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Legislative Bulletin......June 26, 2006

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Summary of the Bills Under Consideration Today:

Total Number of New Government Programs: at least four

Total Cost of Discretionary Authorizations: \$7.7 billion FY06

Effect on Revenue: \$0

<u>Total Change in Mandatory Spending</u>: \$730 million in FY07, \$3.6 billion over five years

Total New State & Local Government Mandates: at least one

Total New Private Sector Mandates: 0

Number of *Bills* Without Committee Reports: 1

Number of Reported Bills that Don't Cite Specific Clauses of Constitutional

Authority: 1

S.Con.Res. 103—A concurrent resolution to correct the enrollment of the bill H.R. 889—as received (Sen. Stevens, R-AK)

<u>Order of Business</u>: The resolution is scheduled to be considered on Monday, June 26th, under a motion to suspend the rules and pass the resolution. It is possible that the resolution will instead be considered by unanimous consent. On June 22, 2006, the Senate passed the resolution by unanimous consent.

<u>Summary</u>: S.Con.Res. 103 would amend section 414 of the Conference Report for H.R. 889 (Coast Guard Authorization). Specifically, the resolution would direct the Clerk of the House, before finalizing the enrollment of H.R. 889, to strike the provision prohibiting an offshore wind energy facility from being constructed in Nantucket Sound, Massachusetts, without approval from the Commandant of the Coast Guard, and replace it with language directing the Coast Guard to specify the "reasonable terms and conditions" necessary to provide for navigational safety with respect to a lease, easement, or right-of-way for an offshore wind energy facility in Nantucket Sound (and to incorporate such terms and conditions into the lease, easement, or right-of-way).

<u>Additional Background</u>: Post-conference disagreements about this provision have delayed the consideration of the Conference Report for H.R. 889 for nearly three months

<u>Committee Action</u>: The Senate-passed resolution is being held at the desk in the House and thus was not referred to any committee.

Administration Position: An Administration position on this resolution is not known.

<u>Cost to Taxpayers</u>: The resolution would not have any implications for federal spending.

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

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

Constitutional Authority: A committee report citing constitutional authority is unavailable.

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H.R. 889—Coast Guard and Maritime Transportation Act Conference Report (Young, R-AK)

Order of Business: The conference report is scheduled to be considered on Monday, June 26th, under a motion to suspend the rules and pass the bill. On September 15, 2005, the House passed H.R. 889 by a unanimous vote of 415-0: http://clerk.house.gov/evs/2005/roll474.xml. On October 27, 2005, the Senate amended and passed H.R. 889 by unanimous consent. The Conference Report was filed on April 6, 2006, but was held up because of the issue addressed in S.Con.Res. 103 (see other RSC Legislative Bulletin).

Summary: The Conference Report for H.R. 889 would authorize appropriations, provide for marine safety, and make other adjustments to Coast Guard policy and management. Highlights are below.

Authorization of Appropriations

Coast Guard Authorizations (Millions of Dollars)

	Millions of Dollars)
Account	FY2006

Operations & Maintenance	5,633.9
Acquisition & Construction	1,903.8
Research & Development	24.0
Retired Pay	1,014.1*
Bridge Alteration	37.4
Environmental Compliance	12.0
Coast Guard Reserve	119.0
TOTAL	8,744.2

^{*}Not subject to appropriation.

- Authorizes the hiring of 45,500 (same as last year) active-duty Coast Guard personnel for the end of FY2006. At the end of FY2003, approximately 37,000 active-duty personnel were serving in the Coast Guard.
- Authorizes an additional \$60 million in FY2005 for the Coast Guard for emergency disaster relief for Hurricane Katrina.

Coast Guard Management

- ➤ Codifies the expansion of U.S. territorial waters from three nautical miles to twelve nautical miles from shore that was originally established by Presidential Proclamation Number 5928 on December 27, 1988.
- Authorizes the Coast Guard, in coordination with the Secretary of State, to provide international training and other such technical assistance to international navies, coast guards, and maritime authorities during regular Coast Guard operations, without requiring specific approval.
- Authorizes the Secretary of Homeland Security to award consolidated, fixed-price, single-proposal, design-and-build contracts on the basis of price and other such evaluation criteria.
- Authorizes the Secretary to order Coast Guard Reservists to active duty, for not more than sixty days in any four-month period and not more than one hundred twenty days in any two-year period, to augment Coast Guard active duty forces.
- ➤ Provides certain liability protections for members of the Coast Guard Auxiliary when a member uses his own vehicle to tow his own boat or auxiliary equipment that has been designated for Coast Guard use.
- ➤ Directs the Commandant of the Coast Guard to develop regulations to award fellowships in Coast Guard history to graduate students who agree to prepare their doctoral dissertations on issues related to the history of the Coast Guard.

Shipping and Navigation

➤ Provides that <u>all</u> ferries (not just ferries that charge fees) are treated as passenger vessels for the purpose of Coast Guard regulations, inspections, and fees. CBO estimates that this provision should yield the Coast Guard an additional \$200,000 each year in offsetting receipts.

- ➤ Requires that pilotage ratemaking for the Great Lakes occur annually (instead of the current multi-year ratemaking, which can lead to large changes in rates) and devotes four full-time equivalent employees to this annual process. Full rule-making would have to occur every five years.
- Replaces the requirement that the United States, in drug-smuggling cases, receive a <u>denial</u> of a vessel's claim of registry from a foreign country before asserting jurisdiction over a vessel with the requirement that the U.S. receive only a certified <u>response</u> in any medium from the foreign government.
- ➤ Directs the Secretary of Transportation to implement a new program to promote the transportation of liquefied natural gas (LNG) to the United States on U.S.-flag vessels. The Secretary would have to prioritize the processing of licenses for LNG facilities that would be supplied by these U.S.-flagged vessels.
- Enhances civil penalties for violations of the Maritime Transportation Security Act.
- Authorizes the use of foreign citizens who are not considered seamen and who do not carry out watch-standing functions aboard a vessel to carry out certain repair work on U.S.-flag vessels while underway when U.S. citizens or residents are unavailable to complete the work (for not more than 60 days in each calendar year).

Miscellaneous

- ➤ Prohibits the construction of an offshore wind energy facility in Nantucket Sound, unless approved by the Commandant of the Coast Guard. (See RSC Legislative Bulletin for S.Con.Res. 103.)
- Authorizes such sums in FY2006, FY2007, and FY2008 for a pilot program for long-range tracking of up to 2,000 vessels using satellite systems (with the assistance of an existing non-profit maritime organization).
- ➤ Directs the Secretary to report to Congress on the adequacy of air and surface assets in three specific locations in Louisiana, Michigan, and Puerto Rico to carry out the Coast Guard's missions of search and rescue, illegal drug and migrant interdiction, and fisheries law enforcement.
- Authorizes the Secretary to carry out a pilot program to establish a Coast Guard junior reserve officers training program in cooperation with Camden County High School in Camden County, North Carolina.
- Instructs the Secretary to submit (within 30 days of enactment of this legislation) a complete implementation plan to Congress for the Integrated Deepwater Program. (The Deepwater Program will replace or modernize more than 90 ships and 200 aircraft used in the Coast Guard's deepwater missions, which generally occur more than 50 miles offshore.)
- ➤ Directs the Coast Guard to study and report to Congress on the pollution of Newtown Creek in New York City caused by oil seepage from Greenpoint, Brooklyn.
- Authorizes the Secretary to transfer \$1 million to the Department of Commerce for the purposes of awarding a competitive grant to design, develop, and prototype a device that integrates a Class B Automatic Identification System (AIS) transponder with an FCC-approved wireless maritime data device.
- ➤ Directs the Coast Guard to report to Congress on the costs and benefits of carriage of a voice data recorder aboard ferries that carry 400 or more passengers.
- Authorizes \$400,000 for the Coast Guard to carry out an assessment of and planning for the impact of an Arctic Sea Route on the indigenous people of Alaska.

> Transfers the authority for various lighthouses from the Department of Agriculture to the Coast Guard.

Delaware River Protection

➤ Includes the entire text of Rep. LoBiondo's Delaware River Protection Act (H.R. 1412), which passed the House on June 27, 2005, with just a few minor amendments. See summary here: http://johnshadegg.house.gov/rsc/LB%206-27-05.pdf.

Hurricane Response

- ➤ Provides for reimbursements (subject to appropriations) of federal employees who were connected with Coast Guard stations in Louisiana, Mississippi, or Alabama for 85% of the fair market value of their destroyed residences or 100% of their remaining mortgages. An owner receiving this reimbursement would have to transfer to the Secretary all right, title, and interest of the owner in the relevant property.
- Authorizes one-year extensions for licenses, certificates of registry, and Merchant Mariners' documents for residents of Louisiana, Mississippi, or Alabama, or for individuals whose records were destroyed in the Coast Guard facility in New Orleans (regardless of residence). Extension authority expires April 1, 2007.
- Authorizes six-month extensions for inspection certificates for vessels inspected by a Coast Guard Marine Safety Office located in Alabama, Mississippi, or Louisiana. Extension authority expires April 1, 2007.
- ➤ Preserves up to 90 days of accumulated leave that would otherwise be lost for Coast Guardsmen who were stationed in, or assisted with, operations in the areas that were affected by Hurricane Katrina.
- ➤ Directs the Coast Guard to analyze the impacts of Hurricane Katrina on Coast Guard assets and operations, the Coast Guard's preparedness for such a storm, the Coast Guard's capabilities to communicate during and after the storm, and the financial impacts that increases in fuel prices had on Coast Guard operations in FY2005 and FY2006.
- ➤ Directs the Coast Guard to report to Congress on the impacts that Hurricane Katrina had on navigable waterways and on the response of the Coast Guard to such impacts.

Ocean Commission Recommendations

- ➤ Directs the Secretary of the department in which the Coast Guard is operating to work with responsible officials and agencies of other nations to accelerate efforts at the International Maritime Organization (IMO) to enhance flag-state oversight and enforcement of security, environmental, and other agreements adopted within the IMO.
- ➤ Directs the Coast Guard to, in consultation with appropriate federal, state, and local government agencies, undertake outreach programs for educating the owners and operators of boats using two-stroke engines about the pollution associated with such engines, and to support voluntary programs to reduce such pollution and encourage the early replacement of older two-stroke engines.
- ➤ Directs the Coast Guard to integrate vessel monitoring system data into its maritime operations databases for the purpose of improving monitoring and enforcement of federal fisheries laws and to work with the Undersecretary of Commerce for Oceans and Atmosphere to ensure effective use of such data for monitoring and enforcement.

➤ Requires the Coast Guard to report on steps that it will take to improve its detection and interdiction of illegal incursions into the U.S. exclusive economic zone (and the Bering Sea) by foreign fishing vessels.

Technical Corrections

Makes dozens of truly technical corrections.

<u>Additional Background</u>: The Transportation and Infrastructure Committee provided the following background on the Coast Guard:

The United States Coast Guard was established on January 28, 1915, through the consolidation of the Revenue Cutter Service (established in 1790) and the Lifesaving Service (established in 1848). The Coast Guard later assumed the duties of three other agencies: the Lighthouse Service (established in 1789), the Steamboat Inspection Service (established in 1838), and the Bureau of Navigation (established in 1884).

Under section 2 of title 14, United States Code, the Coast Guard has primary responsibility to enforce or assist in the enforcement of all applicable Federal laws on, under, and over the high seas and waters subject to the jurisdiction of the United States; to ensure safety to life and property at sea; to protect the marine environment; to carry out domestic and international icebreaking activities; and to ensure the safety and security of vessels, ports, waterways, and related facilities.

As the fifth armed force of the United States, the Coast Guard also maintain defense readiness to operate as a specialized service in the Navy upon the declaration of war on when the President directs. The Coast Guard is composed of approximately 40,000 active duty military personnel, 8,100 reservists, 6,100 civilian employees, and 37,000 volunteers of the Coast Guard Auxiliary. The Coast Guard has defended the Nation in every war since 1790.

To read the RSC Legislative Bulletin on H.R. 889, as it first came before the House last year, visit this webpage: http://www.house.gov/pence/rsc/doc/LB%2009-15-05.pdf.

<u>Committee Action</u>: On April 13, 2005, the Subcommittee on Coast Guard and Maritime Transportation marked up and forwarded the bill to the full Transportation and Infrastructure Committee by voice vote. On May 18, 2005, the full committee marked up and, by voice vote, ordered the bill reported to the full House.

<u>Administration Position</u>: Although a Statement of Administration Policy (SAP) for the Conference Report is not available, the SAP for the House version of H.R. 889 expressed strong support for the legislation: http://www.whitehouse.gov/omb/legislative/sap/109-1/hr889sap-h.pdf.

<u>Cost to Taxpayers</u>: A CBO estimate for the Conference Report is unavailable. The Conference Report would authorize \$7.730 billion in FY2006. The \$1.014 billion for retired pay (see table above) is considered to be an entitlement and thus is not subject to appropriation. CBO previously estimated that this legislation's ferries provision would yield the Coast Guard an additional \$200,000 a year in offsetting receipts (a credit against mandatory spending).

<u>Does the Bill Expand the Size and Scope of the Federal Government?</u>: Yes, it would expand the regulatory reach of the Coast Guard (to ferries that don't charge passengers a fee) and would create at least four new federal programs.

<u>Mandates?</u>: Yes. CBO reported previously that "subjecting ferries that do not charge passengers a fee to Coast Guard regulation would constitute an intergovernmental mandate."

<u>Constitutional Authority</u>: The Transportation and Infrastructure Committee, in House Report 109-204, cites constitutional authority in Article I, Section 8, but fails to cite a specific clause. Clause 3 of House Rule XIII, Section 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. 4843 — Veterans Compensation Cost-of-Living Adjustment Act of 2006 — as amended (Miller, R-FL)

<u>Order of Business</u>: The bill is scheduled for consideration on Monday, June 26, 2006, under a motion to suspend the rules and pass the bill.

<u>Summary</u>: H.R. 4843 provides a cost-of-living adjustment (COLA) for disability compensation for veterans with service-connected disabilities and for dependency and indemnity compensation for survivors of certain service-connected disabled veterans. The COLA is equal to the increase provided under the Social Security Act (based on changes in the Consumer Price Index), effective December 1, 2006. H.R. 4843 also increases the COLA for payments to surviving spouses with dependent children under age 18. According CBO, "Under current law, surviving spouses who are eligible for Dependency and Indemnity Compensation (DIC) and have one or more children under age 18 have their monthly DIC payment increased by \$250 for up to two years from the date that the survivor becomes eligible for DIC. [This Act] would increase the \$250 benefit by the same cost-of living adjustment payable to Social Security recipients on December 1, 2006."

<u>Committee Action</u>: On March 2, 2006, the bill was introduced and referred to the House Committee on Veterans' Affairs, which considered it, held a mark-up, and reported it to the full House, as amended, by voice vote on June 23, 2005.

Cost to Taxpayers: According to CBO, "Because the COLA is assumed in CBO's baseline, the COLA provision would have no budgetary effect relative to that baseline. [However,] relative to current law, CBO estimates that enacting this bill would increase spending for these programs by \$530 million in 2007. (The annualized cost would be about \$710 million in subsequent years.)" In addition, CBO estimates that enacting the DIC provision will increase direct spending by less than \$200,000 in 2007, and by \$1 million over the 2007-2011 period.

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

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

<u>Constitutional Authority</u>: The Committee finds authority in Article I, Section 8 (provides for the common defense and general welfare) of the United States Constitution. 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. Res. 887 — Congratulating the Miami Heat for winning the 2006 NBA Championship — as introduced (Ros-Lehtinen, R-FL)

<u>Order of Business</u>: The resolution is scheduled for consideration on Monday, June 26, 2006, under a motion to suspend the rules and pass the resolution.

Summary: H. Res. 887 resolves that Congress:

- "congratulates the Miami Heat for winning the 2006 National Basketball Association (NBA) World Championship and for their outstanding performance during the 2005-2006 NBA season;
- ➤ "congratulates Miami Heat guard Dwyane Wade for winning the 2006 NBA Finals Most Valuable Player Award;
- ➤ "recognizes and praises the achievements of the Miami Heat players, coaches, management, and support staff whose hard work, dedication, and resilience proved instrumental throughout the Miami Heat's championship season; and
- > "commends the south Florida community and the Miami Heat fans for their dedication

The resolution also lists a number of findings, including the following:

- ➤ "on June 20, 2006, the Miami Heat defeated the Dallas Mavericks, the Western Conference Champions, in 6 games to win the 2006 National Basketball Association (NBA) Championship;
- > "the Miami Heat defeated the Chicago Bulls in 6 games in the first round of the NBA playoffs;
- "the Miami Heat defeated the New Jersey Nets in 5 games in the second round of the NBA playoffs;
- ➤ "in the third round of the NBA playoffs, the Miami Heat defeated the Detroit Pistons, their archrival and the defending Eastern Conference Champions, in 6 games;
- ➤ "the Miami Heat are the first team since 1977 to win 4 NBA Finals games consecutively after losing the first two games, and in doing so, the Miami Heat made one of the most stunning turnarounds in NBA history;
- ➤ "this is the first NBA championship title for the Miami Heat, which has long been one of the most outstanding basketball programs in the Nation; and
- ➤ "in game 3 of the NBA Finals, the Miami Heat were losing by 13 points on their home floor with only 6 minutes 30 seconds left."

Finally, H. Res. 887 directs the Clerk of the House to give a copy of this resolution to each player of the Miami Heat and several individuals associated with the team, including Head Coach Pat Riley.

<u>Committee Action</u>: H. Res. 887 was introduced on June 22, 2006, and referred to the Committee on Government Reform, which took no official action.

Cost to Taxpayers: The resolution authorizes no expenditure.

Does the Bill Expand the Size and Scope of the Federal 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. 881 — Congratulating the National Hockey League Champions, the Carolina Hurricanes, on their victory in the 2006 Stanley Cup Finals — as introduced (Price, D-NC)

<u>Order of Business</u>: The resolution is scheduled for consideration on Monday, June 26, 2006, under a motion to suspend the rules and pass the resolution.

<u>Summary</u>: H. Res. 881 resolves "that the House of Representatives congratulates the National Hockey League Champions, the Carolina Hurricanes, on their victory in the 2006 Stanley Cup Finals."

The resolution lists a number of findings, including the following:

- ➤ "on Monday, June 19, 2006, in Raleigh, North Carolina, the Carolina Hurricanes won the National Hockey League (NHL) Stanley Cup with a 3-1 victory over the Edmonton Oilers in the decisive seventh game of the championship series;
- "the Edmonton Oilers proved worthy opponents and should be congratulated for a hard-fought Stanley Cup series;
- "the Hurricanes' win marked their first Stanley Cup title in franchise history; and
- > "the Hurricanes' win marked the first major professional sports championship won by a team from the State of North Carolina."

<u>Committee Action</u>: H. Res. 881 was introduced on June 20, 2006, and referred to the Committee on Government Reform, which took no official action.

Cost to Taxpayers: The resolution authorizes no expenditure.

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

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

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H.R. 4416 — To reauthorize permanently the use of penalty and franked mail in efforts relating to the location and recovery of missing children — as reported (Millender-McDonald, D-CA)

<u>Order of Business</u>: The bill is scheduled for consideration on Monday, June 26, 2006, under a motion to suspend the rules and pass the bill.

<u>Summary</u>: H.R. 4416 would repeal the termination of authority to use penalty and franked mail to locate and recover missing children. Public Law 99-87 (enacted August of 1985) authorized federal agencies and Members of Congress to use franked mail and penalty mail (mail that does not require postage prepayment) to include notices about missing children. H.R. 4416 would permanently extend this authority by striking section 5 of P.L. 99-87 (39 U.S.C. 3220 note). CBO states that this authority was terminated in 1988, but has been used since then.

<u>Committee Action</u>: H.R. 4416 was introduced on November 18, 2005, and referred to the Committee on House Government Reform. The bill was marked-up on June 8, and it was reported to the House by voice vote the same day.

<u>Cost to Taxpayers</u>: CBO estimates that implementing H.R. 4416 would have no significant impact on federal spending "because the bill would codify current practice and would not affect the amount of franked mail or penalty mail."

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.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is unavailable. 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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