.” As is evident in Article I, Section 8, Clause 17 (often known as “The District Clause”), the District of Columbia was created specifically so that it would NOT be a state or have the legislative function of a state. On the contrary, the Founders gave the District the same legislative stature as forts and dock-yards. The District was never intended to have independent legislative or representational authority; that is why a separate capital district was carved out of two states (Maryland and Virginia) in the first place. Otherwise, the capital city could have just been a city in an existing state, with its residents being represented in Congress like any other citizens.

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