



June 13, 2006

Possible Amendments to the Transportation, Treasury, and HUD Appropriations Act, 2007, H.R. 5576

Part 1

The following contains information on the three amendments pre-printed in the Congressional Record, and others not pre-printed that may be offered.

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Amendments Pre-printed in the Congressional Record

- 1. Hefley (R-CO).** Reduces funding in the Act by \$678 million, equal to one percent of the total amount of discretionary funding in the bill.
- 2. Kennedy (R-MN).** Provides that none of the funds made available under the Act may be used to apply the revised cost-effectiveness index rating system established by the Federal Transit Administration to the Northstar Corridor Rail project. According to the sponsor's office, this amendment will be offered and withdrawn.
- 3. Kucinich (D-OH).** Increases, then reduces, by \$4.8 million, funds made available in the Act to the IRS for enforcement purposes. According to the sponsor, "the misclassification of employees as independent contractors is significant problem that annually leads to the loss of federal tax revenue. Employers who misclassify workers as independent contractors do not pay taxes on those workers. A 1984 IRS review found that at least \$1.6 billion in federal tax revenues were lost due to misclassification. While the Kucinich amendment has no financial impact, it is imperative to ensure the IRS is aware of Congress's concern with the lost revenue from misclassification."

Amendments Not Pre-printed in the Congressional Record

King (R-IA). Provides that none of the funds made available in the Act may be used for the construction, expansion, renovation, or building of the Los Angeles Gay and Lesbian Center. Committee Report 109-495 lists hundreds of earmarks, including the following:

Amendment #41. \$300,000 to the Los Angeles Gay and Lesbian Center, California for construction, expansion, renovation, and build out of a multipurpose facility.

The Family Research Council has indicated they will be scoring a yes vote on this amendment.

Flake (R-AZ). Provides that none of the funds made available in the Act may be used to amend section 515.566 of title 31, Code of Federal Regulations (relating to religious activities in Cuba), as in effect on June 14, 2006. According to the sponsor's office, "this amendment would prevent funding from being used to amend current regulations on religious travel to Cuba. Most travel by Americans to Cuba is prohibited, but an exemption for travel in connection with religious exchange and activity in Cuba has been in place since 1999. Treasury has published guidelines in recent years that accompany the regulations. Despite the exemption, the new guidelines have resulted in the denial of travel licenses to many individuals, churches, synagogues, and main line religions that, until recently, had long-standing licenses." The sponsors contend that the regulating by way of guidelines has gone counter to the intention of the 1999 law and the Administration's stated position in support of travel to Cuba for religious purposes.

Maloney (D-NY)/Udall (D-NM). Increases the level of funding allocated, under the White House appropriation, for the Privacy and Civil Liberties Oversight Board, by \$1.5 million (from \$1.5 million to \$3 million). According to the sponsor's office, "a government-wide Privacy and Civil Liberties Oversight Board was created by the Intelligence Reform and Terrorism Prevention Act (Public Law 108-458). Earlier this year, the Board was finally appointed, and confirmed and has held its first meetings. Currently the Board is funded up to \$1.5 million within the Executive Office of the President. Our amendment would increase the available funding available for the Privacy and Civil Liberties Board up to \$3 million of the \$52 million available to the Executive Office of the President."

DeLauro (D-CT) (or perhaps Berry, D-AR). (Summary based on what was offered in Committee; actual text not made available to RSC staff) Prohibits funds from being used for any federal government contract with any foreign incorporated entity treated as an inverted domestic corporation or its subsidiary, subject to national security waivers, and applicable only to contracts entered into after enactment of this legislation. This amendment failed last week in Committee by a vote of 26-35 (four Democrats voted no, including Minority Whip Steny Hoyer).

This amendment continues an annual effort by Rep. DeLauro against inverted domestic corporations, corporations who legally move their headquarters to a foreign country to lower their tax burdens yet keep the bulk of their operations in the United States. Opponents of corporate inversions have referred to such actions as unpatriotic, when in reality they are rational, free-market business practices in a high-tax, high-regulatory environment and usually help *preserve* American jobs.

Last year, Rep. DeLauro's anti-inversions amendment **failed** last year by a vote of 190-231: <http://clerk.house.gov/evs/2005/roll351.xml>.

The U.S. Chamber of Commerce and the National Association of Manufacturers have traditionally been opposed to the DeLauro amendment.

Doolittle (R-CA). Prohibits funds from being used for the Federal Election Commission to provide the candidate and party certifications and other information necessary for payments to be made from the Presidential Election Campaign Fund (subtitle H, chapter 95 of the Internal Revenue Code of 1986—title 26 U.S.C.). The amendment sponsor notes that this amendment would not stop the collections **to** the Fund (since such an amendment would have to originate from the Ways & Means Committee); the amendment would stop payments **from** the Fund until Congress legislatively addresses the dysfunctions in the Fund.

Garrett (R-NJ). Prohibits funds from being used to send or otherwise pay for the attendance of more than 50 employees from a federal department or agency at any single conference occurring outside the United States. Note this is the same amendment that the House passed by voice vote on the Agriculture and Interior Appropriations bills. This amendment is also substantively similar to text included in the underlying Foreign Operations Appropriations bill.

Tiahrt (R-KS). Prohibits funds from being used to promulgate regulations without consideration of the effect of such regulations on the competitiveness of American businesses. *This amendment is subject to a point of order. The amendment sponsor will offer the amendment, discuss the issue, and withdraw the amendment.*

Lipinski (D-IL)/ Millender-McDonald (D-CA)/ Duncan (R-TN)/ Shimkus (R-IL)/ Fossella (R-NY). Decreases funds for the Treasury Department, Departmental Offices, Salaries and Expenses account by \$10 million (from \$223.8 million to \$213.8 million), decreases funds for the IRS' business systems modernization by \$20 million (from \$212.3 million to \$192.3 million), and increases funds for capital grants for rail line relocation projects by \$30 million (from \$0 to \$30 million). CBO reports that this amendment will yield a net outlay *savings* of \$5 million in FY2007.

Hooley (D-OR)/ Hulshof (R-MO)/ Skelton (D-MO). Increases funds for the Office of National Drug Control Policy's High Intensity Drug Trafficking Areas Program by \$4.5 million (from \$227.0 million to \$231.5 million) and decreases funds for the Office of Management and Budget by \$4.5 million (from \$76.2 million to \$71.7 million).

Green (D-TX)/ Lee (D-CA)/ Hastings (D-FL)/ Grijalva (D-AZ). Decreases funds for information systems and telecommunications support at the IRS by \$7.2 million (from \$1.45 billion to \$1.44 billion) and increases funds for HUD's Fair Housing Initiative's Program by \$7.2 million (from \$18.8 million to \$26.0 million). A similar amendment last year passed 231-191: <http://clerk.house.gov/evs/2005/roll338.xml>.

According to the amendment sponsors, “The Fair Housing Initiative Program (FHIP) plays a critical role in fighting housing discrimination by funding fair housing organizations and other non-profit groups with grants to provide vital services to their communities. The grants are used to educate consumers about how to recognize and report housing discrimination, and to conduct testing and investigations of complaints of housing discrimination.”

The chief amendment sponsor’s office notes that CBO reports that this amendment will yield a net outlay *savings* of \$5 million in FY2007. (A CBO score was not immediately available for RSC staff to review.)

Moran (R-KS). Prohibits funds from being used to administer, implement, or enforce the clarification of the “payment of cash in advance” regulation regarding agricultural trade with Cuba (the amendment made to section 515.533 of title 31, Code of Federal Regulations that was published in the Federal Register on February 25, 2005). According to the amendment sponsor, this regulatory clarification has forced certain agricultural trade payments to be made before ships leave port, rather than upon actual delivery, resulting in “detrimental declines in agricultural trade.”

The text of this amendment was contained in last year’s TTHUD bill (Section 945 of the House-passed version of H.R. 3058; Section 719 of the Senate-passed version of H.R. 3058), but was taken out in conference committee.

Nadler (D-NY)/ Velazquez (D-NY). Increases funds for the Section 8 Housing Choice Voucher Program by \$100 million (from \$14.4 billion to \$14.5 billion) and decreases additional capital funds for the Working Capital Fund, a computer upgrade program, by \$100 million (from \$100 million to \$0). The Housing Choice program provides vouchers for people to secure rental housing at a subsidized amount. The amendment sponsors’ offices note that CBO reports that this amendment is budget outlay *neutral*. (A CBO score was not immediately available for RSC staff to review.) This exact amendment last year passed 225-194: <http://clerk.house.gov/evs/2005/roll339.xml>.

Nadler (D-NY)/ Frank (D-MA)/ Velazquez (D-NY). Strikes the phrase “under lease” from the following funding provision in the underlying bill:

\$149,300,000 for section 8 rental assistance for relocation and replacement of housing units **under lease** that are demolished or disposed of pursuant to the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134), conversion of section 23 projects to assistance under section 8, the family unification program under section 8(x) of the Act, relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to a request from a law enforcement or prosecution agency, enhanced vouchers under any provision of law authorizing such assistance under section 8(t) of the Act, HOPE VI vouchers, mandatory and voluntary conversions, and tenant protection assistance including replacement and relocation assistance.

According to the amendment sponsors, this amendment would have the effect of “ensur[ing] that the level of housing assistance is not reduced when federally-subsidized housing is converted or demolished by guaranteeing that a voucher is provided for each housing unit that is being lost.

This amendment is subject to a point of order.

Engel (D-NY). Prohibits funds in this bill from being used in contravention of 42 U.S.C. 13212 to acquire a motor vehicle other than an alternative fueled vehicle (as defined in 42 U.S.C. 13211). An alternative fueled vehicle would be a vehicle powered at least in part by “methanol, denatured ethanol, and other alcohols; mixtures containing 85 percent or more (or such other percentage, but not less than 70 percent, as determined by the Secretary, by rule, to provide for requirements relating to cold start, safety, or vehicle functions) by volume of methanol, denatured ethanol, and other alcohols with gasoline or other fuels; natural gas, including liquid fuels domestically produced from natural gas; liquefied petroleum gas; hydrogen; coal-derived liquid fuels; fuels (other than alcohol) derived from biological materials; electricity (including electricity from solar energy); and any other fuel the Secretary determines, by rule, is substantially not petroleum and would yield substantial energy security benefits and substantial environmental benefits.”

The amendment sponsor notes that the House has adopted this same amendment by voice vote on the Agriculture, Homeland Security, Energy & Water, and Military Quality of Life appropriations bills this year.

Hastings (D-FL)/ Wexler (D-FL)/ Shaw (R-FL)/ Foley (R-FL). Prohibits funds from being used to eliminate, consolidate, or plan for the consolidation of a Terminal Radar Control Center (TRACON) at airports in federally-designated high-threat urban areas. According to the amendment sponsors, the TRACON system guides planes within a 40 mile radius of the airport on their final approaches, and the proposed eliminations and consolidations would leave certain urban areas with either no TRACON system or with one TRACON system for a heavy-traffic area that used to have more than one TRACON system. A Dear Colleague from the amendment sponsors reports, “In Florida, the FAA is planning to consolidate the TRACONs of Miami International, Ft. Lauderdale/ Hollywood International, and Palm Beach International Airports – *three MAJOR international airports all located in a federally-designated High-Risk Urban Area in one of the most heavily utilized airspaces in the country* – into one TRACON. Once this plan is implemented, if a terrorist attack or natural disaster were to strike the Miami TRACON, then all three major international airports would lose their approach radar systems. TRACON controllers in Jacksonville, an airport more than 350 miles away, would then find themselves forced to direct approaching aircraft not only in their assigned region, but throughout all of South Florida and virtually the entire state.”

Israel (D-NY). Reduces funds for the Office of the Secretary of Transportation—salaries and expenses—by \$4.724 million (from \$92.558 million to \$87.834 million), reduces funds for the Office of the Secretary of the Treasury—salaries and expenses—by \$4.724 million (from \$223.786 million to \$219.062 million), and increases funds for research

and university research centers by \$9.448 million (from \$65.0 million to \$74.448 million). The amendment sponsor notes that the underlying bill's funding for research and university research centers, which has funded research into next-generation fuel technologies, is \$9.448 million below last year.

Culberson (R-TX). Prohibits funds from being used for the Secretary of the Treasury to publish, implement, administer, or enforce its regulation allowing any photo identification issued by a foreign government (including a matricula consular ID card) to be used to open bank accounts (31 Code of Federal Regulations 103.121(b)(I)(A)(4)(ii)), except for the portion of the regulation regarding “passport number and country of issuance.” *The amendment sponsor reports that he likely will not offer this amendment.*