Union Calendar No. 607

110TH CONGRESS, 2d Session | HOUSE OF REPRESENTATIVES | REPORT 110–934

REPORT ON THE LEGISLATIVE AND OVERSIGHT ACTIVITIES

OF THE

COMMITTEE ON WAYS AND MEANS

DURING THE

110TH CONGRESS

JANUARY 2, 2009.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

U.S. GOVERNMENT PRINTING OFFICE

79–006 WASHINGTON : 2009

COMMITTEE ON WAYS AND MEANS

CHARLES B. RANGEL, New York, *Chairman*

FORTNEY PETE STARK, California
SANDER M. LEVIN, Michigan
JIM McDERMOTT, Washington
JOHN LEWIS, Georgia
RICHARD E. NEAL, Massachusetts
MICHAEL R. McNULTY, New York
JOHN S. TANNER, Tennessee
XAVIER BECERRA, California
LLOYD DOGGETT, Texas
EARL POMEROY, North Dakota
STEPHANIE TUBBS JONES, Ohio
MIKE THOMPSON, California
JOHN B. LARSON, Connecticut
RAHM EMANUEL, Illinois
EARL BLUMENAUER, Oregon
RON KIND, Wisconsin
BILL PASCRELL, JR., New Jersey
SHELLY BERKLEY, Nevada
JOSEPH CROWLEY, New York
CHRIS VAN HOLLEN, Maryland
KENDRICK MEEK, Florida
ALLYSON Y. SCHWARTZ, Pennsylvania
ARTUR DAVIS, Alabama

JIM McCRERY, Louisiana
WALLY HERGER, California
DAVE CAMP, Michigan
JIM RAMSTAD, Minnesota
SAM JOHNSON, Texas
PHIL ENGLISH, Pennsylvania
JERRY WELLER, Illinois
KENNY C. HULSHOF, Missouri
RON LEWIS, Kentucky
KEVIN BRADY, Texas
THOMAS M. REYNOLDS, New York
PAUL RYAN, Wisconsin
ERIC CANTOR, Virginia
JOHN LINDER, Georgia
DEVIN NUNES, California
PAT TIBERI, Ohio
JON PORTER, Nevada

LETTER OF TRANSMITTAL

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, DC, January 2, 2009.

Hon. LORRAINE C. MILLER,
Office of the Clerk, House of Representatives,
The Capitol, Washington, DC.

DEAR MS. MILLER: I am herewith transmitting, pursuant to House Rule XI, clause 1(d), the report of the Committee on Ways and Means on its legislative and oversight activities during the 110th Congress.

Sincerely,

CHARLES B. RANGEL,
Chairman.

CONTENTS

	Page
Transmittal Letter	III
Foreword	VII
I. Legislative Activity Review	1
A. Legislative Review of Tax, Trust Fund, and Pension Issues	1
B. Legislative Review of Trade Issues	22
C. Legislative Review of Health Issues	50
D. Legislative Review of Social Security Issues	58
E. Legislative Review of Income Security and Family Support Issues	60
F. Legislative Review of Debt Issues	65
II. Oversight Activity Review	66
A. Oversight Agenda	66
B. Actions Taken and Recommendations Made With Respect to Oversight Plan	73
Appendix I. Jurisdiction of the Committee on Ways and Means	106
Appendix II. Historical Note	127
Appendix III. Statistical Review of the Activities of the Committee on Ways and Means	133
Appendix IV. Chairmen of the Committee on Ways and Means and Membership of the Committee from the 1st through the 110th Congresses	138

FOREWORD

Clause 1(d) of Rule XI of the Rules of the House, regarding the rules of procedure for committees, contains a requirement that each committee prepare a report at the conclusion of each Congress summarizing its activities. The 104th Congress added subsections on legislative and oversight activities, including a summary comparison of oversight plans and eventual recommendations and actions. The full text of the Rule follows:

> (d)(1) Each committee shall submit to the House not later than January 2 of each odd-numbered year a report on the activities of that committee under this rule and rule X during the Congress ending at noon on January 3 of such year.
>
> (2) Such report shall include separate sections summarizing the legislative and oversight activities of that committee during that Congress.
>
> (3) The oversight section of such report shall include a summary of the oversight plans submitted by the committee under clause 2(d) of rule X, a summary of the actions taken and recommendations made with respect to each such plan, a summary of any additional oversight activities undertaken by that committee, and any recommendations made or actions taken thereon.
>
> (4) After an adjournment sine die of the last regular session of a Congress, the chairman of a committee may file an activities report under subparagraph (1) with the Clerk at any time and without approval of the committee, provided that
>
> > (A) a copy of the report has been available to each member of the committee for at least seven calendar days; and
> >
> > (B) the report includes any supplemental, minority, or additional view submitted by a member of the committee.

The jurisdiction of the Committee on Ways and Means during the 110th Congress is provided in Rule X, clause 1(t), as follows:

> (t) Committee on Ways and Means.
>
> > (1) Customs revenue, collection districts, and ports of entry and delivery.
> >
> > (2) Reciprocal trade agreements.
> >
> > (3) Revenue measures generally.
> >
> > (4) Revenue measures relating to insular possessions.
> >
> > (5) Bonded debt of the United States, subject to the last sentence of clause 4(f).
> >
> > (6) Deposit of public monies.

(7) Transportation of dutiable goods.

(8) Tax exempt foundations and charitable trusts.

(9) National social security (except health care and facilities programs that are supported from general revenues as opposed to payroll deductions and except work incentive programs).

The general oversight responsibilities of committees are set forth in clause 2 of Rule X. The 104th Congress also added the requirement in clause 2 of Rule X that each standing committee submit its oversight plans for each Congress. The text of the Rule, in pertinent part, follows:

2. (a) The various standing committees shall have general oversight responsibilities as provided in paragraph (b) in order to assist the House in

(1) its analysis, appraisal, and evaluation of

(A) the application, administration, execution, and effectiveness of Federal laws; and

(B) conditions and circumstances that may indicate the necessity or desirability of enacting new or additional legislation; and

(2) its formulation, consideration, and enactment of changes in Federal laws, and of such additional legislation as may be necessary or appropriate.

(b)(1) In order to determine whether laws and programs addressing subjects within the jurisdiction of a committee are being implemented and carried out in accordance with the intent of Congress and whether they should be continued, curtailed, or eliminated, each standing committee (other than the Committee on Appropriations) shall review and study on a continuing basis

(A) the application, administration, execution, and effectiveness of laws and programs addressing subjects within its jurisdiction;

(B) the organization and operation of Federal agencies and entities having responsibilities for the administration and execution of laws and programs addressing subjects within its jurisdiction;

(C) any conditions or circumstances that may indicate the necessity or desirability of enacting new or additional legislation addressing subjects within its jurisdiction (whether or not a bill or resolution has been introduced with respect thereto); and

(D) future research and forecasting on subjects within its jurisdiction.

(2) Each committee to which subparagraph (1) applies having more than 20 members shall establish an oversight subcommittee, or require its subcommittees to conduct oversight in their respective jurisdictions, to assist in carrying out its responsibilities under this clause. The establishment of an oversight subcommittee does not limit the responsibility of a subcommittee with legislative jurisdiction in carrying out its oversight responsibilities.

(c) Each standing committee shall review and study on a continuing basis the impact or probable impact of tax policies affecting subjects within its jurisdiction as described in clauses 1 and 3.

(d)(1) Not later than February 15 of the first session of a Congress, each standing committee shall, in a meeting that is open to the public and with a quorum present, adopt its oversight plan for that Congress. Such plan shall be submitted simultaneously to the Committee on Oversight and Government Reform and to the Committee on House Administration. In developing its plan each committee shall, to the maximum extent feasible—

(A) consult with other committees that have jurisdiction over the same or related laws, programs, or agencies within its jurisdiction with the objective of ensuring maximum coordination and cooperation among committees when conducting reviews of such laws, programs, or agencies and include in its plan an explanation of steps that have been or will be taken to ensure such coordination and cooperation;

(B) review specific problems with Federal rules, regulations, statutes, and court decisions that are ambiguous, arbitrary, or nonsensical, or that impose severe financial burdens on individuals;

(C) give priority consideration to including in its plan the review of those laws, programs, or agencies operating under permanent budget authority or permanent statutory authority; and

(D) have a view toward ensuring that all significant laws, programs, or agencies within its jurisdiction are subject to review every 10 years; and

(E) have a view toward insuring against duplication of Federal programs.

To carry out its work during the 110th Congress, the Committee on Ways and Means had six standing Subcommittees, as follows:

Subcommittee on Trade;
Subcommittee on Oversight;
Subcommittee on Health;
Subcommittee on Social Security;
Subcommittee on Income Security and Family Support; and
Subcommittee on Select Revenue Measures.

The membership of the six Subcommittees of the Committee on Ways and Means in the 110th Congress is as follows:

SUBCOMMITTEE ON TRADE

SANDER M. LEVIN, Michigan, *Chairman*

JOHN S. TANNER, Tennessee
JOHN B. LARSON, Connecticut
EARL BLUMENAUER, Oregon
BILL PASCRELL, JR., New Jersey
SHELLEY BERKLEY, Nevada
JOSEPH CROWLEY, New York
CHRIS VAN HOLLEN, Maryland
KENDRICK MEEK, Florida

WALLY HERGER, California
JERRY WELLER, Illinois
RON LEWIS, Kentucky
KEVIN BRADY, Texas
THOMAS M. REYNOLDS, New York
KENNY C. HULSHOF, Missouri

SUBCOMMITTEE ON OVERSIGHT

JOHN LEWIS, Georgia, *Chairman*

JOHN S. TANNER, Tennessee
RICHARD E. NEAL, Massachusetts
XAVIER BECERRA, California
STEPHANIE TUBBS JONES, Ohio
RON KIND, Wisconsin
BILL PASCRELL, JR., New Jersey
JOSEPH CROWLEY, New York

JIM RAMSTAD, Minnesota
ERIC CANTOR, Virginia
JOHN LINDER, Georgia
DEVIN NUNES, California
PAT TIBERI, Ohio

SUBCOMMITTEE ON HEALTH

FORTNEY PETE STARK, California, *Chairman*

LLOYD DOGGETT, Texas
MIKE THOMPSON, California
RAHM EMANUEL, Illinois
XAVIER BECERRA, California
EARL POMEROY, North Dakota
STEPHANIE TUBBS JONES, Ohio
RON KIND, Wisconsin

DAVE CAMP, Michigan
SAM JOHNSON, Texas
JIM RAMSTAD, Minnesota
PHIL ENGLISH, Pennsylvania
KENNY C. HULSHOF, Missouri

SUBCOMMITTEE ON SOCIAL SECURITY

MICHAEL R. MCNULTY, New York, *Chairman*

SANDER M. LEVIN, Michigan
EARL POMEROY, North Dakota
ALLYSON Y. SCHWARTZ, Pennsylvania
ARTUR DAVIS, Alabama
XAVIER BECERRA, California
LLOYD DOGGETT, Texas
STEPHANIE TUBBS JONES, Ohio

SAM JOHNSON, Texas
RON LEWIS, Kentucky
KEVIN BRADY, Texas
PAUL RYAN, Wisconsin
DEVIN NUNES, California

SUBCOMMITTEE ON INCOME SECURITY AND FAMILY SUPPORT

JIM MCDERMOTT, Washington, *Chairman*

FORTNEY PETE STARK, California
ARTUR DAVIS, Alabama
JOHN LEWIS, Georgia
MICHAEL R. MCNULTY, New York
SHELLEY BERKLEY, Nevada
CHRIS VAN HOLLEN, Maryland
KENDRICK MEEK, Florida

JERRY WELLER, Illinois
WALLY HERGER, California
DAVE CAMP, Michigan
JON PORTER, Nevada
PHIL ENGLISH, Pennsylvania

SUBCOMMITTEE ON SELECT REVENUE MEASURES

RICHARD E. NEAL, Massachusetts, *Chairman*

LLOYD DOGGETT, Texas
MIKE THOMPSON, California
JOHN B. LARSON, Connecticut
ALLYSON Y. SCHWARTZ, Pennsylvania
JIM MCDERMOTT, Washington
RAHM EMANUEL, Illinois
EARL BLUMENAUER, Oregon

PHIL ENGLISH, Pennsylvania
THOMAS M. REYNOLDS, New York
ERIC CANTOR, Virginia
JOHN LINDER, Georgia
PAUL RYAN, Wisconsin

The Committee on Ways and Means submits its report on its legislative and oversight activities for the 110th Congress pursuant to the above stated provisions of the Rules of the House. Section I of the report describes the Committee's legislative activities, divided into six sections as follows: Legislative Review of Tax, Trust Fund, and Pension Issues; Legislative Review of Trade Issues; Legislative Review of Health Issues; Legislative Review of Social Security Issues; Legislative Review of Income Security and Family Support Issues; and Legislative Review of Debt Issues.

Section II of the report describes the Committee's oversight activities. It includes a copy of the Committee's Oversight Agenda, adopted in open session on January 17, 2007, along with a description of actions taken and recommendations made with respect to the oversight plan. The report then discusses additional Committee oversight activities, and any recommendations or actions taken as a result. Finally, the report includes four appendices with Committee information. Appendix I is an expanded discussion of the Jurisdiction of the Committee on Ways and Means along with a revised listing and explanation of blue slip resolutions and points of order under House Rule XXI 5(a). Appendix II is a brief Historical Note on the origins of the Committee; Appendix III is a Statistical Review of the Activities of the Committee on Ways and Means; and Appendix IV is a listing of the Chairmen and Membership of the Committee from the 1st–110th Congresses.

110TH CONGRESS 2d Session | HOUSE OF REPRESENTATIVES | REPORT 110–934

REPORT ON THE LEGISLATIVE AND OVERSIGHT ACTIVITIES OF THE COMMITTEE ON WAYS AND MEANS DURING THE ONE HUNDRED TENTH CONGRESS

JANUARY 2, 2009.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. RANGEL, from the Committee on Ways and Means, submitted the following

R E P O R T

I. LEGISLATIVE ACTIVITY REVIEW

A. LEGISLATIVE REVIEW OF TAX, TRUST FUND, AND PENSION ISSUES

1. BILLS ENACTED INTO LAW DURING THE 110TH CONGRESS

a. U.S. Troop Readiness Veterans' Care, Katrina Recovery, and Iraq Accountability, 2007 (P.L. 110–28)

On February 9, 2007, Chairman Rangel introduced H.R. 976. The House Committee on Ways and Means reported H.R. 976 on February 15, 2007 (H. Rept. 110–14). The Senate Committee on Finance reported S. 349 on January 22, 2007 (S. Rept. 110–1). The text of H.R. 976 was added to H.R. 1591 as chapter 2 of Title VII. The House passed H.R. 1591 (a supplemental appropriations bill) on March 23, 2007. The Senate passed H.R. 1591 with an amendment on March 29, 2007. The conference report was filed on April 24, 2007 (H. Rept. 110–107) and was passed by the House on April 25, 2007, and the Senate on April 26, 2007. The President vetoed the bill on May 1, 2007, and the House failed to override the veto on May 2, 2007. H.R. 2206, which contained the tax provisions of H.R. 1591, was passed by the House on May 10, 2007, and was passed by the Senate on May 17, 2007. On May 24, the House agreed to the Senate amendment with an amendment, and on May 24, 2007, the Senate agreed to the House amendment. The President signed the bill into law on May 25, 2007.

This Act extended and expanded the work opportunity tax credit, increased and extended the section 179 expensing limitations for small businesses, froze the minimum wage level at which the tip credit is based on the May 2007 minimum wage levels ($5.15),

waived the individual and corporate alternative minimum tax limits on the work opportunity tax credit and credit for taxes paid with respect to employee cash tips, allowed an unincorporated business owned jointly by a married couple to file as a sole proprietorship instead of a partnership, extended the increased expensing for qualified section 179 Gulf Opportunity (GO) Zone property, extended and expanded the low-income housing credit rules for buildings in the GO Zones, extended certain special tax-exempt bond financing rule for repairs and reconstructions of residences in the GO Zones, instructed the Government Accountability Office to provide a study of practices employed by State and local governments in allocating and utilizing tax incentives provided pursuant to the Gulf Opportunity Zone Tax Act of 2005, modified the subchapter S rules (including provisions relating to the exclusion of Capital Gains from Passive Investment Income, the treatment of qualifying director's shares, the recapture of bad debt reserves, the treatment of sale of Interest in a qualified subchapter S subsidiary, the elimination of earnings and profit attributable to pre-1983 years, and the permanent interest deduction for electing a small business trust to acquire S corporation stock). The Act also included provisions that denied the lower capital gains rate for certain dependents under age 24, modified interest suspension rules (extending from 18 months to 36 months) with respect to tax deficiencies, eliminated the requirement that the IRS hold more than one collection due process hearing before issuing a levy on delinquent employment taxes, permanently extended IRS user fees, increased the threshold penalty and fees associated with writing bad checks, expanded and increased preparer penalties to all types of tax returns, and created a new penalty on claims for refund that are filed without any reasonable basis.

b. Energy Independence and Security Act of 2007 (P.L. 110–140)

On January 12, 2007, Representative Nick Joe Rahall introduced H.R. 6. H.R. 6 passed the House on January 18, 2007, and passed the Senate on June 21, 2007. On December 6, 2007, the House agreed to the Senate amendment with an amendment, and on December 13, 2007, the Senate agreed to the House amendment with an amendment. On December 18, 2007, the House agreed to the Senate amendment. The President signed the bill into law on December 19, 2007.

The Act extended through calendar year 2008 the 0.2 percent Federal Unemployment Tax Act (FUTA) surtax payable by employers and extended from five to seven years the amortization period for geological and geophysical expenditures by certain major integrated oil companies.

c. Hokie Spirit Memorial Fund (P.L. 110–141)

On November 8, 2007, Representative Rick Boucher introduced H.R. 4118. The bill was passed in the House under suspension of the rules on December 6, 2007. The Senate passed the bill, without amendment, by unanimous consent on December 6, 2007 and the President signed the bill into law on December 19, 2007.

This Act excludes from gross income any payments to victims of the April 16, 2007 shooting tragedy at the Virginia Polytechnic Institute & State University (Virginia Tech), out of amounts trans-

ferred from the Hokie Spirit Memorial Fund, established by the Virginia Tech Foundation. It also increased, by $1, the penalty for failure to file a partnership income tax return.

d. Mortgage Forgiveness Debt Relief Act of 2007 (P.L. 110–142)

On September 25, 2007, Chairman Rangel introduced H.R. 3648. It was reported by the Committee on Ways and Means on October 1, 2007 (H. Rept. 110–356) and was passed in the House on October 4, 2007. The bill was discharged by the Senate Committee on Finance by unanimous consent. The bill passed in the Senate with an amendment, by unanimous consent on December 14, 2007. The House agreed to the Senate amendment and passed the bill under suspension of the rules on December 18, 2007. The President signed the bill into law on December 20, 2007.

This Act excludes discharged qualified residential debt from gross income. Qualified indebtedness is defined as debt, limited to $2 million ($1 million if married filing separately), incurred in acquiring, constructing, or substantially improving the taxpayer's principal residence. It also includes refinancing of this debt, to the extent that the refinancing does not exceed the principal amount of indebtedness. The provision applies to debt discharges made on or after January 1, 2007 and before January 1, 2010. On October 3, 2008, a provision included in the Emergency Economic Stabilization Act of 2008 (P.L. 110–343) extended the exclusion through the end of 2012.

e. Airport and Airway Trust Fund Extensions (P.L. 110–92, 110–161, 110–190, 110–253, and 110–330)

Before passage of the bills outlined below extending certain excise taxes to fund the Airport and Airway Trust Fund and the expenditure authority for the Trust Fund, Congress passed several short-term extensions of the taxes and expenditure authority in various appropriations bills. The extensions are listed below.

H.J. Res. 52 passed the House on September 26, 2007 on a 404–14 vote. It passed the Senate on September 27, 2007 by a 94–1 vote and was signed into law by the President on September 29, 2007 (P.L. 110–92). Section 149 of that legislation extended the provisions from September 30, 2007 to November 16, 2007.

The Conference Report to H.R. 3222 passed the House on November 8, 2007 on a 400–15 vote. It passed the Senate that same day by voice vote, and was signed into law by the President on November 13, 2007 (P.L. 110–116). Division B of that legislation extended the provisions until December 14, 2007.

H.J. Res. 69 passed the House on December 13, 2007 on a 385–27 vote. It passed the Senate that same day by unanimous consent and was signed into law by the President on December 14, 2007 (P.L. 110–137). That legislation extended the provisions until December 21, 2007.

H.J. Res. 72 passed the House on December 19, 2007 on a voice vote. It passed the Senate that same day by unanimous consent and was signed into law by the President on December 21, 2007 (P.L. 110–149). That legislation extended the provisions until December 31, 2007.

The Senate agreed to House amendment number 1 to the Senate amendment to H.R. 2764 on December 18, 2007 by vote of 76–17.

That same day, the Senate agreed to House amendment number 2 to H.R. 2764, with an additional amendment by a vote of 70–25. On December 19, 2007, the House agreed to the Senate amendment by a vote of 272–142. H.R. 2764 was signed into law by the President on December 26, 2007 (P.L. 110–161). Section 116 of Division K of that legislation extended the provisions until February 29, 2008.

f. Tax Increase Prevention Act of 2007 (P.L. 110–166)

On October 30, 2007, Chairman Rangel introduced H.R. 3996. The bill was reported by the Committee on Ways and Means on November 6, 2007 and it passed the House on November 9, 2008. The Senate passed the bill with an amendment on December 6, 2008. The House agreed to the Senate amendment, and passed the bill under suspension of the rules on December 19, 2007. The President signed the bill into law on December 26, 2007.

This Act amended the Internal Revenue Code and extended, through 2007, the increased alternative minimum tax (AMT) exemption amounts for joint filers ($66,250) and single filers ($44,350). It also offset nonrefundable personal tax credits against regular and AMT liability.

g. Tax Technical Corrections Act of 2007 (P.L. 110–172)

On December 19, 2007, Chairman Rangel introduced H.R. 4839. The bill passed the House and the Senate without amendment, by unanimous consent on December 19, 2007. The President signed the bill into law on December 29, 2007.

This Act made technical amendments and clerical corrections to the Internal Revenue Code, including corrections to provisions enacted by the Tax Relief and Health Care Act of 2006, the Pension Protection Act of 2006, the Tax Increase Prevention and Reconciliation Act of 2005, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, the Energy Policy Act of 2005, the American Jobs Creation Act of 2004, the Economic Growth and Tax Relief Reconciliation Act of 2001, the Tax Relief Extension Act of 1999, and the Internal Revenue Service Restructuring and Reform Act of 1998.

h. Term of IRS Commissioner (P.L. 110–176)

On December 19, 2007, by unanimous consent, the Senate passed S. 2436, a bill to clarify that the term of the Commissioner of Internal Revenue is a five-year term, beginning with a term to commence on November 13, 1997. Under the bill, each subsequent term shall begin on the day after the date on which the previous term expires. The House passed the bill on December 19, 2007, without objection, and was signed by the President on January 4, 2008.

i. Economic Stimulus Act of 2008 (P.L. 110–185)

On January 28, 2008, House Speaker Pelosi introduced H.R. 5140. The bill passed the House under suspension of the rules on January 29, 2008. The bill passed the Senate with an amendment and the House agreed to the Senate amendment on February 7, 2008. It was signed into law by the President on February 13, 2008.

The Act amends the Internal Revenue Code to grant tax rebates of the lesser of net income tax liability or $600 to individual taxpayers ($1,200 for married taxpayers filing joint returns) and allows additional rebates of $300 for each child of an eligible taxpayer. The Act provides for a minimum tax rebate of $300 ($600 for married taxpayers filing joint returns) for taxpayers with earned income of at least $3,000 and includes social security retirement benefits and compensation and pension benefits paid to disabled veterans for purposes of determining income eligibility for rebates. The new law reduces the amount of such rebates by 5 percent of the amount that exceeds an adjusted gross income of $75,000 ($150,000 for married taxpayers filing joint returns).

The Act also allowed, for 2008, 50 percent of eligible investment, generally equipment, to be expensed (bonus depreciation). It also extended the maximum amount of expensing of eligible investment, generally equipment, from $128,000 to $250,000, and began the phase out of the expensing provision at a higher amount.

j. Genetic Information Nondiscrimination Act of 2008 (P.L. 110–233)

On January 16, 2007, Representative Louise Slaughter introduced H.R. 493 which passed the House under suspension of the rules on April 25, 2007. The Senate amended the bill and passed it on April 24, 2008. The House agreed to the Senate amendment on May 1, 2008. The President signed the bill into law on May 21, 2008.

The Act modifies the current law excise tax on group health plans which fail to comply with certain rules of plan eligibility requirements by including an expanded description of discrimination on the basis of genetic information to the rules.

k. Food, Conservation, and Energy Act of 2008 (P.L. 110–234 and 110–246)

On May 22, 2007, Representative Collin Peterson introduced H.R. 2419. H.R. 2419 passed the House on July 27, 2007. The Senate Committee on Finance reported S. 2242 on October 25, 2007 (S. Rept. 110–206). The Senate passed H.R. 2419 on December 14, 2007, with an amendment. The conference report to H.R. 2419 was filed on May 13, 2008 (H. Rept. 110–627), was passed by the House on May 14, 2008, and passed by the Senate on May 15, 2008. The bill was vetoed by the President on May 21, 2008. The veto was overridden by the House on May 21, 2008, and by the Senate on May 22, 2008, becoming P.L. 110–234. To correct an enrolling error in P.L. 110–234, Representative Peterson introduced H.R. 6124 on May 22, 2008, which passed the House under suspension of the rules the same day. The Senate passed H.R. 6124 on June 5, 2008 without amendment. The bill was vetoed by the president on June 18, 2008. On June 18, 2008, the House and Senate voted to override that veto. P.L. 110–246, which contains the identical revenue provisions to those contained in the conference agreement H. Rept. 110–627, was enacted into law on June 18, 2008. Section 4 of P.L. 110–246 provides that the amendments made by P.L. 110–234 are repealed and that the amendments made by P.L. 110–246 generally take effect on the date of enactment of the earlier of the two bills to be enacted (May 22, 2008). Provisions in P.L. 110–246 relat-

ing to the Committee's jurisdiction over trade measures are described in the trade section of this report.

The Internal Revenue Code amendments in the Act excluded Conservation Reserve Program Payments from SECA tax for individuals receiving Social Security retirement or disability benefits, extended the special rule for qualified conservation contributions, provided a deduction for endangered species recovery expenditures, included certain timber provisions (15 percent tax rate for gain on timber harvested by a C corporation, 15 year holding period, and certain timber REIT rule modifications), provided $500 million in qualified forestry conservation bonds, provided a credit for production of cellulosic biofuel (maximum credit of $1.01 per gallon and a revised definition of biofuels), included a comprehensive study of biofuels, modified the qualified small issue bonds for farming (increased loan limit from $250,000 to $450,000, indexed that limit, and eliminated the dollar limitation in the definition of substantial farmland), allowed section 1031 treatment for certain exchanges (exchanges involving certain mutual ditch, reservoir, or irrigation company stock), provided an agricultural chemicals security tax credit, changed the depreciation classification for race horses that are two years old or younger from 7 year property to 3 year property, provided temporary relief for Kiowa County, KS and surrounding areas (suspension of certain personal casualty loss limitations, extension of replacement period for nonrecognition of gain, employee retention credit for employers affected by May 4 storms and tornadoes, special temporary allowance for certain property acquired on or after May 5, 2007, increase in expensing under section 179, expensing for certain demolition and clean-up costs, modification of treatment of public utility property disaster losses, modified treatment of net operating losses attributable to storm losses, modification of treatment of representations regarding income eligibility for purposes of qualified rental project requirements, and special rules for use of retirement funds), modified the advance coal project credit and the gasification project credit, modified information reporting for Commodity Credit Corporation transactions, and included provisions related to the protection of the Social Security program. The Internal Revenue Code amendments in the Act also modified the incentives relating to alcohol fuels (VEETC), modified the calculation of volume of alcohol for fuel credits (limiting denaturants to 2 percent), limited excess farming losses of certain taxpayers, and increased and indexed the dollar threshold for farm optional method and nonfarm optional method for computing net earnings from self-employment. The Act also included amendments to 19 U.S.C. 2101 et seq. that provided for the creation of and funding of a Supplemental Agricultural Disaster Assistance program from the Agricultural Disaster Relief Trust Fund, and amendments to 19 U.S.C. 58c that extended Custom User Fees and other fees.

l. Heroes Earnings Assistance and Relief Tax Act of 2008 (P.L. 110–245)

On May 16, 2008, Chairman Rangel introduced H.R. 6081 which passed the House under suspension of the rules on May 20, 2008. The Senate passed the bill, without amendment, by unanimous consent on May 22, 2008 and the President signed the bill into law on June 17, 2008.

This Act includes four titles. Title I provided tax benefits for members of the military, including some for enlisted members on Active duty, national reserve members on Active duty, their family members or survivors, and veterans. Certain temporary provisions were made permanent. There are exceptions to the length-of-residence rules governing tax-free capital gains on a principal residence for members of the Peace Corps and for certain employees of the intelligence community. Title II excluded certain types of payments, likely to go to low-income people, from reducing supplemental security income (SSI) benefits. Title III included provisions to impose mark-to-market regime on individuals who expatriate, impose employment tax for wages paid for service performed by employees of foreign subsidiaries of U.S. parent companies under U.S. government contract, and increase penalties for failure to file returns. Title IV extended through 2008 parity requirements for mental health benefits offered by group health plans.

m. Housing and Economic Recovery Act of 2008 (P.L. 110–289)

On April 8, 2008, Chairman Rangel introduced H.R. 5720. The House Committee on Ways and Means reported H.R. 5720 on April 24, 2008 (H. Rept. 110–606). The Senate passed H.R. 3221 (a bill unrelated to housing as passed by the House) on April 10, 2008 with an amendment. The House passed H.R. 3221 on May 8, 2008 with amendments (containing provisions similar to those included in H.R. 5720) to the Senate amendment. The Senate passed H.R. 3221 on July 11, 2008, with an amendment to the House amendments. The House passed H.R. 3221 on July 23, 2008 with an amendment to the Senate amendment. The Senate agreed to the House amendment on July 26, 2008. The President signed the bill into law on July 30, 2008.

The Act provided a number of benefits for multi-family low-income housing (including temporarily increasing the volume cap for the low-income housing tax credit, modifying the determination of the credit rate and the definition of eligible basis, modifying the treatment of basic housing allowances for purposes of income eligibility rules, providing refunding treatment for certain housing bonds, coordinating certain rules applicable to the low-income housing credit and certain qualified residential rental project exempt facility bonds, providing hold harmless treatment for reductions in area median gross income, excepting from annual recertification requirements projects that are entirely low-income use, and providing the simplification and reform of other low-income housing incentives), provided a refundable $7,500 credit for certain first-time homebuyers (to be ratably repaid), provided an additional standard deduction for State and local property taxes, modified certain private Activity bond rules for housing, repealed AMT limitations on certain housing bonds and housing credits, provided that bonds guaranteed by federal home loan banks are eligible for treatment as tax-exempt bonds, modified rules pertaining to FIRPTA non-foreign affidavits, modified provisions of the rehabilitation credit, relaxed mortgage revenue bond limitations for Presidentially declared disaster areas, included certain reforms related to real estate investment trusts (including provisions relating to foreign currency and other qualified activities, the taxable REIT subsidiary asset test, the holding period under safe harbor, the

value of sales under safe harbor, and conformity for health care facilities), provided an election to accelerate AMT and R&D credits in lieu of bonus depreciation, and extended and expanded certain GO Zone incentives. The Act also provided provisions to require information reporting on payment card and third party payment transactions, modify the exclusion of gain on the sale of principal residence to not apply to nonqualified use, and delay for two years the implementation of worldwide interest allocation and apply a 70 percent limitation on the first year of worldwide interest allocation.

n. Hubbard Act (Funeral Trusts) (P.L. 110–317)

On July 23, 2008, Representative Ron Kind introduced H.R. 6580. The bill was passed in the House under suspension of the rules on July 29, 2008. On August 1, 2008, the Senate passed the bill without amendment by unanimous consent. It was signed into law by the President on August 29, 2008.

The Act repealed the dollar limit on contributions to qualified funeral trusts.

o. Highway Trust Fund Restoration (P.L. 110–318)

On July 17, 2008, Chairman Rangel introduced H.R. 6532. The bill was passed in the House under suspension of the rules on July 23, 2008. On September 10, 2008, the bill was discharged by the Senate Committee on Finance by unanimous consent and it passed the Senate with an amendment. The House passed the bill as amended, on September 11, 2008 and the President signed the bill into law on September 15, 2008.

This bill allowed the transfer of $8.017 billion from the Treasury to the Highway Trust Fund. The funding was necessary to ensure the solvency of the Trust Fund. The amount transferred to the Trust Fund is the same as the amount transferred, pursuant to Section 9004 of the Surface Transportation Revenue Act of 1998, from the Trust Fund to the General Fund.

p. SSI Extension for Elderly and Disabled Refugees Act (P.L. 110–328)

On June 7, 2007, Representative Jim McDermott introduced H.R. 2608. The bill was passed in the House under suspension of the rules on July 11, 2007. The Senate amended and passed the bill August 1, 2008, with an amendment. The House agreed to the Senate amendment on September 17, 2008. The President signed the bill into law on September 30, 2008.

The Act allowed the Secretary of the Treasury to offset overpayments of Federal taxes by any amount owed to a state for a covered unemployment compensation debt (past-due debt, including penalties and interest, for erroneous payment of state unemployment compensation due to fraud which has become final under state law and remains uncollected for not more than 10 years) for ten years following the date of enactment, and allowed the Secretary of the Treasury to permit the IRS to disclose information about the covered unemployment compensation debts and related offsets to the Department of Labor.

q. Emergency Economic Stabilization Act of 2008 (P.L. 110–343)

H.R. 1424 was introduced by Representative Patrick Kennedy on March 9, 2007, and contained provisions relating to mental health parity and associated revenue provisions. H.R. 1424 was amended by the Committees of jurisdiction and passed the House under suspension of the rules on March 5, 2008 by a vote of 268–148. H.R. 1424 was amended in the Senate on October 1, 2008 and passed by a vote of 74–25. The House agreed to the Senate amendment on October 3, 2008. H.R. 1424 was signed into law by the President on October 3, 2008. There are revenue related provisions in all three divisions of the Act.

Division A: Division A of H.R. 1424 is the Troubled Asset Relief Program (TARP) addressing emergency economic stabilization. Provisions in that division relate to permitting the Secretary of the Treasury to apply ordinary gain or loss treatment to certain sales of preferred stock in Fannie Mae or Freddie Mac (with respect to stock that was sold or exchanged on or after January 1, 2008 and before September 7, 2008 by a banking, financial, or investment institution or a depository institution holding company), denial of a tax deduction for compensation or other benefits in excess of $500,000 made to certain executives of employers who participate in the TARP (including certain tax penalties for excess parachute payments), and an extension through 2012 of the exclusion of income attributable to a discharge of indebtedness on a principal residence from gross income.

Division B: Division B of H.R. 1424 is the Energy Improvement and Extension Act of 2008. Division B of the Act was preceded in the House by Action on H.R. 2776, H.R. 3221, H.R. 6, H.R. 5351, H.R. 6049, and H.R. 7060. Chairman Charles Rangel introduced H.R. 2776, the "Renewable Energy and Energy Conservation Tax Act of 2007," on June 19, 2007 to provide tax incentives for the production of renewable energy and energy conservation. The bill was ordered favorably reported, as amended, out of the Committee on June 27, 2007 (H. Rept. 110–214) by a vote of 24 to 16. H.R. 2776 passed the House of Representatives on August 4, 2007 by a vote of 221 to 189. Pursuant to the provisions of H. Res. 615, H.R. 2776 was laid on the table and the provisions of the bill were incorporated into H.R. 3221, the "New Direction for Energy Independence, National Security, and Consumer Protection Act of 2007." H.R. 3221 passed the House of Representatives by a vote of 241 to 172. For further discussion, see P.L. 110–289 above.

On December 6, 2007, the House of Representatives agreed with amendments to the Senate amendments to H.R. 6. Title XV of the House amendments, the "Clean Renewable Energy and Conservation Tax Act of 2007," contained tax incentives for the production of renewable energy and energy conservation. The House amendment to the Senate amendment to H.R. 6 passed the House of Representatives by a vote of 235 to 181. The Senate amendment to the House amendment to the Senate amendment eliminated Title XV of the bill. For further discussion, see P.L. 110–140 above.

Chairman Charles Rangel introduced H.R. 5351, the "Renewable Energy and Energy Conservation Tax Act of 2008," on February 12, 2008 to provide tax incentives for the production of renewable energy and energy conservation. The House of Representatives passed the bill on February 27, 2008 by a vote of 236–182. The bill was

referred to the Senate Committee on Finance. No further Action was taken.

Chairman Rangel introduced H.R. 6049, the "Renewable Energy and Job Creation Act of 2008," on May 14, 2008, and the bill was reported out of Committee on May 20, 2008 (H. Rept. 110–658). H. R. 6049 passed the House on May 21, 2008. The Senate passed H.R. 6049 with an amendment on September 23, 2008. The Senate passed H.R. 1424 with an amendment including the text of the Senate amendment to H.R. 6049 on October 1, 2008. The House agreed to the Senate amendment on October 3, 2008. H.R. 1424 was signed into law by the President on October 3, 2008 (P.L. 110–343).

Chairman Charles Rangel introduced H.R. 7060, the "Renewable Energy and Job Creation Tax Act of 2008," on September 25, 2008. The next day, the House passed the bill by a vote of 257 to 166. The bill was received by the Senate, and no further Action was taken.

Division B included an extension and expansion of provisions relating to the production of electricity from renewable resources, an extension and expansion of the credit for residential energy efficient property, an extension and modification of clean renewable energy bonds (CREBs), special rules relating to the implementation of FERC and State electric restructuring policy, an expansion and modification of the advanced coal project investment credit, an expansion and modification of the coal gasification investment credit, a temporary increase in the coal excise tax to fund the Black Lung Disability Trust Fund, special rules for the refund of coal excise taxes paid by certain coal producers and exporters, a credit for industrial carbon dioxide capture and sequestration, a modification of rules related to income and gains from industrial source carbon dioxide with respect to qualifying income for publicly traded partnerships, a carbon audit of the tax code, an expansion of special depreciation allowances for cellulosic biofuel plan property, an extension and modification of credits for biodiesel and renewable diesel, a clarification that credits for fuel are designed to provide incentives for fuels with sufficient nexus to the United States, an extension and modification of alternative fuels excise tax credits, a credit for new qualified plug-in electric drive motor vehicles, an exclusion from the heavy vehicles excise tax for idling reduction units and advanced insulation, an extension of the alternative fuel vehicle refueling property credit, an inclusion of income and gains from storage of transportation of alcohol fuels, biodiesel fuels, and alternative fuels (and all related mixtures) as qualifying income for publicly traded partnerships, an extension of modification of the election to expense certain refineries, an extension of the suspension of the 100 percent-of-net-income limitation on percentage depletion for oil and natural gas from marginal properties, an extension of the transportation fringe benefit to bicycle commuters, the provision of a qualified energy conservation bond program, an extension and modification of the credit for energy efficiency improvements to existing homes, an extension of the energy efficient commercial buildings deduction, an extension of the credit for energy efficient new homes, an extension and modification of the energy efficient appliance credit, provisions relating to a 10-year applicable recovery period for qualified smart electric distribution property with

the 150 declining balance method, an extension of the qualified green building and sustainable design project bond program, and a special depreciation allowance for certain reuse and recycling property. The division also included a freeze at 6 percent of the section 199 deduction for income attributable to the domestic production of oil, gas or primary products thereof, an elimination of the distinction between FOGEI and FORI and application of present-law FOGEI rules to all foreign income from the production and sale of oil and gas products, provisions related to broker reporting of a customer's basis in securities transactions, an extension of the FUTA surtax, and an extension and increase of the excise tax rate for the Oil Spill Liability Trust Fund (including an elimination of the suspension of that extension and increase in the excise tax rate when the trust fund unobligated balance exceeds $2.7 billion).

Division C: Division C of the Act is the Tax Extenders and Alternative Minimum Tax Relief of 2008. On October 30, 2007, Chairman Rangel introduced H.R. 3996, the Temporary Tax Relief Act of 2007. The bill was reported favorably out of Committee, with amendment, on November 6, 2007 (H. Rept. 110–431). H.R. 3996 passed the House on November 9, 2007 by a vote of 216–193. The Senate passed the bill with an amendment on December 6, 2007. The House agreed to the Senate amendment, and passed the bill under suspension of the rules on December 19, 2007. The President signed the bill into law on December 26, 2007. See discussion above of P.L. 110–166.

On May 14, 2008, Chairman Rangel introduced H.R. 6049, the Renewable Energy and Job Creation Act of 2008, and the bill was reported out of Committee on May 20, 2008 (H. Rept. 110–658). H.R. 6049 passed the House on May 21, 2008. The Senate passed H.R. 6049 with an amendment on September 23, 2008. The Senate passed H.R. 1424 with an amendment including the text of the Senate amendment to H.R. 6049, on October 1, 2008. The House agreed to the Senate amendment on October 3, 2008. H.R. 1424 was signed into law by the President on October 3, 2008.

Chairman Charles Rangel introduced H.R. 7060, the "Renewable Energy and Job Creation Tax Act of 2008," on September 25, 2008. The next day, the House passed the bill by a vote of 257 to 166. The bill was received by the Senate, and no further action was taken.

The division contains provisions to extend through 2008 provisions allowing an increased alternative minimum tax (AMT) exemption and offset of nonrefundable tax credits against the AMT, extend through 2009 certain expiring individual income tax provisions (deduction for State and local general sales taxes, deduction for qualified tuition and related expenses, above-the-line deduction for teacher classroom expenses, additional standard deduction for real property tax, tax-free distributions from IRAs to certain public charities, treatment of certain dividends of regulated investment companies, estate tax look-through treatment for certain RIC stock held by nonresidents, and treatment of RICs as "qualified investment entities" under FIRPTA), extend and modify through 2009 certain expiring business tax provisions (R&D credit, new markets tax credit, exception under subpart F for active financing income, look-through treatment of payments between related CFCs under foreign personal holding company income rules, 15-year straight

line cost recovery for qualified leasehold, restaurant, and retail improvements and new restaurants, modification of tax treatment of certain payments under existing arrangements to controlling exempt organizations, basis adjustment to stock of S corporations making charitable contributions of property, increase in limit on cover over of rum excise tax revenues, economic development credit for American Samoa, mine rescue team training credit, election to expense advanced mine safety equipment, deduction with respect to income attributable to domestic production Activities in Puerto Rico, credit to holders of qualified zone academy bonds, Indian employment tax credit, accelerated depreciation for business property on Indian reservations, tax credit for certain expenditures for maintaining railroad tracks, 7-year recovery period for certain motorsports racing track facilities, expensing of "Brownfields" environmental remediation costs, work opportunity tax credit for Hurricane Katrina employees, increased rehabilitation credit for structures in the GO Zone, charitable deduction for qualified computer contributions, tax incentives for investment in the District of Columbia, enhanced charitable deduction for contributions of food inventory, enhanced charitable deduction for contributions of book inventory, and duty suspension on wool products), make permanent the authority of the Internal Revenue Service to conduct undercover operations and disclose tax return information related to terrorist activities, lower for 2008 the earned income threshold for determining refundable child tax credits, expand the benefits for domestic film and television production, exempt certain bows and arrows from excise tax, allow benefits relating to income averaging and contributions to retirement plans for payments to plaintiffs in the Exxon Valdez case, allow accelerated depreciation for certain farming equipment, modify penalties and rules for tax return preparers, and provide tax benefits for disaster relief. The division also includes provisions to extend the secure rural schools and community self-determination program and permit the transfer of interest earned by the abandoned mine reclamation fund. The division also requires the inclusion in gross income of certain nonqualified deferred compensation of certain foreign corporations and partnerships.

r. Fostering Connections to Success and Increasing Adoptions Act of 2008 (P.L. 110–351)

On September 15, 2008, Representative Jim McDermott introduced H.R. 6893. The bill was passed in the House under suspension of the rules on September 17, 2008. The Senate passed the bill, without amendment, by unanimous consent on September 22, 2008 and the President signed the bill into law on October 7, 2008.

This bill authorizes new federal support for States that provide kinship guardianship assistance to eligible children leaving foster care and extends its funding authorizations for five years (FY2009–FY2013). It requires the state plan for foster care and adoption assistance to provide information to individuals, adopting or considering adopting, on the potential eligibility for a federal tax credit. H.R. 6893 amends the Internal Revenue Code, with respect to the tax exemption for dependents, to require that an individual be younger than the taxpayer claiming the individual as a qualifying

child and not have filed a joint return with the individual's spouse for the taxable year in question.

s. Michelle's Law (P.L. 110–381)

On June 25, 2007, Representative Paul Hodes introduced H.R. 2851. H.R. 2851 passed the House under suspension of the rules on July 30, 2008, and passed the Senate without amendment by unanimous consent on September 25, 2008. The President signed the bill into law on October 9, 2008.

The Act imposed an excise tax on group health plans that fails to satisfy the COBRA coverage rules with respect to certain medically necessary leave requirements specific to a dependent child of a plan participant who is enrolled in a postsecondary educational institution.

t. Inmate Tax Fraud Prevention Act of 2008 (P.L. 110–428)

On September 25, 2008, Representative Jim Ramstad and Representative John Lewis introduced H.R. 7082 to permit disclosure of return information with respect to certain prisoners to the Federal Bureau of Prisons.

Under the bill, disclosure is allowed, if necessary for effective tax administration, with respect to prisoners whom the Secretary has determined may have filed or facilitated the filing of a false or fraudulent return. The bill requires the Internal Revenue Service to report to the Congress statistics on these disclosures and asks the Treasury Inspector General for Tax Administration to report to the Congress on implementation of the provision by December 31, 2008. The bill is effective for disclosures made after December 31, 2008, and the reporting requirements are effective on the date of enactment. The bill passed the House on September 27, 2008, under suspension of the rules by voice vote. The bill passed the Senate without amendment on October 2, 2008, by unanimous consent, and was signed by the President on October 15, 2008.

u. The Worker, Retiree, and Employer Recovery Act of 2008 (P.L. 110–458)

On December 10, 2008, Chairman Rangel introduced H.R. 7327. The bill was passed without objection by the House of Representatives on the same day. H.R. 7327 passed the Senate by unanimous consent on December 11, 2008. The President signed the bill into law on December 23, 2008.

Action on H.R. 7327 was preceded in the House by two bills (H.R. 3361, the "Pension Protection Technical Corrections Act of 2007" and H.R. 6382, the "Pension Protection Technical Corrections Act of 2008"). H.R. 3361 was introduced by Chairman Rangel on August 3, 2007, and passed in the House under suspension of the rules on March 12, 2008 by voice vote. No further action was taken on this bill. H.R. 6382 was introduced by Chairman Rangel on June 26, 2008, and passed in the House under suspension of the rules on July 9, 2008 by voice vote. No further action was taken on this bill.

H.R. 7327 included a one year suspension of the IRA required minimum distribution for 2009 applicable for taxpayers who are age 70½, substituted the 2008 adjusted funding target attainment percentage for 2009 (if the 2008 percentage is higher) for single

employer defined benefit pension plans for purposes of the limitation on accrual of benefits rule, allowed single employer defined benefit pension plans the use of projected earnings for smoothing in the valuation of plan assets, extended the transition rule for determining the funding target for single employer defined benefit pension plans to plan years beginning after 2007 regardless of the plan's funding level, allowed the sponsor of a multiemployer defined benefit pension plan for an applicable plan year (the first plan year beginning during the period from October 1, 2008 through September 30, 2009) to treat the plan's status for purposes of section 432 the same as the plan's states for the preceding plan year, allowed the plan sponsor of a multiemployer defined benefit pension plan for a plan year beginning in 2008 or 2009 to extend the plan's otherwise applicable funding improvement or rehabilitation period by three years, and included certain technical corrections to the Pension Protection Act of 2006.

2. OTHER TAX PROPOSALS

a. The Taxpayer Protection Act of 2007 (H.R. 1677)

H.R. 1677 was introduced by Chairman Rangel and Representative John Lewis on March 26, 2007. The bill resulted from hearings conducted by the Subcommittee on Oversight.

H.R. 1677 would allow both spouses in a family-owned business to pay Social Security and Medicare taxes as a sole proprietorship (rather than as a partnership). The bill would require the IRS (in the course of a tax fraud investigation) to notify a taxpayer that there may have been an unauthorized use of the taxpayer's (or dependent's) identity. The bill would provide an individual with a longer period of time to seek return of property (money or proceeds from the sale of property) resulting from a wrongful IRS levy, as well as for bringing a civil action. The bill also would allow a taxpayer to contribute amounts received to an individual retirement fund as if the wrongful levy had never occurred.

H.R. 1677 would allow the IRS to notify taxpayers on the Internet about unclaimed tax refunds, rather than only in the media. The bill would prohibit the Secretary of the Treasury (i.e., IRS) from providing debt indicators to any person if their business practices involve refund anticipation loans (plus related charges and fees) that are predatory. The bill would clarify that current rules prohibiting the misleading use of Department of the Treasury names and symbols apply to internet domain names (e.g., IRS.com, IRS.net, IRS.org) and "phishing" and are subject to the higher-level civil and criminal penalties. The bill would require, to the extent possible, that the IRS conduct additional EITC outreach. The bill would provide Federal Bureau of Prisons officials with certain information to prevent tax fraud schemes. The bill also would modify rules related to the dispositions of U.S. real property interests for non-foreign affidavits to better protect the social security numbers of U.S. transferors by allowing attorneys and title companies to collect the non-foreign affidavit. Finally, it would increase the minimum penalty for writing a bad check to the IRS from $15 to $25.

H.R. 1677 was reported to the House by the Committee on Ways and Means on April 16, 2007 (H. Rept. 110–84). H.R. 1677 passed the House on April 17, 2007, on suspension of the rules by a 407–

7 vote. The bill has not been considered by the Senate. Many of the provisions in H.R. 1677 were included in H.R. 5719 and other legislation considered by the Committee.

b. The Tax Collection Responsibility Act of 2007 (H.R. 3056)

H.R. 3056 was introduced by Chairman Rangel and Representative Lewis on July 17, 2007. The bill resulted from hearings held by the Committee on Ways and Means. The bill would repeal the authority of the Secretary of the Treasury (i.e., IRS) to enter into contracts with private collection agencies to collect delinquent Federal income taxes. H.R. 3056 also would delay for one year the three-percent withholding requirement on government payments for goods and services (to payments made after December 31, 2011).

The bill generally would treat the statute of limitations for an income tax return filed with the U.S. Virgin Islands ("USVI") by an individual claiming to be a bona fide USVI resident during the entire taxable year in the same manner as the statute of limitations for an income tax return filed with the United States for that year. The bill also would subject certain U.S. citizens who relinquish their U.S. citizenship and certain long-term U.S. residents who terminate their U.S. residence to tax. The bill would eliminate interest suspension for liabilities which may be assessed more than three years after the filing of a tax return. The bill would increase the penalties for failing to file correct information returns, failing to furnish correct payee statements, and for failing to comply with other information reporting requirements. The bill also would increase, in the case of a corporation with assets of at least $1 billion, the payments due in July, August, and September, 2012, to 114.50 percent of the payment otherwise due.

On July 18, 2007, the Committee on Ways and Means ordered reported H.R. 3056 by a 23–18 vote. H.R. 3056 passed the House by a 232–173 vote. The bill has not been considered by the Senate. Some of the provisions in H.R. 3056 were included in H.R. 5719 and other legislation considered by the Committee.

c. The Children's Health and Medicare Protection ("CHAMP") Act of 2007 (H.R. 3162)

On July 24, 2007, H.R. 3162 was introduced in the House by Energy and Commerce Representative John Dingell, Ways and Means Chairman Charles Rangel, Ways and Means Representative Pete Stark, and Energy and Commerce Health Subcommittee Representative Frank Pallone. The bill would have reauthorized and increase funding levels and state grant distributions for the State Children's Health Insurance Program ("SCHIP") and make changes to the Medicare and Medicaid programs. The bill also would increase the excise tax on tobacco products. The excise tax on cigarettes would increase from $0.39 a pack to $0.84 a pack, and the excise taxes on other tobacco products (except small cigars and roll-your-own tobacco) generally would increase by a proportionate amount. The excise tax on large cigars would be increased to 44.63 percent of the manufacturer's or importer's sales price up to a cap of $1.00 per cigar. The tax on small cigars would increase from $0.04 a pack to the same excise tax rate imposed on a pack of small cigarettes

($0.84). The bill would provide an exemption from Federal tax for fuel used in an ambulance providing emergency medical services.

On July 26, 2007, the Committee ordered reported H.R. 3162 by a 24–17 vote. On August 1, 2007, the House passed H.R. 3162 by a vote of 225–204. Under the House-passed bill, the excise tax on large cigars would be increased to 33 percent of the manufacturer's or importer's sales price through September 2013, and increased to 40 percent of the manufacturer's or importer's sales price thereafter, up to a cap of $1.00 per cigar.

This bill has not been considered by the Senate. However, it was the basis for H.R. 976, the "Children's Health Insurance Program Reauthorization Act of 2007", H.R. 3963, the "Children's Health Insurance Program Reauthorization Act of 2007" and the "Medicare Improvements for Patients and Providers Act of 2008" (P.L. 110–275).

d. The Taxpayer Assistance and Simplification Act of 2008 (H.R. 5719)

H.R. 5719 was introduced by Chairman Rangel and Representative John Lewis on April 8, 2008. The bill resulted from hearings of the Subcommittee on Oversight. H.R. 5719 would conform the penalty standards for return preparers with the standards for taxpayers. The bill would eliminate the special requirements for individuals to keep detailed records of calls made on employer-provided cell phones to substantiate business use of such devices. The bill would delay for one year the imposition of a three-percent withholding requirement on government payments for goods and services made after December 31, 2010. The bill would make administrators of state and local government programs liable for paying the employment taxes on amounts paid by government programs to in-home care workers provided to elderly and disabled persons.

H.R. 5719 also would: allow IRS employees to refer taxpayers needing assistance with tax cases to qualified low-income taxpayer clinics; authorize an annual $10 million grant for Volunteer Income Tax Assistance ("VITA") programs; and increase the annual aggregate limitation authorized on grants to qualified low-income taxpayer clinics to $10 million. The bill would require the IRS, to the extent possible, to notify taxpayers of potential eligibility for the Earned Income Tax Credit for all open tax years and to assist those who have not filed a return but may be eligible for the credit based on other return or return information. The bill would prohibit the Secretary of Treasury (*i.e.,* IRS) from providing debt indicators to private parties if it is determined that the resulting refund anticipation loan plus related fees are predatory. It also would require a one-year study by the Department of Treasury of the feasibility of providing tax refunds on debit cards.

H.R. 5719 would increase the time for returning property that has been wrongfully levied and the period for bringing Action for wrongful levy. It also would allow an individual to contribute back to an IRA amounts that were levied and returned by the IRS without the normal limitations on IRA contributions. The bill would require the Secretary of Treasury (*i.e.,* the IRS), to the extent permitted by law, to notify taxpayers if it determines that there may have been an unauthorized use of the identity of a taxpayer or the taxpayer's dependent. The bill would repeal the IRS's statutory au-

thority to use private debt collection companies to locate and contact taxpayers owing federal taxes and to arrange payment of such taxes. The bill would provide that the IRS may disclose taxpayer identity information, for unclaimed refund notification purposes, by any "means of mass communication." The bill would clarify that Internet domain names using the Department of Treasury and associated agencies (*e.g.,* IRS.com, IRS.net, IRS.org) are misleading within the meaning of law, and clarify that mass Internet e-mail communications ("phishing") that mislead the public into believing the sender is the IRS are subject to the higher civil/criminal penalties available under current law.

H.R. 5719 would provide that distributions from a health savings account for qualified medical expenses would be excluded from gross income only to the extent substantiated and would require trustees to report expenses not substantiated. The bill would increase the penalties on failures to provide information returns, partnership returns, and S corporation returns. The bill would temporarily increase, for three months in 2013, required estimated tax payments for certain large corporations.

H.R. 5719 was reported to the House by the Committee on Ways and Means on April 14, 2008 (H. Rept. 110–584). H.R. 5719 passed the House on April 17, 2007, by a recorded vote of 238–179. The bill has not been considered by the Senate.

e. Charity Enhancement Act of 2008 (H.R. 7083)

On September 25, 2008, Representative John Lewis and Representative Jim Ramstad introduced H.R. 7083 to enhance charitable giving and improve disclosure and tax administration. The bill would increase the standard mileage rate for the charitable deduction from 14 cents a mile to an amount not less than the rate used for medical expense deductions (currently, 27 cents a mile). The bill would exempt funds advised by public charities and governmental entities from the definition of "donor advised funds."

The bill also would relax certain donor advised fund scholarship distribution rules where the fund is advised solely by a tax-exempt organization. The bill would repeal the special written acknowledgment requirements for charitable contributions to donor advised funds. The bill would allow supporting organizations to pay substantial contributors reasonable compensation for services. The bill would exempt certain longstanding, fully-funded Type III supporting organizations from certain Pension Protection Act requirements. The bill also would treat contributions by Indian tribal governments the same as contributions by States for charitable purposes. The bill would lower the threshold filing requirements for electronic filings of Form 990 (exempt organization annual return) from 250 returns to five returns. The bill also would expand the bad check penalty to include electronic payments.

The bill passed the House on September 27, 2008, under suspension of the rules by voice vote. The bill has not been considered by the Senate.

3. OTHER TAX MATTERS

a. Budget Hearings (Full Committee)

On February 6, 2007, the full Committee held a hearing to receive testimony from Secretary of the Treasury Henry Paulson concerning programs within the President's FY 2008 budget within the jurisdiction of the Committee.

On February 7, 2007, the full Committee held a hearing to receive testimony from Rob Portman, Director of the Office of Management and Budget, concerning programs within the President's FY 2008 budget within the jurisdiction of the Committee.

On February 8, 2007, the full Committee held a hearing to receive testimony from Secretary of Health and Human Services Michael O. Leavitt concerning programs within the President's FY 2008 budget within the jurisdiction of the Committee.

On February 7, 2008, the full Committee held a hearing to receive testimony from Secretary of the Treasury Henry Paulson concerning programs within the President's FY 2009 budget within the jurisdiction of the Committee.

On February 13, 2008, the full Committee held a hearing to receive testimony from Jim Nussle, Director of the Office of Management and Budget, concerning programs within the President's FY 2009 budget within the jurisdiction of the Committee.

On February 13, 2008, the full Committee held a hearing to receive testimony from Secretary of Health and Human Services Michael O. Leavitt concerning programs within the President's FY 2009 budget within the jurisdiction of the Committee.

b. Tax Hearings (Full Committee)

On February 28, 2007, the Full Committee received testimony on energy and tax policy from (i) Ronald G. Prinn, Sc.D., Professor, Department of Earth, Atmospheric, and Planetary Sciences, Massachusetts Institute of Technology, (ii) Stephen Schneider, Ph.D., Professor, Department of Biological Sciences, Stanford University, (iii) The Honorable Eileen Claussen, President, Pew Center on Global Climate Change, and (iv) W. David Montgomery, Ph.D., Vice President, Environmental Practice, CRA International.

On March 14, 2007, the Full Committee received testimony on the revenue increasing measures in the "Small Business and Work Opportunity Act of 2007" from (i) The Honorable Kenneth E. Bentsen, Jr., President, Equipment Leasing and Finance Association, (ii) Greg Heaslip, Vice President—Benefits, PepsiCo., Inc., (iii) Kenneth R. Petrini, Vice President—Taxes, Air Products and Chemicals, Inc. (on behalf of the National Association of Manufacturers), and (iv) Edward D. Kleinbard, Partner, Cleary Gottlieb Steen & Hamilton LLP (on behalf of the Securities Industry and Financial Markets Association).

On September 6, 2007, the Full Committee received testimony on fair and equitable tax policy for America's working families from the following witnesses: Panel 1—(i) Leonard E. Burman, Ph.D., Director, Urban-Brookings Tax Policy Center, Jason Furman, Director, The Hamilton Project, Brookings Institution, Douglas Holtz-Eakin, Senior Fellow, The Peterson Institute, and Former Director, Congressional Budget Office; Panel 2—(i) Stephen E. Shay, Partner, Ropes & Gray LLP, (ii) Leon M. Metzger, Former Vice Chair-

man and Chief Administration Officer of Paloma Partners Management Company, (iii) Janne G. Gallagher, Vice President and General Counsel, Council on Foundations, (iv) Suzanne Ross McDowell, Partner, Steptoe & Johnson LLP, and (v) Daniel J. Shapiro, Partner, Schulte Roth & Zabel LLP; Panel 3—(i) Peter R. Orszag, Director, Congressional Budget Office, (ii) C. Eugene Steuerle, Ph.D., Co-Director, Urban Brookings Tax Policy Center and Former Deputy Assistant Secretary of the Treasury for Tax Analysis, Reagan Administration, (iii) Darryll K. Jones, Professor of Law, Stetson University College of Law, (iv) Victor Fleischer, Associate Professor of Law, University of Illinois College of Law, (v) Mark P. Gergen, Professor of Law, The University of Texas School of Law, and (vi) Jack S. Levin, Partner, Kirkland & Ellis LLP; and Panel 4—(i) Leo Hindery, Jr., Managing Director, InterMedia Partners, (ii) William D. Stanfill, Founding Partner, TrailHead Ventures, (iii) Orin S. Kramer, Chairman, New Jersey State Investment Council, (iv) Jonathan Silver, Managing Director, Core Capital Partners, (v) Adam Ifshin, President, DLC Management Corp., and (vi) Bruce Rosenblum, Managing Director, The Carlyle Group, and Chairman of the Board, Private Equity Council.

On September 18, 2008, the Full Committee received testimony on policy options to prevent climate change from the following witnesses: Panel 1—(i) The Honorable Michael Bloomberg, Mayor, City of New York, New York, (ii) Peter Orszag, Ph.D., Director, Congressional Budget Office, (iii) The Honorable Carol Browner, Principal, The Albright Group LLC, and Former Administrator, Environmental Protection Agency, (iv) Dallas Burtraw, Ph.D., Senior Fellow, Resources for the Future, (v) Robert Lighthizer, Partner & Head of the International Trade Department, Skadden Arps Slate Meagher & Flom LLP, (vi) Timothy J. Regan, Senior Vice President, Corning Inc., and (vii) Gary Clyde Hufbauer, Reginald Jones Senior Fellow, Peterson Institute for International Economics; and Panel 2—(i) Frank Ackerman, Ph.D., Global Development and Environment Institute and Stockholm Environment Institute—US Center, Tufts University, (ii) Daniel Abbasi, Director, MissionPoint Capital Partners, (iii) Jerome Ringo, President, Apollo Alliance, (iv) Peter Barnes, Senior Fellow, Tomales Bay Institute, (v) Bill Millar, President, American Public Transportation Association, and (vi) David Kreutzer, Ph.D., Senior Policy Analyst, The Heritage Foundation.

On October 29, 2008, the Full Committee received testimony on economic recovery, job creation and investment in America from the following witnesses: Panel 1—(i) The Honorable David Paterson, Governor, State of New York, (ii) The Honorable Mark Sanford, Governor, State of South Carolina, (iii) The Honorable Douglas Palmer, Mayor, City of Trenton, New Jersey, (iv) Timothy Firestine, Chief Operating Officer, Montgomery County Executive, Maryland, (v) David Mongan, President, American Society of Civil Engineers, (vi) Dennis Van Roekel, President, National Education Association, and (vii) Randi Weingarten, President, American Federation of Teachers; and Panel 2—(i) Jared Bernstein, Ph.D., Director, Living Standards Program, Economic Policy Institute, (ii) Robert Greenstein, Executive Director, Center on Budget and Policy Priorities, (iii) Christine Owens, Executive Director, National Employment Law Project, (iv) Jeanne Lambrew, Ph.D., Associate Pro-

fessor, LBJ School of Public Affairs, University of Texas at Austin, and Senior Fellow, Center for American Progress, (v) Martella A. Turner-Joseph, Vice President, Joseph & Turner Consulting Actuaries, LLC, and (vi) Alan Viard, Ph.D., Resident Scholar, American Enterprise Institute.

c. Select Revenue Measures

i. First Hearing on the Alternative Minimum Tax

The Subcommittee held two hearings on this issue. The first hearing was held on March 7, 2007. The focus of the hearing was the growing scope of the Alternative Minimum Tax (AMT) and its interaction with individual-based tax provisions. The Subcommittee heard testimony from the Department of the Treasury, the National Taxpayer Advocate, and other outside experts. The testimony highlighted the problems caused by the AMT to taxpayers, tax administrators, and the Federal budget.

ii. Second Hearing on the Alternative Minimum Tax

The second hearing was held on March 22, 2007, with a focus on the impact of the AMT on American families. The Subcommittee received additional testimony on the AMT from individual taxpayers, and practitioners who deal with the AMT in their work with individual taxpayers.

iii. Hearing on Energy and Tax Policy

The hearing was held on April 19, 2007, as one of a series that were held by the full Committee. The focus of the hearing was the current framework of tax incentives encouraging the development of alternative sources of energy. The Subcommittee received testimony from various witnesses that focused on solar, wind, geothermal, other renewable fuel sources, and clean coal technology. Many of the tax provisions discussed at the hearing were eventually enacted as part of the Emergency Economic Stabilization Act of 2008, P.L. 110–343 (H.R. 1424).

iv. Hearing on Member Proposals Regarding Energy Tax Incentives

The hearing was held on April 24, 2007. The scope of the hearing was specific Member proposals on tax incentives for alternative energy sources that were introduced in the 109th or 110th Congress. The Subcommittee received testimony from Members of Congress regarding their proposals.

v. The Effects of Misclassifying Workers as Independent Contractors

The hearing was held jointly with the Subcommittee on Income Security and Family Support on May 8, 2007. The focus of the hearing was the effects of the misclassification of workers as independent contractors, and the complexities of the law regarding worker classification. The hearing also included the effects of worker misclassification on Federal tax revenues. The Subcommittees received testimony from the Government Accountability Office (GAO), small business owners, and other experts.

vi. Hearing on Tax Incentives for Affordable Housing

The hearing was held on May 24, 2007. The hearing examined ways to ensure greater and better efficiency through improved coordination of Federal housing programs. This was done by examining options intended to simplify and modify certain low-income housing programs established under the Internal Revenue Code, and programs that are administered by HUD. The Subcommittee received testimony from the Department of the Treasury, HUD, State and local officials who handle housing issues, outside housing experts, and representatives from the housing industry. The witnesses appealed for certain improvements and modifications to the Low-Income Housing Tax Credit, private activity tax-exempt bonds, and the historic rehabilitation tax credit. Many of these modifications and improvements were enacted as part of the Housing and Economic Recovery Act, P.L. 110–289 (H.R. 3221).

vii. Hearing on Aviation Taxes

The hearing was held on August 1, 2007. The focus of the hearing was the expiring tax provision related to the Airport and Airway Trust Fund, including the need to extend and possibly modify the provisions. The Subcommittee received testimony from the Chairman of the Committee on Transportation and Infrastructure, the Honorable James Oberstar (MN), and the Ranking Member of that Committee, the Honorable John Mica (FL). Other witnesses were representatives from the Federal Aviation Administration, the Government Accountability Office (GAO), the Congressional Budget Office (CBO), the airlines industry, pilots of private jets, cargo carriers, and airport authorities. The testimony addressed proposals designed to restructure aviation taxes.

viii. Hearing on the "Heroes Earnings Assistance and Relief Tax Act of 2007"

The hearing was held on October 17, 2007, jointly with the Subcommittee on Income Security and Family Support. The hearing focused on legislative proposals designed to help members of our armed forces and their families, as well as others who volunteer in service to America. The Subcommittee heard testimony from Members of Congress, the Social Security Administration, representatives from veterans groups and associations, volunteer firefighters, and members of military personnel. These proposals were later enacted as the Heroes Earnings Assistance and Relief Tax Act of 2008, P.L. 110–245 (H.R. 6081).

ix. Hearing on Tax Treatment of Derivatives

The hearing was held on March 5, 2008. The focus of the hearing was the various forms of derivatives and the tax treatment of these products. The Subcommittee received testimony from the Department of the Treasury, university professors, and experts from the financial industry who testified regarding the complex nature of these products, the current challenges facing accurate tax treatment, and options for reform.

x. Hearing on Education Tax Incentives

The hearing was held on May 1, 2008. The focus of the hearing was the interaction of various tax benefits designed to assist indi-

viduals and families for postsecondary education. The Subcommittee received testimony from the Department of the Treasury, the Government Accountability Office (GAO), representatives from colleges, State Administrators, and other education experts. The witnesses testified regarding the complexities associated with the various education tax benefits and appealed for simplification of these provisions to produce greater efficiency and effectiveness.

xi. Hearing on Individual Retirement Accounts (IRAs) and Their Role in Our Retirement System

The hearing was held on June 26, 2008. The hearing focused on (1) a report that was issued by the Government Accountability Office (GAO) in June 2008, entitled *Individuals Retirement Accounts: Government Actions Could Encourage More Employers to Offer IRAs to Employees* (GAO–08–590); (2) the role of IRAs in our retirement system; and (3) legislative proposals for automatic IRAs. The Subcommittee received testimony from two Members of Congress, the U.S. Department of the Treasury, the Department of Labor (DOL), GAO, the American Association of Retired Persons (AARP), the Employee Benefit Research Institute (EBRI) and experts from other retirement focused groups. The testimony addressed options for employers to provide their workers with retirement saving options outside the traditional employer-sponsored plans.

B. Legislative Review of Trade Issues

1. U.S. TRADE AGENDA

a. Hearings

i. On January 30, 2007, the Committee held a hearing on trade and globalization. The hearing explored the integration of markets brought about by globalization. It also examined how U.S. trade policy can be used as a tool to shape globalization and to ensure that the forces of the global economy are harnessed most effectively and efficiently to generate the maximum amount of broadly based economic growth. Witnesses at the hearing included former officials from the Clinton and Bush administrations and representatives from the business community and other non-governmental organizations.

ii. On February 14, 2007, the Committee held a hearing on the direction and content of U.S. trade policy, including: (1) the status of the WTO Doha Round negotiations; (2) the status of U.S. free trade agreements; (3) policy responses to the U.S. trade deficit and debt; (4) the operations of the WTO Dispute Settlement Body; (5) the status of WTO accession negotiations; (6) the effectiveness of U.S. preference programs; and (7) presidential trade negotiating authority. U.S. Trade Representative Susan C. Schwab was the sole witness at the hearing.

b. Agreement of May 10, 2007

On May 10, 2007, Congressional leaders on a bipartisan basis reached an historic agreement with the Administration to revise the free trade agreements (FTAs) that had been concluded but had not yet been submitted to Congress at that time (with Colombia, Korea, Panama and Peru). As a result of the "May 10 Agreement," these FTAs became the first U.S. FTAs to include fully-enforceable

basic international labor standards, as stated in the 1998 ILO Declaration on Fundamental Principles and Rights at Work. They were also the first FTAs to require the parties to implement and enforce their obligations under certain common multilateral environmental agreements and, in the case of the U.S.-Peru Trade Promotion Agreement, to require Peru to take major, specific steps to address illegal logging.

The May 10 Agreement also required other important changes to the texts of these FTAs, including: (1) modifications of the intellectual property chapter to balance promoting access to medicines and protecting pharmaceutical innovation (in particular, in the agreements with Colombia, Panama and Peru); (2) clarification that the government procurement chapters allow conditioning of contracts on adherence to basic and minimum labor standards; (3) clarification that, where there are national security concerns, the United States can prevent foreign companies from operating U.S. ports; and (d) clarification that the FTAs do not accord foreign investors in the United States with greater substantive rights with respect to investment protections than U.S. investors in the United States.

The May 10 Agreement included all of the changes to the texts of the Peru and Panama FTAs that Committee Chairman Rangel and Trade Subcommittee Chairman Levin considered necessary for Committee consideration of those agreements. The Chairmen also considered these changes necessary—but not sufficient—for Committee consideration of the Colombia and Korea FTAs. On May 10, documents issued by Chairmen Rangel and Levin noted that, in the case of Colombia, the persistent violence against trade unionists (and the related problem of impunity) creates special problems and considerations not presented in the context of the Peru and Panama FTAs. Similarly, the Chairmen noted that the problem of Korea's systemic barriers in the automotive, manufactured, agricultural, and services markets would have to be addressed.

2. WORLD TRADE ORGANIZATION

a. Hearings and Executive Sessions

As described above, the Committee held a hearing on January 30, 2007, concerning trade and globalization. In that hearing, Members and witnesses discussed a range of issues, including the status of the WTO Doha Round of trade negotiations and the need to enforce existing WTO rules through the WTO dispute settlement mechanism.

In the hearing held on February 14, 2007, described above, U.S. Trade Representative Schwab and the Members of the Committee discussed a range of issues, including the status of the WTO Doha Round of trade negotiations and the need to enforce existing WTO rules through the WTO dispute settlement mechanism.

On April 24, 2007, the Committee held an executive session with WTO Director General Pascal Lamy to discuss the status of the Doha Round of multilateral trade negotiations.

On November 8, 2007, the Committee held an executive session with the European Union Commissioner for Trade, Peter Mandelson. The Commission and the Committee Members discussed the status of the Doha Round of negotiations, among other trade issues.

On July 17, 2008, the Committee held an executive session with U.S. Trade Representative Schwab to discuss the status of the Doha round of trade negotiations and, more specifically, the WTO ministerial meeting which was scheduled (and took place) at the end of that month (July 21–30).

b. Staff Delegations

Committee staff for the Majority and Minority traveled to Geneva, Switzerland, for meetings at the World Trade Organization from December 9–12, 2007. The purpose of the trip was to gather information on the status of the Doha Round negotiations and to share the Committee's views with WTO Members. While in Geneva, staff met individually with the WTO Director General Lamy, his deputy, Rufus Yerxa, the Agriculture, Rules, and Services chairs of the negotiations (WTO representatives of New Zealand, Uruguay and Mexico, respectively), and representatives of Brazil, China, Costa Rica, the European Communities, and India. Staff also held three larger meetings, one with WTO Members from the African nations, one with Members from the Caribbean nations, and one with representatives from Australia, Chile, Japan, and Malaysia. Two staff members, one from the Majority and one from the Minority, remained in Geneva for an additional day to observe the first day of consideration of a proposed Rules text (in particular, those portions related to trade remedy laws, such as anti-dumping and countervailing duty laws).

In March 2008, Committee staff for the Majority and Minority traveled to Geneva, Switzerland, to attend the Appellate Body hearing in United States—Final Anti-Dumping Measures on Stainless Steel from Mexico, a dispute involving the controversial methodology known as "zeroing." The hearing was held from March 6–7, 2008. In addition to attending the hearing, Committee staff met with U.S. and WTO officials, including the head of the WTO Rules Division, to discuss the status of the Doha Round negotiations.

Committee staff for the Majority and Minority traveled to Geneva, Switzerland, for meetings at the WTO from June 30 through July 1, 2008. The purpose of the trip was to assess the progress that had been made since the December meetings and to monitor further the negotiations. While in Geneva, staff met with WTO Director General Lamy's Chief of Staff, Arancha Gonzalez, as well as with the chairs of the Agriculture, Industrial Goods, Rules, and Services negotiations. Staff also met with the head of the WTO Rules Division. While there, Staff conducted bilateral meetings with representatives of Brazil, China, and the European Communities. Staff also held three larger meetings, one with WTO Members from African nations (Benin, Kenya, Rwanda, South Africa, and Uganda), one with Members from the Caribbean nations, and one with representatives from Japan, Norway, and Singapore to discuss perspectives on the Rules negotiations.

In July 2008, three Members of the Ways and Means staff traveled to Geneva, Switzerland, to observe and consult with the Bush Administration on a critical moment in the WTO "Doha Development Agenda" round of negotiations. Minority staff Member Evan Alexander traveled from July 22 to July 27, Subcommittee Staff Director Tim Reif traveled from July 23 to July 26, and Subcommittee Deputy Staff Director Viji Rangaswami traveled from

July 23 to July 27. The purpose of the trip was to meet with U.S. government representatives, U.S. private sector representatives, foreign government representatives, and WTO officials in regard to the ongoing negotiations, to hear their reports on the status of the negotiations, and their perspectives, and offer the perspectives of the Members of the Committee.

c. GAO Report

In March 2007, the Committee received a report from the GAO entitled World Trade Organization: Congress Faces Key Decisions as Efforts to Reach Doha Agreement Intensify. Publication GAO–07–379. Washington, D.C.: March 5, 2007.

3. BILLS CONSIDERED UNDER THE TRADE AGREEMENT APPROVAL PROCEDURES OF THE TRADE ACT OF 2002

The Trade Act of 2002 (P.L. 107–210) included provisions to renew trade agreement approval procedures (known as "fast track" or "trade promotion authority") that were first enacted in 1974. Under those procedures, Congress grants the President the authority to enter into certain reciprocal trade agreements, and to have implementing bills considered under expedited legislative procedures and without the opportunity for amendment, provided the President observes certain statutory obligations in negotiating them.

a. Legislation

i. United States-Peru Trade Promotion Agreement

On September 25, 2007, the Committee informally approved draft legislation to implement the United States-Peru Trade Promotion Agreement, by voice vote. The Committee conducted this informal markup to provide advice to the Administration on the implementing bill and Statement of Administrative Action. On September 27, 2007, Majority Leader Hoyer and Minority Leader Boehner introduced (by request) H.R. 3688, the "United States-Peru Trade Promotion Agreement Implementation Act," to be considered under the trade agreement approval procedures of the Trade Act of 2002.

On October 31, 2007, the Committee held a formal markup session to consider H.R. 3688. The Committee approved the bill and favorably reported H.R. 3688 by a roll call vote of 39–0. Under the trade agreement approval procedures of the Trade Act of 2002, amendments are not permitted to the bill once it has been introduced. On November 8, 2007, the House passed the bill by a recorded vote of 285 to 132. On December 4, 2007, the Senate passed H.R. 3688, without amendment, by a recorded vote of 77–18. The President signed the bill into law on December 14, 2007 (P.L. 110–138).

ii. United States-Colombia Trade Promotion Agreement

On April 8, 2008, the President submitted the "United States-Colombia Trade Promotion Agreement Implementation Act" to the House of Representatives and the Senate, over the objections of the Speaker of the House and the Majority Leaders of the House and Senate. In accordance with the trade agreement approval proce-

dures of the Trade Act of 2002, Majority Leader Hoyer and Minority Leader Boehner introduced the bill, H.R. 5724, by request. The Committee did not informally mark up or approve the draft legislation prior to its introduction. The bill was introduced over the objections of House and Senate leaders and without close collaboration or cooperation between the executive branch and the Committee.

On April 10, 2008, the House considered H. Res. 1092. H. Res. 1092 rendered inapplicable certain trade agreement approval procedures of the Trade Act of 2002 (relating to the period for Committee and Floor consideration and the procedures for Floor consideration) in the case of H.R. 5724. H. Res. 1092 left intact other trade agreement approval procedures, such as the rule that an implementing bill may not be amended once it has been introduced. The House passed H. Res. 1092 by a vote of 224–195 on April 10, 2008. The 110th Congress ended without further action on H.R. 5724.

b. Hearings

As described above, the Committee held a hearing on January 30, 2007, concerning trade and globalization. In that hearing, Members and witnesses discussed a range of issues, including the status of FTA negotiations with Colombia, Korea, Panama and Peru, and other countries.

In the hearing held on February 14, 2007, described above, U.S. Trade Representative Schwab and the Members of the Committee discussed a range of issues, including the status of FTA negotiations with Colombia, Korea, Panama and Peru, and other countries.

c. Congressional and Staff Delegations

i. Congressional Delegation to Peru

From August 5 to 7, 2007, the Chairman, Subcommittee Chairman Sander Levin and Committee Member Allyson Schwartz traveled to Lima, Peru on a Codel. The purpose of the Codel was to meet with the President of Peru, other Peruvian officials and private sector representatives, including representatives of labor and business groups and other non-governmental organizations, in regard to congressional consideration of the U.S.-Peru Trade Promotion Agreement, implementation of the agreement, and implementation in particular of the elements of the agreement arising out of the agreement of May 10, 2007.

On August 6, the Codel met with the U.S. Charge D'Affairs and U.S. embassy staff, the President of Peru's Congress and other Peruvian congressional leaders, Peruvian President Garcia and Members of his Cabinet, held a press conference with President Garcia, and met with Peruvian labor leaders and business leaders. Chairmen Rangel and Levin returned to Washington on the morning of August 7. That day, Congresswoman Schwartz, joined by Congressman Greg Meeks, met with local agri-business leaders, Afro-Peruvian Community Leaders and others.

ii. Staff Delegation to Peru, June 8–14, 2008

Committee staff for the Majority and Minority traveled to Peru for meetings from June 8–14, 2008. The purpose of the delegation's trip was to get a better understanding of the challenges that Peru faces, and the progress it has made to date, to come into compliance with the United States-Peru Trade Promotion Agreement's Annex on Forest Sector Governance, a key component of the May 10 Agreement described above. For a portion of the trip, staff traveled to the department of Madre de Dios in the Peruvian Amazon with members of the United States inter-agency team responsible for the implementation of the Annex and their Peruvian counterparts. On the trip, Committee staff met with current and former federal and regional government officials, timber exporters, timber concessionaires, timber mill operators, representatives of Peruvian non-governmental organizations and other stakeholders.

4. BILATERAL AND REGIONAL ISSUES

a. Free Trade Agreements

i. Completed Agreements

Peru

On November 18, 2003, U.S. Trade Representative Zoellick formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with Colombia, Ecuador and Peru. Negotiations with those countries began in May 2004, with Bolivia participating as an observer. On December 7, 2005, the United States and Peru announced that they had concluded FTA negotiations. On January 6, 2006, President Bush officially notified Congress of his intention to sign the U.S.-Peru Trade Promotion Agreement. The agreement was signed on April 12, 2006. The President, however, did not submit an implementing bill in the remaining months of the 109th Congress.

On May 10, 2007, House and Senate leaders on a bipartisan basis reached an agreement with the Administration regarding the need to make several substantial changes to the text of the trade agreement with Peru, as described in more detail above. The United States renegotiated the text with Peru, and U.S. Trade Representative Schwab announced on June 25, 2007, that an agreement was reached with Peru. As noted above, the President signed the implementing legislation into law on December 14, 2007 (P.L. 110–138).

Colombia

On November 18, 2003, U.S. Trade Representative Zoellick formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with Colombia, Ecuador and Peru, as noted above. On February 27, 2006, the United States and Colombia announced that they had concluded FTA negotiations. On August 24, 2006, President Bush officially notified Congress of his intention to sign the U.S.-Colombia Trade Promotion Agreement. The agreement was signed on November 22, 2006. An implementing bill was not introduced in the 109th Congress.

On May 10, 2007, House and Senate leaders reached an agreement with the Administration regarding the need to make several

substantial changes to the text of the trade agreement with Colombia, as described in more detail above. The United States renegotiated the text with Colombia, and U.S. Trade Representative Schwab announced on June 28, 2007, that an agreement was reached with Colombia. As noted above, the President submitted an implementing bill (H.R. 5724) to Congress on April 8, 2008. The Committee did not informally mark up or approve the draft legislation prior to its introduction. The bill was introduced over the objections of the Speaker of the House and the Majority Leaders of the House and Senate, and without close collaboration or cooperation between the executive branch and the Committee. On April 10, 2008, the House approved H. Res. 1092, which modified the trade agreement approval procedures as they applied to H.R. 5724. The 110th Congress ended without further action on H.R. 5724.

Panama

On November 18, 2003, U.S. Trade Representative Zoellick formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with Panama. Negotiations were launched on April 26, 2004. On December 19, 2006, the United States and Panama announced that they had completed negotiations, but with the understanding that further discussions were necessary. On March 30, 2007, President Bush officially notified Congress of his intention to sign the U.S.-Panama Trade Promotion Agreement. After the May 10 changes, discussed above, were incorporated into the text of the agreement with Panama, the parties signed the agreement on June 28, 2007.

On May 15, 2007, the Committee held an executive session with the Vice President of Panama, H.E. Samuel Lewis Navarro. The session focused on the May 10 Agreement and its impact on Congressional consideration of the U.S.-Panama Free Trade Agreement.

In September 2007, the Committee received from the U.S. International Trade Commission a report entitled U.S.-Panama Trade Promotion Agreement: Potential Economy-wide and Selected Sectoral Effects. Publication 3948, Washington, D.C.: September 2007.

Korea

On February 2, 2006, U.S. Trade Representative Portman formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with the Republic of Korea. Negotiations began in June 2006. U.S. Trade Representative Schwab announced that the negotiations reached their conclusion on April 1, 2007. Simultaneously, President Bush officially notified Congress of his intention to sign the Free Trade Agreement between the United States and Korea. The agreement was signed on June 30, 2007.

The Trade Subcommittee held a hearing on the Korea FTA on March 20, 2007, while negotiations were still ongoing. The hearing focused on the major outstanding issues in the negotiations (in particular, the need to open Korea's automotive market) and on the possible agricultural benefits of an FTA (including the need to open Korea's closed rice and beef markets). Witnesses at the hearing included Deputy U.S. Trade Representative Karan Bhatia and rep-

resentatives from the business and agricultural communities and a labor union representative.

In September 2007, the Committee received a report from the ITC entitled U.S.-Korea Free Trade Agreement: Potential Economy-wide and Selected Sectoral Effects. Publication 3949. Washington, D.C.: September 2007.

ii. Ongoing and Suspended Negotiations

Southern African Customs Union (SACU)

Pursuant to Sense of Congress language in the Africa Growth and Opportunities Act of 2000 (P.L. 106–200), on November 4, 2002, U.S. Trade Representative Zoellick formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with the countries that comprise the Southern African Customs Union (Botswana, Lesotho, Namibia, South Africa, and Swaziland). Negotiations between the United States and the SACU countries were launched on June 2, 2003, but were suspended in 2006, due to lack of progress. On July 16, 2008, U.S. Trade Representative Schwab signed a "Trade, Investment and Development Cooperation Agreement" (TIDCA) with SACU.

Malaysia

On March 8, 2006, U.S. Trade Representative Portman formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with Malaysia. Negotiations were launched in June 2006, and the talks are ongoing.

Ecuador

As noted above, on November 18, 2003, U.S. Trade Representative Zoellick formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with Colombia, Ecuador and Peru. Negotiations began in May 2004 with all three countries. See discussion above concerning the conclusion of negotiations with Peru and Colombia. The United States and Ecuador suspended negotiations in May 2006.

Thailand

On February 12, 2004, U.S. Trade Representative Zoellick formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with Thailand. Negotiations began in June 2004. However, talks were suspended after a political crisis developed in Thailand in April 2006.

United Arab Emirates

On November 15, 2004, U.S. Trade Representative Zoellick formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with the UAE, part of the goal announced by President Bush to form a Middle East Free Trade Area by 2013. Negotiations began in March 2005. In early 2007, the United States and the United Arab Emirates decided that the timing was not conducive to concluding the FTA negotiations, and the parties have decided to pursue progress on select trade and investment issues through a "Trade and Investment Framework Plus" process. The first formal meeting was held in

June 2007. In October 2008, U.S. Trade Representative Schwab and her counterpart committed to giving new impetus to the "TIFA-Plus" discussions.

Trans-Pacific Strategic Economic Partnership

On September 22, 2008, U.S. Trade Representative Schwab announced the launch of negotiations for the United States to join the Trans-Pacific Strategic Economic Partnership Agreement. The four original members of the Trans-Pacific Economic Partnership (Brunei Darussalam, Chile, New Zealand, and Singapore) signed the agreement in 2005. The United States is the first additional country to seek to join the agreement. Negotiations over a revised agreement are scheduled to begin in early 2009. However, the United States began participating in negotiations related to financial services and investment with the Trans-Pacific countries in February 2008.

b. Trade Preference Programs

i. Legislation

On March 29, 2007, the Chairman introduced H.R. 1830, a bill to extend to September 30, 2009, the Andean Trade Preference Act and the Andean Trade Preferences and Drug Eradication Act (hereinafter "the Andean Preference Programs"). On June 27, 2007, the House took up the bill, as amended, under suspension and passed it by a recorded vote of 365–59. As amended, H.R. 1830 extended the Andean Preference Programs until February 29, 2008. On June 28, 2007, the bill was received in the Senate and passed by unanimous consent. On June 30, 2007, H.R. 1830 was signed by the President and became Public Law No. 110–42.

H.R. 5264, the Andean Trade Preference Extension Act of 2008, was introduced by Committee on Ways and Means Chairman Charles B. Rangel on February 7, 2008. H.R. 5264: (1) extended until September 30, 2010 the Andean Preference Programs, the Caribbean Basin Initiative (CBI) preferences and the Generalized System of Preferences (GSP); (2) repealed an "abundant supply" provision that required the use of fabric from least-developed beneficiary countries in an attempt to leverage vertical integration, thereby restricting the ability of those countries to use the African Growth and Opportunity Act's (AGOA) flexible "third-country fabric" rule; (3) reinstated Mauritius' eligibility to use AGOA's "third-country fabric" provisions; and (4) repealed the GSP's competitive need limitation (CNL) waiver provisions. On February 14, 2008, the Committee on Ways and Means met to consider H.R. 5264. At that time, Chairman Rangel offered an amendment in the nature of a substitute, which was adopted by voice vote. The amendment was limited to a 10-month extension of the Andean Preference Programs; none of the CBI, GSP or AGOA provisions included in the bill as introduced was retained. On February 25, 2008, the bill was reported by the Committee. On February 27, 2008, the House took up H.R. 5264 and passed it by voice vote. On February 28, 2008, the bill was passed by the Senate by unanimous consent. On February 29, 2009, it was signed by the President and became Public Law No. 110–191.

H.R. 2419, the Food, Conservation and Energy Act of 2008, was introduced on May 22, 2007. It was reported, as amended, by the Committee on Agriculture on July 23, 2007. On July 27, 2007, the House took up H.R. 2419 and passed the bill by recorded vote of 231–191.

On December 14, 2007, the Senate passed H.R. 2419 with an amendment by a recorded vote of 79–14. During the conference, at the request of members of the Committee, additional preference provisions were added to modify the Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) Act. The "HOPE II" provisions included in H.R. 2419 provide additional, simplified ways for Haitian apparel to qualify for duty-free treatment and enhanced incentives to use U.S. inputs. HOPE II also required that Haiti establish a comprehensive labor monitoring program in its apparel sector at the enterprise level with assistance from the International Labor Organization. The preference provisions added in the Farm Bill conference also extended the expiring provisions of the Caribbean Basin Initiative for two years.

The conference report was filed on May 13, 2008. The conference report was agreed to in the House by a recorded vote of 318–106 on May 14, 2008. The Senate agreed to the conference report by a recorded vote of 81–15 on May 15, 2008. On May 21, 2008, the legislation was vetoed by the President. The House passed the bill over the President's veto by a recorded vote of 316–108 on May 22, 2008. The Senate passed the bill over the President's veto by a recorded vote of 82–13 on May 22, 2008, and it became Public Law No: 110–234.

Due to a technical error, only 14 of the 15 chapters of the conference report were presented to the President, vetoed and passed by Congress over the veto. As such, all 15 chapters of the conference report were introduced as H.R. 6124, the Food, Conservation and Energy Act of 2008, on May 22, 2008. On that same day, the House took up H.R. 6124 and passed the bill under suspension by a recorded vote of 306–110. On June 5, 2008, the Senate passed H.R. 6124 without amendment by a vote of 77–15. On June 18, 2008, the President vetoed the legislation. The House passed the bill over the President's veto by a recorded vote of 317–109 on June 18, 2008. The Senate passed the bill over the President's veto by a recorded vote of 80–14 on June 18, 2008, and it became Public Law No. 110–246.

On July 22, 2008, Chairman Rangel and Ranking Member Jim McCrery introduced H.R. 6560, a bill to establish an earned import allowance program under Public Law 109–53, and for other purposes. H.R. 6560: (1) established a "2 for 1" textile and apparel allowance program to be developed and administered by the Secretary of Commerce under which Dominican apparel producers could "earn" the right to export duty free certain apparel made with non-U.S. non-regional fabric, if they have purchased certain quantities of U.S. fabric for use in apparel production; (2) extended the GSP program for one year to December 31, 2009; (3) repealed the AGOA "abundant supply" requirement (see description above); (4) made several non-controversial, technical corrections to AGOA and the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II); and (5) repealed prepayment requirements contained in Public Law 110–246. On July 29, 2008,

the House took up H.R. 6560 and passed the bill by voice vote. On July 30, 2008, it was received in the Senate and referred to the Committee on Finance. No further action was taken in the Senate.

On September 29, 2008, Chairman Rangel, Trade Subcommittee Chairman Levin, Committee Ranking Member McCrery and Trade Subcommittee Ranking Member Herger introduced H.R. 7222, a bill to extend the Andean Trade Preference Act, and for other purposes. H.R. 7222: (1) extended the GSP program for one year to December 31, 2009 (2) extended the Andean Preference Programs for (a) one year for Colombia and Peru (until December 31, 2009), (b) six months for Ecuador plus an additional six months unless the Administration determines that Ecuador does not satisfy the Andean Preference Program criteria and (c) six months for Bolivia plus an additional six months only if the Administration determines that Bolivia satisfies the Andean Preference Program criteria; (3) repealed the AGOA "abundant supply" requirement (see description above); (4) reinstated Mauritius' eligibility to use the AGOA "third-country fabric" provisions; (5) required the U.S. International Trade Commission to identify inputs that can be produced competitively in beneficiary sub-Saharan African countries and required the Comptroller General to recommend changes to U.S. trade preference programs, including AGOA, to provide incentives to increase investment and other measures necessary to improve the competitiveness of beneficiary sub-Saharan African countries in the production of the inputs identified by the ITC; (6) established a "2 for 1" textile and apparel allowance program to be developed and administered by the Secretary of Commerce (see description above); (7) made several of non-controversial, technical corrections to AGOA and the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008; and (8) repealed prepayment requirements contained in Public Law 110–246. On September 29, 2007, the Committee on Ways and Means discharged H.R. 7222 and the House passed it without objection on that same day. On October 2, 2008, H.R 7222 passed with an amendment in the Senate by unanimous consent. On October 3, 2008, the House agreed to the Senate amendment without objection. On October 16, 2008, H.R. 7222 was signed by the President and became Public Law No. 110–436.

ii. Hearings and Executive Sessions

On June 19, 2007, the Committee held an executive session with the Heads of State of nine Member countries of the Caribbean Community and Common Market (CARICOM) to discuss ways to strengthen trade and economic ties between the Caribbean and the United States.

On July 16, 2008, the Committee held an executive session with trade ministers (or their designates) from 35 sub-Saharan African countries, who were in Washington D.C. for the 7th Annual Africa Growth and Opportunity Act (AGOA) Forum. The meeting yielded a productive exchange of views on how AGOA has worked and on priorities for next steps.

iii. Reports

General

In September 2007, the Committee received a report from the GAO entitled U.S. Trade Preference Programs: An Overview of Use by Beneficiaries and U.S. Administrative Reviews. Publication GAO–07–1209. Washington, D.C.: September 2007.

In March 2008, the Committee received a report from the GAO entitled U.S. Trade Preference Programs Provide Important Benefits, but a More Integrated Approach Would Better Ensure Programs Meet Shared Goals. Publication GAO–08–443. Washington, D.C.: March 2008.

AGOA Countries

In September 2007, the Committee received a report from the ITC entitled Commercial Availability of Fabric & Yarns in AGOA Countries: Certain Denim. Publication 3950, Washington, D.C.: September 2007.

In July 2008, the Committee received a report from the ITC entitled Denim Fabric: Use in AGOA Countries During Fiscal Year 2007. Publication 4021. Washington, D.C.: July 2008.

In August 2008, the Committee received a report from the ITC entitled Denim Fabric: Commercial Availability in AGOA Countries During Fiscal Year 2009. Publication 4027. Washington, D.C.: August 2008.

Andean Countries

In September 2008, the Committee received a report from the ITC entitled Andean Trade Preference Act: Impact on U.S. Industries and Consumers and on Drug Crop Eradication and Crop Substitution, 2007. Thirteenth Report. Publication 4037. Washington, D.C.: September 2008.

Caribbean Countries

In June 2007, the Committee received a report from the GAO entitled Information on Port Security in the Caribbean Basin. Publication GAO–07–804R. Washington, D.C.: June 29, 2007.

In September 2007, the Committee received a report from the ITC entitled The Impact of the Caribbean Basin Economic Recovery Act, Eighteenth Report 2005–2006. Publication 3954. Washington, D.C.: September 2007

In May 2008, the Committee received a report from the ITC entitled Caribbean Region: Review of Economic Growth and Development. Publication 4000. Washington, D.C.: May 2008.

In June 2008, the Committee received a report from the ITC entitled Textiles and Apparel: Effects of Special Rules for Haiti on Trade Markets and Industries. Publication 4016. Washington, D.C.: June 2008.

c. Burma

i. Legislation

Annual Renewal

On July 28, 2003, President George W. Bush signed the Burmese Freedom and Democracy Act of 2003 (P.L. 108–61, hereinafter

"BFDA") to sanction the ruling Burmese military junta, strengthen Burma's democratic forces, and support and recognize the National League of Democracy as the legitimate representative of the Burmese people. Among other things, the BFDA prohibits the importation into the United States of any article that is the product of Burma (Myanmar) until the President certifies to Congress that Burma has met certain conditions, including that: (1) Burma's ruling military junta has made substantial improvements to end violation of human rights; (2) the junta has made substantial progress towards implementing a democratic government; and (3) the junta has taken effective counter-narcotics measures. The import restrictions must be renewed on an annual basis by Congress. In addition, the BFDA included a mandatory three year sunset on the import ban. Since 2004, Congress has annually renewed the import ban, and in 2006, extended the mandatory sunset date for the import ban for an additional three years.

On May 24, 2007, Chairman of the House Foreign Affairs Committee Lantos introduced H.J. Res 44 to authorize the renewal of import restrictions imposed under the BFDA. The bill was referred solely to the Ways and Means Committee. The House passed H.J. Res. 44 under a suspension of the rules by voice vote on July 23, 2007, and the Senate passed it without amendment by a vote of 93–1 on July 24, 2007. President Bush signed the bill into law on August 1, 2007 (Public Law No. 110–52).

On June 5, 2008, Congressman Joseph Crowley introduced H.J. Res. 93 to authorize the renewal of import restrictions imposed under the BFDA. The bill was referred solely to the Ways and Means Committee. On July 9, 2008, Chairman Rangel and Chairman of the House Foreign Affairs Committee Berman exchanged letters, acknowledging the jurisdiction of the Ways and Means Committee and its agreement to forgo consideration of H.J. Res. 93. The House passed H.J. Res. 93 under a suspension of the rules by voice vote on July 23, 2008. The Senate passed the bill without amendment by unanimous consent on July 24, 2008. President Bush signed the bill into law on July 29, 2008 (Public Law No. 110–287).

Expansion of BFDA Import Ban

On October 18, 2007, Chairman of the House Foreign Affairs Committee Lantos introduced H.R. 3890, the Block Burmese JADE (Junta's Anti-Democratic Efforts) Act of 2007 (the JADE Act), to expand the BFDA's import ban to include jade or rubies and jewelry containing such gemstones mined or extracted from Burma. The bill was referred to the House Foreign Affairs, and to the Committees on Ways and Means and the Judiciary.

On December 10, 2007, after extensive staff discussions, Chairmen Rangel and Lantos exchanged letters acknowledging the jurisdiction of the Ways and Means Committee, and its agreement to forgo the consideration of the bill with certain changes made to the expanded import ban. The changes included provisions: (1) requiring as a condition of importation for non-Burmese jade or rubies or jewelry containing such gemstones that people or firms in the supply chain maintain certain records and take other steps to ensure that the imported products do not include Burmese origin gemstones; (2) allowing the President to waive such import condi-

tions where the imported articles are from a country that has taken measures to prevent trade in such Burmese gemstones; (3) directing the President to seek a multilateral agreement on stopping global trade in Burmese gemstones; (4) directing the President to seek a waiver from the World Trade Organization for the expanded import ban; and (5) re-instating certain trade preferences under the U.S. Generalized System of Preferences (GSP) for certain jewelry from India and Thailand.

On December 11, 2007, H.R. 3890 passed the House under a suspension of the rules by a voice vote, with the agreed upon changes. The Senate passed the bill with amendments under unanimous consent on December 19, 2007. On July 15, 2008, the House agreed to the Senate's amendments, with amendments. Among other changes, the House amendments included all of the changes sought by the Committee on Ways and Means with respect to the expanded import ban, with the exception of the GSP-related amendments. On July 22, 2008, the Senate agreed to the House's amendments. President Bush signed H.R. 3890 into law on July 29, 2008 (Public Law No. 110–286).

d. China

i. Hearings and Executive Session

The Subcommittee on Trade held a series of hearings in the 110th Congress focused on (1) the impact of U.S.-China trade on jobs, wages, prices, manufacturing competitiveness and other aspects of the U.S. economy; (2) the causes of the U.S. trade deficit with China; (3) China's compliance with its WTO commitments; and (4) China's role in the world economy.

The first hearing, held on February 15, 2007, addressed China's enforcement of intellectual property rights and the role and effect of subsidies in the Chinese market and their impact on competition with U.S. products in China. The Trade Subcommittee heard testimony from private sector interests and the Administration.

The second hearing, held on March 15, 2007, addressed the application of countervailing duties to unfairly subsidized and injurious imports from nonmarket economy countries, with a focus on H.R. 1229, the "Nonmarket Economy Trade Remedy Act of 2007," introduced by Representatives Artur Davis (D–AL) and Phil English (R–PA). The Subcommittee received testimony from a Member of Congress, the Administration, and private sector interests.

The third hearing, held on May 9, 2007, addressed the issue of currency manipulation and its effects on U.S. businesses and workers. Three subcommittees participated in the hearing: the Ways and Means Subcommittee on Trade; the Financial Services Subcommittee on Domestic and International Monetary Policy, Trade, and Technology; and, the Energy and Commerce Subcommittee on Commerce, Trade and Consumer Protection. The purpose of the hearing was to consider: (1) whether, and to what extent, the Chinese renminbi (RMB) and the Japanese yen are undervalued as a result of foreign government intervention in the currency markets; (2) the immediate and long-term impact an undervalued RMB or yen has on the economies of the United States and other countries, and on the global economy; and (3) what action, if any, the United

States should take to address exchange rate manipulation. The Subcommittees received testimony during the hearing from the Administration and private sector interests.

In the fourth hearing, held on August 2, 2007, the Trade Subcommittee considered various legislative proposals relating to trade with China. The legislation examined included bills to address trade-distorting currency practices, as well as legislation to modify U.S. trade remedy laws. In addition, the hearing addressed the safety of food imports into the United States and issues related to the application of sanitary and phytosanitary measures overseas and the consistency of those measures with World Trade Organization (WTO) rules. During the hearing, the Subcommittee received testimony from eleven Members of Congress, the Administration, and the private sector.

On October 4, 2007, the Trade Subcommittee and the Oversight Subcommittee held a joint hearing on import safety. The hearing focused on the mechanisms and legal authorities under current law for ensuring the safety of food and consumer products imported into the United States.

In addition to the five hearings described above, the Trade Subcommittee and other interested Members of the Committee held an executive session on February 13, 2007, on exchange rate regimes and their effect on international trade, with a focus on the policies of China and Japan. The Members of the Committee informally discussed these issues with several knowledgeable economists, from the business community and other non-governmental organizations.

ii. Reports

In December 2007, the Committee received a report from the ITC entitled China: Description of Selected Government Practices and Policies Affecting Decision Making in the Economy. Publication 3978. Washington, D.C.: December 2007. The report was the first in a three-part study requested by the Chairman on May 23, 2007. (This request changed and superseded a request made in the 109th Congress by Chairman Thomas on September 21, 2006, following a written request from Ranking Member Charles B. Rangel to the Chairman, dated June 15, 2006, to study how China uses various forms of government intervention to promote investment, employment, and exports.) However, in a letter dated April 1, 2008, the Chairman recognized that it was not possible for the ITC to access and analyze key information within the time agreed (given the lack of transparency in Chinese policymaking, the absence of a clear demarcation between central and provincial government responsibilities, the pace at which laws are being written and rewritten, and the incomplete development of the rule of law in China) and terminated the requested study.

On December 11, 2007, the Committee received from the U.S. Trade Representative the "2007 Report to Congress on China's WTO Compliance," pursuant to section 421 of the U.S.-China Relations Act of 2000 (P.L. 106–286).

On December 1, 2008, the Committee received from the ITC the first in a series of reports entitled Statistical Reports on Certain Textile and Apparel Imports from China, under investigation No. 332–501. The Chairman of the Committee requested this investiga-

tion, pursuant to section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)), to monitor textile and apparel imports from China following the expiration on December 31, 2008, of the Memorandum of Understanding Concerning Trade in Textile and Apparel Products between the United States and China.

e. Iran

On February 8, 2007, Congresswoman Ileana Ros-Lehtinen introduced H.R. 957 to amend the Iran Sanctions Act of 1996 by expanding and clarifying the entities against which the United States may impose sanctions. Several provisions of the bill fell under the Ways and Means Committee's jurisdiction. On July 27, 2007, Chairman Rangel and Chairman of the House Foreign Affairs Committee Lantos exchanged letters acknowledging the jurisdiction of the Ways and Means Committee and changes made to the legislation that clarify the intent and scope of the bill, and the agreement by the Ways and Means Committee to forgo consideration of the bill as long as the Committee's jurisdictional prerogatives are being respected. The House passed H.R. 957 by a vote of 415–11 on July 31, 2007, and referred the bill to the Senate on August 3, 2007. No further action was taken on this legislation in the 110th Congress.

On March 8, 2007, Congressman Tom Lantos, Chairman of the House Committee on Foreign Affairs, introduced H.R. 1400, the "Iran Counter-Proliferation Act of 2007." The bill contained several provisions within the jurisdiction of the Committee on Ways and Means, including provisions related to international trade. On September 24, 2007, Chairman Rangel and Chairman Lantos exchanged letters acknowledging the jurisdiction of the Ways and Means Committee and changes made to the legislation that clarify the intent and scope of the bill, and the agreement by the Ways and Means Committee to forgo consideration of the bill as long as the Committee's jurisdictional prerogatives are being respected. On September 25, 2007, the House passed the bill under a suspension of the rules by a vote of 397 to 16. On September 26, 2007, the bill was referred to the Senate Committee on Banking, Housing and Urban Affairs. No further action was taken on this legislation in the 110th Congress.

On September 26, 2008, Chairman of the House Foreign Affairs Committee Berman introduced H.R. 7112, which would amend the Iran Sanctions Act of 1996 by expanding and clarifying the entities against which sanctions may be imposed. The bill contained trade-related provisions. On September 26, 2008, Chairmen Rangel and Berman exchanged letters acknowledging the jurisdiction of the Ways and Means Committee and changes made to the legislation that clarify the intent and scope of the bill, and the agreement by the Ways and Means Committee to forgo consideration of the bill as long as the Committee's jurisdictional prerogatives are being respected. H.R. 7112 passed the House on September 26, 2008, under a suspension of the rules by a voice vote. The bill was sent to the Senate on September 27, 2008. No further action was taken on this legislation in the 110th Congress.

f. Japan

i. Hearings and Executive Sessions

On February 13, 2007, the Trade Subcommittee and other interested Members of the Committee held an executive session on exchange rate regimes and their effect on international trade, with a focus on the policies of China and Japan. The Committee heard from several economists with knowledge of these issues, from the business community and other non-governmental organizations.

On May 9, 2007, three subcommittees (the Ways and Means Subcommittee on Trade; the Financial Services Subcommittee on Domestic and International Monetary Policy, Trade, and Technology; and the Energy and Commerce Subcommittee on Commerce, Trade and Consumer Protection) held a tripartite hearing to address the issue of currency manipulation and its effects on U.S. businesses and workers. The purpose of the hearing was to consider: (1) whether, and to what extent, the Chinese renminbi (RMB) and the Japanese yen are undervalued as a result of foreign government intervention in the currency markets; (2) the immediate and long-term impact an undervalued RMB or yen has on the economies of the United States and other countries, and on the global economy; and (3) what action, if any, the United States should take to address exchange rate manipulation. The Subcommittees received testimony during the hearing from the Administration and private sector interests.

ii. Reports

In March 2007, the Committee received a report from the ITC entitled Medical Devices and Equipment: Competitive Conditions Affecting U.S. Trade in Japan and Other Principal Foreign Markets. Publication 3909. Washington, D.C.: March 2007.

5. TRADE ADJUSTMENT ASSISTANCE

a. Legislation

H.J. Res. 20, the Continuing Appropriations Resolution, 2007, was introduced in the House on January 29, 2007. The joint resolution included language, at the request of members of the Committee, prohibiting the Department of Labor from using appropriated funds "to finalize or implement any proposed regulation under the Workforce Investment Act of 1998, Wagner-Peyser Act of 1933, or the Trade Adjustment Assistance Reform Act of 2002 until such time as legislation reauthorizing the Workforce Investment Act of 1998 and the Trade Adjustment Assistance Reform Act of 2002 is enacted." H.J. Res. 20 was taken up and passed by a recorded vote of 286–140 on January 31, 2007. It was taken up by the Senate and passed without amendment by a recorded vote of 81–15 on February 14, 2007. On February 15, 2007, it was signed by the President and became Public Law No. 110–5.

H.R. 3375, a bill to extend for three months the trade adjustment assistance ("TAA") program under the Trade Act of 1974, was introduced by Committee on Ways and Means Trade Subcommittee Ranking Member Wally Herger on August 3, 2007, and referred to the Committee on Ways and Means. The Committee marked up H.R. 3375, as amended, on September 18, 2007. On September 24,

2007, it was reported favorably by the Committee by voice vote. On September 25, 2007, the House took up H.R. 3375, as amended, and passed the bill by voice vote. It was received by the Senate that same day and passed by unanimous consent. On September 28, 2007, it was signed by the President and became Public Law No. 110–89.

On October 22, 2007, Chairman Rangel introduced H.R. 3920, the Trade and Globalization Assistance Act of 2007, which was referred to the Committee on Ways and Means and, in addition, to the Committees on Education and Labor, and Energy and Commerce. H.R. 3920: (1) expands TAA coverage to more workers, including service workers; (2) streamlines TAA enrollment for workers, including creating mechanisms for industry-wide (as opposed to company-specific) eligibility determinations; (3) enhances workers' access to long term training under TAA; (4) reforms the TAA health coverage tax credit benefit; (5) creates new TAA benefits for communities adversely affected by trade; and (6) reforms the unemployment insurance system. On October 24, 2007, the Committee on Ways and Means marked up H.R. 3920, and ordered the bill, as amended, favorably reported by a roll call vote of 26 to 14, with a quorum present. On October 31, 2007, the House took up and passed H.R. 3920 under a rule by a recorded vote of 264–157. On November 5, 2007, it was received in the Senate and referred to the Committee on Finance. No further action was taken in the Senate.

On December 10, 2007, Trade Subcommittee Chairman Levin introduced H.R. 4341, a bill to extend for three months the trade adjustment assistance program under the Trade Act of 1974. On December 11, 2007, the House took up H.R. 4341 and passed the bill by voice vote. It was received in the Senate on December 11, 2007, and referred to the Committee on Finance on January 22, 2008. No further action was taken in the Senate. The authorizations of the TAA for Workers, ATAA, TAA for Firms, and TAA for Farmers programs all expired December 31, 2007.

The Consolidated Appropriations Act, 2008, Public Law 110–161, enacted on December 26, 2007, fully funded the TAA for Workers, ATAA, and TAA for Firms programs for fiscal year 2008. DOL considered the appropriations language sufficient to continue the operation of the TAA for Workers and ATAA programs throughout fiscal year 2008, including issuing new certifications for eligibility. See Training and Guidance Letter No. 15–07, December 27, 2007 (Department of Labor, Employment and Training Administration). The Consolidated Appropriations Act, 2008 continued the prohibition on using funds made available to finalize or implement any proposed regulation related to TAA for Workers until the program is reauthorized.

The Consolidated Security, Disaster Assistance and Continuing Appropriations Act, 2009, Public Law 110–329, enacted on Sept. 30, 2008, fully funded the TAA for Workers, ATAA and TAA for Firms programs until enactment of the applicable regular appropriations bill or until March 6, 2009, whichever occurs first. The prohibition on the finalization or implementation of proposed TAA for Workers regulations until the program is reauthorized also remains in place. Again, DOL considered the appropriations language

sufficient to continue the operation of the TAA for Workers and ATAA programs.

b. Hearings

On June 14, 2007, the Committee on Ways and Means held a hearing entitled "Promoting U.S. Worker Competitiveness in a Globalized Economy." The hearing focused on the operation of and possible reforms to the Trade Adjustment Assistance for Workers program. Witnesses included Congressman Adam Smith; Sigurd Nilsen, Director for Education, Workforce, and Income Security Issues, Government Accountability Office; the Honorable Mason M. Bishop, Deputy Assistant Secretary, Employment and Training Administration, Department of Labor; David R. Williams, Director of Electronic Tax Administration and Refundable Credits, Internal Revenue Service, as well as representatives of state government workforce entities, organized labor, and non-profits and think tanks.

c. Reports

In June 2007, the Committee received a report from the GAO entitled Industry Certification Would Likely Make More Workers Eligible, but Design and Implementation Challenges Exist. Publication GAO–07–919. Washington, D.C.: June 2007.

In June 2007, the Committee received a report from the GAO entitled Trade Adjustment Assistance: Changes Needed to Improve States' Ability to Provide Benefits and Services to Trade-Affected Workers. Publication GAO–07–995T. Washington, D.C.: June 14, 2007.

In November 2007, the Committee received a report from the GAO entitled Trade Adjustment Assistance: States Have Fewer Training Funds Available than Labor Estimates when Both Expenditures and Obligations are Considered. Publication GAO–08–165. Washington, D.C.: November 2, 2007.

6. MISCELLANEOUS TARIFF BILL

On November 1, 2007, Chairman Levin and Ranking Member Herger of the Ways and Means Trade Subcommittee issued an advisory requesting that Members who planned to introduce tariff and duty suspension legislation do so by December 14, 2007. Subcommittee Chairman Levin and Ranking Member Herger also asked Members to submit written disclosures for bills that provide limited tariff benefits, as required by House Rules XXI and XXIII. On February 25, 2008, the Committee issued an advisory seeking comments from interested parties on 797 bills introduced by Members for consideration in the Miscellaneous Tariff Bill (MTB) process, due no later than April 10, 2008. On April 18, 2008, the Committee issued a second advisory seeking comments from interested parties on 11 bills that were inadvertently omitted from the previous advisory, but otherwise met the criteria for inclusion in the MTB process, due no later than June 2, 2008. In addition to several hundred comments from the public, the Committee received in September 2008 roughly 750 Congressional Bill Reports on the tariff and duty suspension legislation from the U.S. International Trade Commission, as well as comments from the Department of Commerce, Customs and Border Protection and the United States

Trade Representative by September 2008. No further action was taken on this legislation in the 110th Congress.

7. CUSTOMS AND BORDER PROTECTION

a. Legislation

i. Implementing Recommendations of the 9/11 Commission Act of 2007—Container Scanning and Seals

On January 5, 2007, Congressman Bennie Thompson introduced H.R. 1, the Implementing Recommendations of the 9/11 Commission Act of 2007. The bill contained a provision providing for strengthening the security of cargo containers entering the United States and was referred to the Ways and Means Committee, among others. In particular, section 501 of the House bill prohibits a container from entering the United States unless the container is scanned and secured with a seal that uses the best available technology, including technology to detect any breach of the container and record the time of that breach. The Secretary of Homeland Security (the Secretary) must establish standards for scanning and sealing containers, and must review and revise those standards at least once every two years. This section requires that all countries (those exporting 75,000 or more twenty-foot equivalent units (TEU)) scan and seal containers within three years. All other countries must scan and seal containers within five years. The Secretary may extend the deadline for a port by one year. The House passed H.R. 1 on January 9, 2007, by a recorded vote of 299–128.

On July 9, 2007, the Senate Committee on Homeland Security and Governmental Affairs discharged the bill by unanimous consent. That same day, the Senate passed H.R. 1 with an amendment by unanimous consent. The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text. Section 905 of the Senate bill amends Section 232 of the Security and Accountability for Every Port Act of 2006 (the "SAFE Port Act") to require the Secretary to develop a plan, which includes benchmarks, for scanning 100 percent of the containers destined for the United States using integrated scanning systems developed in the pilot program authorized in that section. Section 905 also requires that the plan incorporate existing programs, such as the Container Security Initiative and the Customs-Trade Partnership Against Terrorism.

During the Conference of H.R. 1, the House conferees disagreed with the Senate amendment and offered an amendment in the nature of a substitute for the original House bill and the Senate amendment, which was agreed to in conference. In particular, the Conference substitute amends section 232 of the SAFE Port Act to require full-scale implementation of the 100 percent scanning system pilot program required by that section no later than July 1, 2012. However, the Secretary is authorized to extend the deadline by two years, and may renew the extension in additional two-year increments, if the Secretary certifies to Congress that particular conditions cannot be met. The provision provides a waiver for U.S. and foreign military cargo. The conference substitute also requires the Secretary to consult with other appropriate Federal agencies to ensure that actions taken under this section do not violate international trade obligations.

The Conference substitute also amends section 204(a)(4) of the SAFE Port Act by requiring the Secretary to issue an interim rule to establish minimum standards and procedures for securing containers in transit to the United States not later than April 1, 2008. If the Secretary fails to meet that deadline, this section requires that effective October 15, 2008, and until such interim rule is issued, all containers in transit to the United States shall be required to meet the requirements of International Organization for Standardization Publicly Available Specification 17712 standard for sealing containers.

The Conferees expressed an expectation that the Secretary work with the Secretary of State, the United States Trade Representative, and other appropriate Federal officials to work with the United States international partners and international organizations, such as the World Customs Organization, to establish an international framework for scanning and securing containers. The Conferees also expressed an expectation that where the scanning technology standards affect the Department of Energy's (DOE) Megavolts Second Line of Defense programs, that the Secretary shall invite the DOE to participate in the development and final review of such standards and that the Secretary of Homeland Security shall seek the concurrence of the Secretary of Energy.

On July 25, 2007, the Conferees filed Conference Report 110–259, which contained the conference substitute for container scanning and seals in section 1701. On July 26, 2007, the Senate agreed to the Conference Report by a recorded vote of 85–8. On July 27, the House agreed to the Conference Report by a vote of 371–40. The bill was signed by the President and became law on August 3, 2007 (P.L. 110–53).

ii. Ethyl Alcohol (Ethanol) Tariff Extensions

During the Conference of H.R. 2419, the "Food, Conservation and Energy Act of 2008," the Conferees agreed to follow a Senate Amendment and included provisions extending the existing effective period for imports of ethyl alcohol classified under heading 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States from before January 1, 2009, to before January 1, 2011. Heading 9901.00.50 of the Harmonized Tariff Schedule of the United States imposes a cumulative general duty of 14.27 cents per liter to imports of ethyl alcohol, and any mixture containing ethyl alcohol, if used as a fuel or in producing a mixture to be used as fuel. Heading 9901.00.52 of the Harmonized Tariff Schedule of the United States imposes a general duty of 5.99 cents per liter to imports of ethyl tertiary-butyl ether, and any mixture containing ethyl tertiary-butyl ether.

On May 13, 2008, the Conferees filed Conference Report 110–627, which contained the ethanol tariff effective date provisions in section 15333. On May 14, 2008, the House agreed to the Conference Report by a recorded vote of 318–106. On May 15, 2008, the Senate agreed to the Conference Report by a recorded vote of 81–15. On May 21, 2008, the President vetoed the bill. On May 21, 2008, the bill passed the House over the President's veto with two-thirds of the Members present voting in the affirmative by a recorded vote of 316–108. On May 22, 2008, the bill passed the Sen-

ate over the President's veto by a recorded vote of 82–13 and the bill became Public Law 110–234.

Due to a technical error, however, P.L. 110–234 enacted only 14 of 15 titles of the bill into law. On May 22, 2008, a new bill including all 15 titles was introduced as H.R. 6124, the "Food, Conservation, and Energy Act of 2008." On that same day, the House passed H.R. 6124 under suspension by a vote of 306–110. On June 5, 2008, the Senate passed H.R. 6124 without amendment by a vote of 77–15. On June 18, 2008, the President vetoed the legislation. On June 18, 2008, the House passed the bill over the President's veto by a recorded vote of 317–109. The Senate passed the bill over the President's veto by a recorded vote of 80–14 on June 22, 2008, and the bill became Public Law No. 110–246.[1]

iii. Duty Drawback

Limitations on Duty Drawback on Certain Imported Ethyl Alcohol (Ethanol)

During the Conference of H.R. 2419, the "Food, Conservation and Energy Act of 2008," the Conferees agreed to follow a Senate Amendment and included a provision amending subsection 313(p) of the Tariff Act of 1930, which permits the substitution on exportation for drawback eligibility of one motor fuel with another motor fuel.

The provision clarifies that any duty paid under subheading 9901.00.50 of the Harmonized Tariff Schedule of the United States on imports of ethyl alcohol or a mixture of ethyl alcohol may not be refunded if the exported article upon which a drawback claim is based does not contain ethyl alcohol or a mixture of ethyl alcohol. Specifically, the provision eliminates the ability to export jet fuel as a substitute for motor fuel made with imports of ethyl alcohol or a mixture of ethyl alcohol, and then receive duty drawback based upon the import duty paid on the ethyl alcohol or the mixture of ethyl alcohol under subheading 9901.00.50 of the Harmonized Tariff Schedule of the United States. The provision applies to imports of ethyl alcohol or a mixture of ethyl alcohol entered for consumption, or withdrawn from warehouse for consumption, on or after October 1, 2008. With respect to claims for substitution duty drawback that are based upon imports of ethyl alcohol or a mixture of ethyl alcohol entered for consumption, or withdrawn from warehouse for consumption, before October 1, 2008, such claims must be filed not later than September 30, 2010; otherwise, such claims are disallowed.

On May 13, 2008, the House and Senate Conferees filed Conference Report 110–627, which contained the ethanol drawback provision in section 15334. The legislative process that followed (including the technical error that led to the passage of H.R. 6124, the "Food, Conservation, and Energy Act of 2008") is described above, in section 7.a.ii. (regarding Ethyl Alcohol (Ethanol) Tariff Extensions).

[1] Provisions in Public Law No. 110–246 relating to the Committee's jurisdiction over tax measures are described in the tax section of this report.

Unused Merchandise Drawback

On August 3, 2007, Congressman Thompson introduced H.R. 3443, the "Drawback Simplification Act of 2007," together with Representatives Herger, McDermott, Reynolds, Crowley, Nunes and Israel. The bill included a provision, among others, that defined "substituted merchandise" for the purposes of drawback as a good that is classifiable within the same 8-digit subheading of the Harmonized Tariff Schedule (HTS) of the United States. Thus, for the purposes of qualifying for unused merchandise drawback, imported merchandise and exported merchandise must be classified in the same 8-digit HTS subheading, rather than having to meet the commercial interchangeability standard used today. No further action was taken on this legislation in the 110th Congress.

On October 30, 2007, Chairman Rangel introduced H.R. 3996, the "Tax Increase Prevention Act of 2007," which included among others, a provision amending section 313(j)(2) of the Tariff Act of 1930 to provide a standard for what is considered to be "commercially interchangeable" for purposes of unused merchandise drawback for wine. This provision effectively carried forward the standard used by Customs and Border Protection from 2001 to May 2007 in determining commercially interchangeable wine. That standard permitted the: (1) interchangeability of white domestic and imported table wine with relatively valued imported white table wine; and (2) interchangeability of red domestic and imported table wine with relatively valued red table wine. Relatively valued wine was considered to be wine within a price range of 50 percent. The definition of "substituted merchandise" provided for in H.R. 3443 was broader than Customs' standard of "commercially interchangeable" for unused merchandise drawback for wine because it did not include a requirement that the wine be relatively valued within a price range of 50 percent. Specifically, the provision in H.R. 3996 states that "wine of the same color having a price variation not to exceed 50 percent between the imported wine and the exported wine shall be deemed to be commercially interchangeable." H.R. 3996 passed the House on November 9, 2007, by a recorded vote of 216–193. On December 6, 2007, the Senate passed H.R. 3996 by a vote of 88–5 with an amendment that omitted the unused merchandise drawback provision, among others.

A provision identical to the unused merchandise drawback provision in H.R. 3996 was added during the Conference of H.R. 2419, the "Food, Conservation and Energy Act of 2008." On May 13, 2008, the House and Senate Conferees filed Conference Report 110–627, which contained the unused merchandise drawback provision in section 15421. The legislative process that followed (including the technical error that led to the passage of H.R. 6124, the "Food, Conservation, and Energy Act of 2008") is described above, in section 7.a.ii. (regarding Ethyl Alcohol (Ethanol) Tariff Extensions).

iv. Valuation

During the Conference of H.R. 2419, the "Food, Conservation and Energy Act of 2008," the House and Senate Conferees added a provision within Ways and Means Committee jurisdiction. Specifically, the provision provides for the collection of additional information about the extent to which importers are declaring for purposes of

customs valuation a transaction value in a multiple sale scenario that is based on the price paid in the first or earlier sale occurring prior to introduction of the merchandise into the United States—i.e., a "first sale" as opposed to a "last sale." The provision also expresses the sense of Congress that CBP should not change its current interpretation before 2011, and after then, may do so only if certain conditions are met. The provision was added to assist Members of Congress to better understand the impact of a Federal Register notice dated January 24, 2008, issued by Customs and Border Protection (CBP) that would have reversed a long-standing judicial and administrative interpretation of the expression "sold for exportation to the United States."

Specifically, the provision: (1) requires importers to declare whether the value of the imported merchandise is determined on the basis of the price paid in the first or earlier sale occurring prior to the introduction of the merchandise into the United States; (2) requires CBP to collect and provide this information to the U.S. International Trade Commission (ITC) on a monthly basis; (3) requires the ITC to submit a report to the Ways and Means Committee and Senate Finance Committee within ninety days of receipt of CBP's last monthly report; (4) expresses a sense of Congress that CBP should not before January 1, 2011, implement a change of interpretation of the expression "sold for exportation to the United States" for purposes of applying the transaction value in a series of sales.

The sense of Congress also expresses that, after January 1, 2011, CBP may propose to change or change its interpretation only if CBP: (1) consults with and provides notice to the appropriate committees not less than 180 days prior to proposing a change and not less than 90 days prior to publishing a change; (2) consults with, provides notice to, and takes into consideration views expressed by the Commercial Operations Advisory Committee not less than 120 days prior to proposing a change and not less than 60 days prior to publishing a change; and (3) receives the explicit approval of the Secretary of Treasury prior to publishing the change. The sense of Congress also expresses that CBP should take into consideration the ITC report before publishing any change to the expression "sold for exportation to the United States."

On May 13, 2008, the House and Senate Conferees filed Conference Report 110–627, which contained the valuation provision in section 15422. The legislative process that followed (including the technical error that led to the passage of H.R. 6124, the "Food, Conservation, and Energy Act of 2008") is described above, in section 7.a.ii. (regarding Ethyl Alcohol (Ethanol) Tariff Extensions). On August 25, 2008, CBP issued a Federal Register notice implementing the importer declaration requirement and stating that it was withdrawing its January 24, 2008, notice of proposed interpretation.

b. Hearings and Executive Sessions

On October 4, 2007, the Trade Subcommittee and the Oversight Subcommittee held a joint hearing on import safety. The hearing focused on the mechanisms and legal authorities under current law for ensuring the safety of food and consumer products imported into the United States. Daniel Baldwin, an Assistant Commissioner

of Customs and Border Protection, was among the witnesses who testified.

On June 18, 2008, the Committee held an executive session with U.S. Customs and Border Protection Commissioner Ralph Basham. The session focused on matters of general oversight and specific issues of concern including a CBP Federal Register notice, dated January 24, 2008, proposing a new interpretation of the expression "sold for exportation to the United States."

c. Reports

In April 2007, the Committee received a report from the GAO entitled Customs Revenue: Customs and Border Protection Needs to Improve Workforce Planning and Accountability. Publication GAO–07–529. Washington, D.C.: April 12, 2007.

In February 2008, the Committee received a report from the GAO entitled Federal User Fees: Substantive Reviews Needed to Align Port-Related Fees with the Programs They Support. Publication GAO–08–321. Washington, D.C.: February 22, 2008.

In May 2008, the Committee received a report from the GAO entitled Federal Users Fees: A Design Guide. Publication GAO–08–386SP. Washington, D.C.: May 29, 2008.

8. OTHER TRADE ISSUES

a. Implementation of the Lacey Act Amendments—Section 8204 of the Food, Conservation and Energy Act of 2008

On October 10, 2008, Committee on Ways and Means Chairman Charles B. Rangel, Committee on Natural Resources Chairman Nick J. Rahall II, Senate Committee on Finance Chairman Max Baucus and Senate Committee on Agriculture Chairman Tom Harkin, Congressman Earl Blumenauer and Senator Ron Wyden sent a letter to the Animal and Plant Health Inspection Service, U.S. Customs and Border Protection U.S. Department of Justice, Environment and Natural Resources Division and the U.S. Fish and Wildlife Service concerning the implementation of the amendments to the Lacey Act (16 U.S.C. 3371) included in section 8204 of the Food, Conservation and Energy Act of 2008 (FCEA). The letter was sent to provide guidance to the agencies on how to implement the amendments in a way that accomplished Congress's intent—preventing the trade of illegally harvested plants and plant products without disrupting legitimate commerce.

b. Enforcement of Intellectual Property Rights

i. Anti-Counterfeiting Trade Agreement (ACTA)

On October 23, 2007, U.S. Trade Representative Susan C. Schwab announced that the United States will seek to negotiate an Anti-Counterfeiting Trade Agreement (ACTA). ACTA will bring together countries that recognize the critical importance of strong intellectual property rights enforcement for a prosperous economy. Participants in the ongoing discussion include Australia, Canada, the European Union, Japan, Korea, Mexico, Morocco, New Zealand, Singapore, Switzerland, and the United States.

ii. Reports

On April 30, 2007, the Committee received the 2007 "Special 301" Report from the U.S. Trade Representative on the adequacy and effectiveness of intellectual property rights protection by U.S. trading partners. Twelve countries were included on the "priority watch list" of partners who fail to provide an adequate level of IPR enforcement or protection: Argentina, Chile, China, Egypt, India, Israel, Lebanon, Russia, Thailand, Turkey, Ukraine, and Venezuela.

On April 25, 2008, the Committee received the 2008 "Special 301" Report from the U.S. Trade Representative. Nine countries were included on the "priority watch list": Argentina, Chile, China, India, Israel, Pakistan, Russia, Thailand, and Venezuela.

iii. Legislation

On December 5, 2007, Congressman John Conyers, Jr. (D–MI) introduced H.R. 4279, the Prioritizing Resources and Organization for Intellectual Property Act of 2008. Several provisions of H.R. 4279 fell within the jurisdiction of the Committee. For example, section 301(e) would amend the Trade Act of 1974 by imposing an additional consultation requirement on the U.S. Trade Representative. As another example, section 322(b)(9) would require the newly created Intellectual Property Enforcement Representative to report to Congress and the President on "[t]he progress of the United States Trade Representative in taking the appropriate action under any trade agreement or treaty to protect intellectual property rights of United States persons and their licensees."

Prior to markup of the bill by the House Judiciary Committee, Ways and Means Committee staff for both the Majority and Minority worked with the staff of the Judiciary Committee to ensure that the bill would not undermine the prerogatives of the Committee and the various trade agencies within its jurisdiction (in particular, the U.S. Trade Representative and U.S. Customs and Border Protection). The staff of the Judiciary Committee addressed these and other concerns, as reflected in an amended bill. The Judiciary Committee reported favorably on the amended bill on May 5, 2008, by voice vote. That same day, the Chairman and Judiciary Chairman Conyers exchanged letters, acknowledging the jurisdiction of the Ways and Means Committee and its agreement to forgo consideration of the amended bill. On May 8, 2008, the House passed the bill by a recorded vote of 410 to 11.

On July 24, 2008, Senator Patrick J. Leahy (D–VT) introduced a companion bill, S. 3325. On September 15, 2008, the Senate Committee on the Judiciary reported on the bill with amendments, without a written report. On September 26, 2008, the Senate passed the bill with an amendment by Unanimous Consent. S. 3325 included the modifications sought by Committee staff in the amended H.R. 4279. On September 28, 2008, the House passed S. 3325 by a vote of 381 to 41. The President signed the bill into law on October 13, 2008 (P.L. 110–403).

c. Federal Advisory Committee Act Amendments of 2008

On April 3, 2008, Congressman Clay (D–MO) introduced H.R. 5687, the Federal Advisory Committee Act Amendments of 2008, to increase the transparency and accountability of Federal advisory

committees. On June 24, 2008, Chairman Rangel and Chairman of the House Committee on Oversight and Government Reform Waxman exchanged letters, acknowledging the jurisdiction of the Ways and Means Committee and its agreement to forgo consideration of the bill. The House passed H.R. 5687 under a suspension of the rules by voice vote on June 24, 2008 and referred the bill to the Senate on June 25, 2008. No further action was taken on this legislation in the 110th Congress.

d. Insurance Information Act of 2008

On April 17, 2008, Congressman Kanjorski introduced H.R. 5840 to improve the development and coordination of federal policy on international insurance matters. The provisions of the bill could affect, inter alia, how U.S. obligations under international trade agreements are implemented. On September 17, 2008, Chairman Rangel exchanged letters with Chairman of the House Financial Services Committee Frank acknowledging the jurisdiction of the Ways and Means Committee and its agreement to forgo consideration of the bill. On July 9, 2008, the Subcommittee on Capital Markets, Insurance and Government-sponsored Enterprises amended and forwarded the bill to the Full Financial Services Committee by voice vote. No further action has been taken by the House.

e. Food, Conservation and Energy Act of 2008

On September 9, 2008, Congressman Bob Etheridge introduced H.R. 6849 to modify certain commodity provisions of the Food, Conservation and Energy Act of 2008. The bill contained several provisions related to international trade. On September 27, 2008, Chairman Rangel and Chairman of the House Committee on Agriculture Peterson exchanged letters acknowledging the jurisdiction of the Ways and Means Committee and its agreement to forgo consideration of the bill. The House passed the bill under a suspension of the rules by voice vote on September 24, 2008. On September 29, 2008, the Senate passed the bill with an amendment by unanimous consent and the House agreed to the Senate amendment without objection. President Bush signed the bill into law on October 13, 2008 (Public Law No. 110–398).

f. The Softwood Lumber Act of 2008

During the Conference of H.R. 2419, the "Food, Conservation and Energy Act of 2008," the Conferees agreed to follow a Senate Amendment and included a provision within the jurisdiction of the Ways and Means Committee related to the Softwood Lumber Agreement with Canada. Specifically, the provision amends the Tariff Act of 1930 by adding a new Title VIII, the "Softwood Lumber Act of 2008." The Act directs the President to establish a softwood lumber importer declaration program. The program requires U.S. importers of softwood lumber and softwood lumber products to take certain steps to help the United States and its trading partners ensure that trade in these products is consistent with the terms of any relevant international agreements.

On May 13, 2008, the House and Senate Conferees filed Conference Report 110–627, which contained the Softwood Lumber Agreement provision in section 3301. The legislative process that

followed (including the technical error that led to the passage of H.R. 6124, the "Food, Conservation, and Energy Act of 2008") is described above, in section 7.a.ii. (regarding Ethyl Alcohol (Ethanol) Tariff Extensions).

g. The Family Smoking Prevention and Tobacco Control Act

On February 15, 2007, Congressman Henry A. Waxman introduced H.R. 1108, the "Family Smoking Prevention and Tobacco Control Act." The bill contained several provisions within the jurisdiction of the Committee on Ways and Means, including provisions related to international trade. On July 24 and 25, 2008, Chairman Rangel and Chairman John Dingell of the House Committee on Energy and Commerce exchanged letters acknowledging the jurisdiction of the Ways and Means Committee and its agreement to forgo consideration of the bill as long as the Committee's jurisdictional prerogatives are being respected. The House passed the bill under a suspension of the rules on July 30, 2008, by a vote of 326 to 102. The bill was referred to the Senate Committee on Health, Education, Labor, and Pensions on August 1, 2008. No further action was taken on this legislation in the 110th Congress.

h. Other Select Reports Received by the Committee

In February 2007, the Committee received the 2007 Subsidies Enforcement Joint Report of the U.S. Trade Representative and the U.S. Department of Commerce. Section 281(f)(4) of the Uruguay Round Agreements Act requires these agencies to submit this report annually to the Congress. The report describes the Administration's monitoring and enforcement activities throughout the previous year.

In March 2007, the Committee received the 2007 Trade Policy Agenda and the 2006 Annual Report of the President of the United States on the Trade Agreements Program. Section 163 of the Trade Act of 1974, as amended, and sections 122 and 124 of the Uruguay Round Agreements Act require USTR to submit this report to Congress annually.

In March 2007, the Committee received the 2007 National Trade Estimate Report. This annual report from USTR to Congress is mandated by section 181 of the Trade Act of 1974, as amended by section 303 of the Trade and Tariff Act of 1984, section 1304 of the Omnibus Trade and Competitiveness Act of 1988, section 311 of the Uruguay Round Trade Agreements Act, and section 1202 of the Internet Tax Freedom Act.

In April 2007, the Committee received a report from the GAO entitled Transportation Security: DHS Efforts to Eliminate Redundant Background Check Investigations. Publication GAO–07–756. Washington, D.C.: April 26, 2007.

In May 2007, the Committee received a report from the GAO entitled Changes to Funding Allocation and Eligibility Requirements Could Enhance States' Ability to Provide Benefits and Services. Publication GAO–07–702. Washington, D.C.: May 2007.

In July 2007, the Committee received a report from the ITC entitled Certain Textile Articles: Performance Outerwear. Publication 3937. Washington, D.C.: July 2007.

In October 2007, the Committee received a report from the ITC entitled Certain Textile Articles: Travel Goods of Textile Materials. Publication 3957. Washington, D.C.: October 2007.

In December 2007, the Committee received a report from the ITC entitled Canned Peaches, Pears, and Fruit Mixtures: Conditions of Competition Between U.S. and Principal Foreign Supplier Industries. Publication 3972. Washington, D.C.: December 2007.

In February 2008, the Committee received the 2008 Subsidies Enforcement Joint Report of the U.S. Trade Representative and the U.S. Department of Commerce. Section 281(f)(4) of the Uruguay Round Agreements Act requires these agencies to submit this report annually to the Congress. The report describes the Administration's monitoring and enforcement activities throughout the previous year.

In March 2008, the Committee received the 2008 Trade Policy Agenda and the 2007 Annual Report of the President of the United States on the Trade Agreements Program. Section 163 of the Trade Act of 1974, as amended, and sections 122 and 124 of the Uruguay Round Agreements Act require USTR to submit this report to Congress annually.

In March 2008, the Committee received the 2008 National Trade Estimate Report. This annual report from USTR to Congress is mandated by section 181 of the Trade Act of 1974, as amended by section 303 of the Trade and Tariff Act of 1984, section 1304 of the Omnibus Trade and Competitiveness Act of 1988, section 311 of the Uruguay Round Trade Agreements Act, and section 1202 of the Internet Tax Freedom Act.

In November 2008, the Committee received a report from the ITC entitled Monitoring of U.S. Imports of Tomatoes. Publication 4048. Washington, D.C.: November 2008.

In November 2008, the Committee received a report from the ITC entitled Monitoring of U.S. Imports of Peppers. Publication 4049. Washington, D.C.: November 2008.

C. Legislative Review of Health Issues

1. BILLS ENACTED INTO LAW DURING THE 111TH CONGRESS

a. TMA, Abstinence Education, and QI Programs Extension Act of 2007 (P.L. 110–90)

On September 29, 2007, the "TMA, Abstinence Education and QI Programs Extension Act of 2007" (P.L. 110–90) was signed into law. The bill extended authorization for several expiring Federal programs through December 2007, and also expanded application of the SSI access to financial institutions information initiative to Medicaid. Specifically, the act authorized TMA (an extension of Medicaid benefits for certain low-income families who would otherwise lose coverage due to income changes) through December 31, 2007. The Act also (1) extended the Abstinence Education program through December 31, 2007; (2) extended the QI Medicare Savings Program through December 31, 2007, and allocated $100 million to the program; and (3) required the Secretary of Health and Human Services to use the current process that SSA uses to access to information held by financial institutions pilot project to be utilized for verification of assets for Medicaid eligibility of individuals not applying for Supplemental Security Income (SSI). Extension to Med-

icaid is limited to States in which the SSI pilot project is operating. This provision is effective for the period beginning October 1, 2007 and ending September 30, 2012.

b. Medicare, Medicaid, and SCHIP Extension Act of 2007 (P.L. 110–173)

On December 29, 2007, the President signed S. 2499, the Medicare, Medicaid, and SCHIP Extension Act of 2007 (P.L. 110–173). This Act was passed by the House on December 19, 2007, and by a voice vote in the Senate on December 18, 2007. The Act makes changes to the nation's three major public health programs, Medicare, Medicaid, and the State Children's Health Insurance Program (SCHIP), as well as other federally funded programs.

The most prominent provisions in the Act were to (1) suspend the Medicare physician payment cut scheduled to take effect and (2) provide SCHIP funding through March 2009. P.L. 110–173 mandates a 0.5% increase in the Medicare physician fee schedule for the six-month period from January 1, 2008, through June 30, 2008, and provides FY2008 and FY2009 SCHIP funding allotments through March 31, 2009. The Act also extends a number of expiring provisions and programs. These extensions affect Medicare plans and providers and Medicaid payments and programs. The Act also includes funding for some miscellaneous activities.

The Act's Medicare provisions include incentive payments for certain physicians, and extensions of current law provisions for Medicare Special Needs Plans and cost-based plans. Additional extensions affect Medicare payments for other services and providers including certain rural providers; physical and occupational therapy services and speech language pathology services; brachytherapy services, and therapeutic radiopharmaceuticals. The Act also provides regulatory relief for inpatient rehabilitation facilities and long term care hospitals (LTCHs), establishes a three-year moratorium on new LTCHs and advances implementation of Medicare Payment Advisory Commission recommendations for LTCHs on facility and patient criteria. The Act also includes Medicaid provisions designed to extend certain payments and programs, such as Medicaid disproportionate hospital share (DSH) allotments for Tennessee and Hawaii, the Transitional Medical Assistance (TMA) program, and the Qualifying Individual (QI) program, among other provisions.

Miscellaneous provisions include using Medicare funds to make grants to State Health Insurance Assistance Programs, Area Agencies on Aging, and Aging and Disability Resource Centers. The Act also reauthorizes and extends funding for certain diabetes grants made under the Public Health Service Act and clarifies that the Medicare Payment Advisory Commission (MedPAC) is a congressional support agency.

The Act provides a number of offsets to pay for the spending increases, including a reduction in the Medicare Advantage stabilization fund in 2012 and market basket reductions for inpatient rehabilitation facilities and long-term care hospitals. The Act also includes provisions affecting Medicare's responsibility as a secondary payer for certain covered services, payments for most Medicare part B drugs, and payments for certain diagnostic laboratory tests.

c. Genetic Information Nondiscrimination Act of 2008 (GINA) (P.L. 110–233)

On January 16, 2007, Representative Louise Slaughter introduced H.R. 493, the Genetic Information Nondiscrimination Act (GINA). It passed the House under suspension of the rules on April 25, 2007, passed the Senate almost one year later, as an amendment in the nature of a substitute, on April 24, 2008. H.R. 493, as amended by the Senate, passed the House on May 1, 2008, and was signed into law on May 21, 2008 (P.L. 110–233). GINA provides protections against discrimination in health insurance and employment based on genetic information.

Title I, Genetic Nondiscrimination in Health Insurance, amends the Employee Income Retirement Security Act of 1974, the Public Health Service Act, and the Internal Revenue Code of 1986, using the same model as the Health Insurance Portability and Accountability Act of 1996 to prohibit discrimination based on genetic information in health insurance. GINA prohibits insurers from engaging in three practices: (1) using genetic information about an individual to adjust a group plan's premiums, or, in the case of individual plans, to deny coverage, adjust premiums, or impose a preexisting exclusion requirement; (2) requiring or requesting genetic testing; and (3), requiring, requesting, or purchasing genetic information for purposes of underwriting.

Title II, Prohibiting Employment Discrimination on the Basis of Genetic Information, prohibits employers from discriminating in employment decisions, including hiring, firing, job assignments and promotions, on the basis of genetic information. Additionally, GINA prohibits employers from requesting, requiring, or purchasing genetic information, with certain exceptions.

d. Medicare Improvements for Patients and Providers Act (MIPPA) (P.L. 110–275)

The Medicare Improvements for Patients and Providers Act (MIPPA) was originally passed by the House on June 24, 2008, under suspension of the rules by a vote of 355 to 59. On July 9, 2008, the Senate passed the bill without amendment by unanimous consent and the bill was cleared for the White House. On July 15, 2008, President Bush vetoed the bill. On the same day, the House voted 383–41 to override the veto. The Senate later voted 70–26 to override the veto and MIPPA became law on July 15, 2008 (P.L. 110–275).

MIPPA freezes physician fees at the June 2008 level until January 2009. In January 2009, fees will increase by 1.1%. In 2010, the statutory reduction will again apply, resulting in an estimated 21% reduction in Medicare physician fees, according to the Congressional Budget Office (CBO). In addition to the changes to Medicare physician fees, the Act also makes further changes to Medicare, Medicaid, and other programs under the Social Security Act. For example, MIPPA (1) adds "additional preventive services" to the list of Medicare-covered preventive services; (2) lowers the cost-sharing paid by beneficiaries for mental health services such that by 2014, beneficiary cost-sharing will be set at the same level charged for other Part B services; (3) increases the assets tests applicable under the Medicare Savings program (MSP) to those applicable under the low-income subsidy program under the Medicare

Part D prescription drug program; (4) repeals the current law requirement for competitive bidding for clinical laboratory services; (5) makes changes to low-income programs for Medicare and Medicaid beneficiaries; (6) makes changes to Medicare provisions for hospitals, renal dialysis coverage, and Medicare prescription drug coverage, among others; (7) ensures accountability for healthcare accrediting organizations; (8) requires private fee-for-service plans in certain counties to develop provider networks; (9) reduces overpayments to Medicare Advantage plans; (10) expands a medical home demonstration program; and (11) provides incentives for providers who adopt and use electronic prescribing technology. Finally, MIPPA terminates all contracts under the first round of the Durable Medical Equipment, prosthetics, orthotics, and other medical supplies (DMEPOS) competitive acquisition program, set to start July 1, 2008. It reforms the program and requires the Secretary to re-bid the first round in 2009 and delays the second round of bidding until 2011.

e. Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (P.L. 110–343)

On October 3, 2008, President Bush signed into law H.R. 1424, which among other things expanded federal mental health parity requirements on group health insurance providers. This Act requires group health insurers who provide coverage for mental illnesses to provide that coverage on par with that for physical illnesses. The parity applies to financial limits (e.g., co-pays, annual and lifetime limits) and treatment limits (e.g., in- and out-of-network coverage). The provisions of this law go into effect for health plan years beginning after October 3, 2009.

In the first session of the 110th Congress, Senator Domenici introduced the Mental Health Parity Act of 2007 (S. 558). This bill would have amended the Employee Retirement Income Security Act (ERISA) and the Public Health Service Act (PHSA). Representative Patrick Kennedy introduced the Paul Wellstone Mental Health and Addiction Equity Act (H.R. 1424), which would have amended ERISA, the PHSA, and the Internal Revenue Code (IRC). While the bills were largely similar, they had some key differences. The House bill passed on March 5, 2008 with a vote of 268–148, while the Senate bill passed by unanimous consent on September 18, 2007.

In June 2008, House and Senate lawmakers reached a compromise on the mental health parity provisions to be included in the final bill. On September 23, 2008, the House introduced and passed the compromise provisions as H.R. 6983, and included deferred tax breaks on worldwide interest allocation as the offset. The Senate did not take any action on this bill. On September 29, 2008, the Senate included the text of H.R. 6983 in H.R. 6049, the Energy Improvement and Extension Act of 2008, although the specific offset for mental health parity was stripped. The House did not take any action on this bill. The legislation was ultimately enacted in H.R. 1424, which became the vehicle to pass the Emergency Economic Stabilization Act of 2008.

f. Michelle's Law (P.L. 110–381)

On October 9, 2008, the President signed into law, Michelle's Law. The purpose of H.R. 2851, Michelle's Law, is to ensure continuity of health coverage for students, who because of a serious illness or injury, can no longer maintain student status. The bill would extend the ability of dependents to remain on their parents' plan for a limited period of time during a medical leave from student status and would apply to all health insurance products, whether sold to individuals or offered as a workplace benefit, and whether or not the employer plan is self-insured. More protective State laws would continue to remain in effect. The bill does not disturb underlying Federal protections relating to rights and responsibilities of plans, issuers, or individuals. The law amends the Employee Retirement Income Security Act of 1974 (ERISA), the Public Health Service Act (PHSA), and the Internal Revenue Code (IRC) to prohibit group health plans and individual insurance plans from terminating coverage of a dependent child due to a medically necessary leave of absence from a postsecondary education institution or any other change in enrollment at that institution that commences while such child is suffering from a severe illness or injury and causes such child to lose full-time student status before the earlier of: (1) one year after the first day of the medically necessary leave of absence; or (2) the date on which such coverage would otherwise terminate under the terms of the plan.

2. OTHER MAJOR LEGISLATIVE ACTIONS

a. H.R. 3162, the Children's Health and Medicare Protection (CHAMP) Act of 2007

On August 1, 2007, the House passed H.R. 3162, the Children's Health and Medicare Protection (CHAMP) Act of 2007. The bill would reauthorize and increase funding levels and state grant distributions for the State Children's Health Insurance Program (SCHIP) and make changes to the Medicare and Medicaid programs. The major SCHIP provisions would provide permanent authority for program appropriations and make changes to the Medicare and Medicaid programs. Other major SCHIP provisions would provide more options and incentives to states to increase the number of children covered by SCHIP and Medicaid, modify the citizenship verification process, and change minimum benefit requirements.

The bill's Medicare provisions would implement a 0.5% increase in Medicare physician fees for 2008 and 2009 while creating six categories of physician services for which annual updates would be considered separately, establish bonus payments for physicians practicing in counties with low Medicare per capita expenditures, require the Secretary to implement a resource use feedback program for physicians to identify efficient providers, expand a medical home demonstration project, and require the Centers for Medicare and Medicaid Services (CMS) to modify physician payment localities, beginning with California. Other Medicare provisions would establish parity between Medicare Advantage payment rates and Medicare fee-for-service; eliminate Medicare cost-sharing for certain preventive benefits; eliminate the market basket update for part or all of FY2008 for Medicare payments for skilled nursing fa-

cilities, home health agencies, and long-term care hospitals; and reduce the annual update for certain hospitals. It would also establish a bundled payment system for Medicare renal dialysis services and would make a number of changes to the Low-Income Subsidy Program for Medicare Part D, including eliminating cost-sharing requirements for certain full benefit dual eligibles receiving Medicaid-covered long-term care services.

Medicaid provisions in the bill would make changes to rebate payments for certain drugs, prohibit the implementation of the new health opportunity account demonstration authorized under the Deficit Reduction Act of 2005 (DRA, P.L. 109–171), and make other changes. Additional miscellaneous provisions would establish a Center for Comparative Effectiveness Research within the Agency for Healthcare Research and Quality (AHRQ),—funded by public contributions from the Medicare Parts A, B, and D trust fund accounts and fees imposed on private health insurance plans, require CMS to develop a plan for the implementation of health information technology under Medicare, and establish a national entity to coordinate development of health care measures.

While this legislation did not pass in the Senate, it was the basis for H.R. 976, the Children's Health Insurance Program Reauthorization Act of 2007, H.R. 3963, the Children's Health Insurance Program Reauthorization Act of 2007 and the Medicare Improvements for Patients and Providers Act of 2008 (P.L. 110–275).

3. OTHER HEALTH MATTERS

a. Subcommittee Hearings

i. President's Budget Proposals

On February 13, 2007, and February 14, 2008, the Subcommittee held hearings to receive testimony from the Centers for Medicare and Medicaid Services regarding the Medicare portions of the President's Fiscal year 2008 and 2009 Budget proposals.

ii. MedPAC's March Reports on Medicare Payment Policies

On March 1, 2007, and March 11, 2008, the Subcommittee held hearings to receive testimony from the Medicare Payment Advisory Commission (MedPAC) regarding their annual recommendations for Medicare payment policies.

iii. Annual Reports of the Boards of Trustees of the Federal Hospital Insurance and Supplementary Medical Insurance Trust Funds

On April 25, 2007, and April 1, 2008, the Subcommittee held hearings to receive testimony from the Chief Actuary of the Centers for Medicare and Medicaid Services on the financial status of the Medicare trust funds.

iv. Oversight and Medicare Program Integrity

On March 8, 2007, the Subcommittee on Health held a hearing jointly with the Subcommittee on Oversight to receive testimony from the Office of the Inspector General of the Department of Health and Human Services, the office of Financial Management of the Centers for Medicare and Medicaid Services and the Department of Justice on the prevention, detection, investigation and

prosecution of Medicare fraud, waste and abuse. On May 15, 2007, the Subcommittee held a hearing to receive testimony from the Centers for Medicare and Medicaid Services, the Medicare Payment Advisory Commission and health care professionals on issues related to payment accuracy and legislative and regulatory payment refinements for the Medicare payment systems for inpatient hospitals, outpatient hospitals, long-term care hospitals, inpatient rehabilitation facilities, and skilled nursing facilities. On June 26, 2007, the Subcommittee held a hearing to receive testimony from Members of Congress, the Centers for Medicare and Medicaid Services, the Office of the Inspector General of the Department of Health and Human Services, the Food and Drug Administration and health care professionals on Safety Concerns regarding the dosing of erythropoiesis stimulating agents (ESAs), variations in utilization of ESAs across providers, and reimbursement issues. On November 15, 2007, the Subcommittee held a hearing to receive testimony from law enforcement, researchers and health care professionals on trends in nursing home ownership and the quality of, and accountability for, patient care, including the effect of the relatively new trend of private equity-ownership. On May 6, 2008, the Subcommittee held a hearing to receive testimony from the Centers for Medicare and Medicaid Services, the Government Accountability Office, researchers and stakeholders on the implementation and administration of Medicare's DMEPOS competitive bidding program.

v. Medicare Advantage

On March 21, 2007, the Subcommittee held a hearing to receive testimony from the Centers for Medicare and Medicaid Services, the Medicare Payment Advisory Commission and the Congressional Budget Office on the structure and costs of the Medicare Advantage Program. On May 22, 2007, the Subcommittee held a hearing to receive testimony from the Centers for Medicare and Medicaid Services, the Medicare Payment Advisory Commission and other stakeholders regarding Medicare Advantage Private Fee-For-Service Plans. On October 16, 2007, the Subcommittee held a hearing jointly with the Oversight Subcommittee to receive testimony from the Government Accountability Office, the Centers for Medicare and Medicaid Services and other stakeholders on statutorily required audits of Medicare Advantage plan bids. On February 28, 2008, the Subcommittee held a hearing to receive testimony from the Centers for Medicare and Medicaid Services, the Government Accountability Office and other stakeholders on the structure, costs and oversight of the Medicare Advantage program.

vi. Medicare Improvements for Beneficiaries

On May 3, 2007, the Subcommittee held a hearing to receive testimony from Members of Congress, the Centers for Medicare and Medicaid Services, the Social Security Administration, health care professionals and beneficiaries on the current state of the Part D Low-Income Subsidy, the Medicare Savings Programs, and opportunities to increase enrollment and expand eligibility in these programs. On June 21, 2007, the Subcommittee held a hearing to receive testimony from the Centers for Medicare and Medicaid Services, the Government Accountability Office and health care profes-

sionals on beneficiary protection issues in Medicare Part D, and possible statutory changes necessary to improve the program for beneficiaries and taxpayers.

vii. Health Care Reform

On April 15, 2008, the Subcommittee held a hearing to receive testimony from former Senator Dave Durenberger, researchers and stakeholders on the instability of health coverage in America. On May 14, 2008, the Subcommittee held a hearing to receive testimony from the Government Accountability Office, researchers and stakeholders on Health Savings Accounts (HSAs) and Consumer-Driven Health Care. On June 10, 2008, the Subcommittee held a hearing to receive testimony from Members of Congress, researchers and stakeholders on addressing disparities in health and health care. On July 15, 2008, the Subcommittee held a hearing to receive testimony from state officials, researchers and stakeholders on health care reform lessons learned at the state level and the need for a national solution to health reform. On September 24, 2008, the Subcommittee held a hearing to receive testimony from state insurance officials, researchers and stakeholders on the challenges of the private health insurance market.

viii. Medicare Payments to Physicians and the Sustainable Growth Rate (SGR)

On March 6, 2007, the Subcommittee held a hearing to receive Testimony from the Medicare Payment Advisory Commission and former administrators of the Centers for Medicare and Medicaid Services on a report from MedPAC on the Sustainable Growth Rate (SGR), the history of Medicare's reimbursement for physician services and the role of expenditure targets. On May 10, 2008, the Subcommittee held a hearing to receive testimony from the Centers for Medicare and Medicaid Services, the Government Accountability Office, the Medicare Payment Advisory Commission and health care professionals on options to improve quality and efficiency among Medicare physicians. On September 11, 2008, the Subcommittee held a hearing to receive testimony from former Administrators of the Centers for Medicare and Medicaid Services on alternative ways to reform Medicare's physician payment system.

ix. Health Information Technology

On July 24, 2008, the Subcommittee held a hearing to receive testimony from the Congressional Budget Office and health care professionals on options to encourage the adoption and use of health information technology.

x. Comparative Effectiveness Research

On June 12, 2007, the Subcommittee held a hearing to receive testimony from Members of Congress, the Medicare Payment Advisory Commission, the Agency for Healthcare Research and Quality, the Congressional Budget Office and health care professionals on strategies to increase information on clinical comparative effectiveness.

xi. Mental Health Parity

On March 27, 2007, the Subcommittee held a hearing to receive testimony from Members of Congress and health care professionals on legislation and options to provide mental health and substance abuse treatment parity in private health insurance and in Medicare.

xii. Genetic Non-discrimination

On March 14, 2007, the Subcommittee held a hearing to receive testimony from the National Institutes of Health (NIH), researchers and health care professionals on the need for a federal policy to protect genetic information and legislation to achieve this purpose, specifically, the Genetic Information Non-Discrimination Act.

D. Legislative Review of Social Security Issues

1. H.R. 3046, the "Social Security Number Privacy and Identity Theft Prevention Act of 2007"

On June 21, 2007 the Subcommittee on Social Security held a hearing to examine the large and growing problem of identity (ID) theft. The hearing found that (1) the Federal Trade Commission (FTC) reports there are as many as 10 million victims annually, (2) businesses lose $50 billion annually to ID theft-related fraud, (3) individual victims' lives and credit records can be devastated and it typically takes years to recover, (4) FTC estimates ID theft costs victims $5 billion a year, (5) ID thieves have easy access to Social Security Numbers (SSNs), (6) SSNs are used by many different companies and governmental entities for many non-Social Security-related purposes, as ID numbers, or simply as a key used conveniently to track individuals among multiple sources of information, (7) SSNs are present in many publicly-available local government documents, such as property deeds, and judicial records such as divorce proceedings, (8) while these documents have been publicly available for decades, they have been made available in electronic form to the public only recently and the Internet has made them globally accessible, (9) government use of SSNs is loosely regulated; private sector use is only regulated in certain industries, (10) there is no single law governing the use of SSNs, and (11) financial services regulations that protect privacy have exceptions that continue to allow SSNs to be easily available, and identity thieves can exploit this. Based on these findings, on July 16, 2007, Chairman Michael R. McNulty (D–NY) and Ranking Member Sam Johnson (R–TX) introduced H.R. 3046, the "Social Security Number Privacy and Identity Theft Prevention Act of 2007," in order to enhance SSN privacy and to prevent identity theft.

On September 24, 2007, H.R. 3046 was amended in the full Committee on Ways and Means and favorably reported with a roll call vote of 41 yeas to 0 nays (with a quorum being present). As amended, the "Social Security Number Privacy and Identity Theft Prevention Act of 2007" would amend title II of the Social Security Act to: (1) specify restrictions on the sale and display to the general public of Social Security account numbers (SSNs) by governmental entities; (2) prohibit the display of SSNs (or any derivatives) on checks issued for payment by such entities; (3) prohibit governmental entity display of SSNs (or any derivatives) on employee

identification cards or tags (IDs); (4) prohibit access to the SSNs of other individuals by prisoners employed by governmental entities; (5) prohibit the selling, purchasing, or displaying of SSNs (with certain exceptions) to the general public, or the acquisition or use of any individual's SSN to locate or identify such individual with the intent to physically injure or harm him or her, or to use the individual's ID for any illegal purpose by any person; (6) provide for uniform standards for truncation of an SSN; and (7) establish new criminal penalties for the misuse of SSNs.

This legislation would also enhance civil and criminal penalties for misuse of the SSN, increase enforcement authority, and require a study on misuse of SSN for authentication.

2. H.R. 5140, THE "ECONOMIC STIMULUS ACT OF 2008"

On January 28, 2008, H.R. 5140, the "Economic Stimulus Act of 2008," a bi-partisan bill, co-sponsored by the House Leadership and the Chairmen and Ranking Members of the House Committees on Ways and Means and Financial Services was introduced. On the same day, H.R. 5140 was referred to the House Committee on Ways and Means and the House Committee on Financial Services. On January 29, 2008, Chairman Charles B. Rangel moved to suspend the rules and pass the bill. The legislation was agreed to in House by the Yeas and Nays: (⅔ required): 385–35, 1 Present (*Roll no. 25*). On February 7, 2008, the bill passed the Senate by Yea-Nay Vote of 81–16 with an amendment (*Record Vote Number: 10)*. That same day, the House accepted the Senate amendment, resolving all differences, by the Yeas and Nays: 380–34 (*Roll no. 42*). On February 13, 2008, this legislation was signed by President George W. Bush and became Public Law No. 110–185.

In Section (e) "Appropriations To Carry Out Rebates," the law immediately provided funding for the Social Security Administration ($31,000,000, to remain available until September 30, 2008) to cover increased administrative costs of SSA generated by the rebate program. Financial payments provided by the stimulus package were payable to many Social Security beneficiaries who generally do not file tax returns, however, they would need to file forms with the IRS to be eligible. To encourage beneficiaries to file a tax return for 2007, SSA developed several outreach activities; the agency responded to beneficiaries inquiries; and reissued forms 1099 which report annual Social Security benefit payments.

3. H.R. 5602, THE "FAIR SHARE ACT OF 2008"

On March 13, 2008, the "Fair Share Act of 2008" was introduced and on that same day it was referred to the Committee on Ways and Means. On April 14, 2008, the Committee on Ways and Means voted to report H.R. 5719, the "Taxpayer Assistance and Simplification Act of 2008," which was introduced by Chairman Charles B. Rangel and included the entirety of H.R. 5602. The "Fair Share Act of 2008" would amend the Internal Revenue Code and title II (Old Age, Survivors, and Disability Insurance Benefits) of the Social Security Act to stop domestic federal contractors from using foreign subsidiaries to evade Social Security and other employment taxes. On April 15, 2008, H.R. 5719 was agreed to in the full House. The bill passed by recorded vote: 238–179 (*Roll no. 190*) and was re-

ferred to the Senate on April 16, 2008, where it was sent to the Committee on Finance.

4. H.R. 6633, THE "EMPLOYEE VERIFICATION AMENDMENT ACT OF 2008"

On July 29, 2008, H.R. 6633, the "Employee Verification Amendment Act of 2008" was introduced. The bill was officially referred to the Committees on Judiciary, Education and Labor, and Ways and Means on that same day. On July 31, 2008, the House passed this legislation on motion to suspend the rules and pass the bill which was agreed to by the ⅔ required (a vote of 407–2, 4 Present) (*Roll no. 557*). The bill would extend the basic pilot employment eligibility confirmation program, now known as E-Verify, for an additional five years, until November 30, 2013. It sought to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. On August 1, 2008, the bill was referred to the Senate Committee on the Judiciary.

This bill would direct the Commissioner of Social Security and the Secretary of Homeland Security to enter into agreements which shall: (1) provide funds to the Commissioner for the E-Verify program's full costs to SSA in quarterly advances; and (2) require an annual accounting and reconciliation of costs incurred and funds provided. In addition, this legislation would provide for funding continuation in the absence of an agreement. Lastly, this bill would require that the Government Accountability Office (GAO) conduct studies regarding: (1) erroneous tentative nonconfirmations under the E-Verify program; and (2) such program's effects on small entities.

5. EXPIRED PROVISIONS RELATED TO TITLE II OF THE SOCIAL SECURITY ACT

a. The Ticket to Work and Work Incentives Advisory Panel

The Ticket to Work and Work Incentives Advisory Panel, a federal advisory panel created by P.L. 106–170, provided a final report to the President and Congress on December 17, 2007. The panel was required to file its final report by December 17, 2007, and terminate 30 days later.

E. LEGISLATIVE REVIEW OF INCOME SECURITY AND FAMILY SUPPORT ISSUES

1. UNEMPLOYMENT INSURANCE

a. Unemployment Insurance Modernization Act

H.R. 2233, the "Unemployment Insurance Modernization Act" was introduced on May 9, 2007, by Subcommittee on Income Security and Family Support Chairman McDermott. The legislation would have distributed funds to encourage, assist and reward States for removing barriers that limit coverage for low-wage and part-time workers, as well as workers leaving work for compelling family reasons, and for helping dislocated workers increase their skills.

H.R. 2233 would have provided up to $7 billion from the Federal Unemployment Account for incentive payments to be distributed between FY2008 through FY2012 to States meeting specific criteria related to their unemployment insurance systems. Every State's

potential maximum share of this distribution would have been determined under the same criteria used to disburse current-law Reed Act distributions (amount of disbursement proportionate to FUTA taxes paid in that State).

A State would have been eligible for one-third of its share of the UI Modernization Act incentives when State law (as certified by the Department of Labor) included provisions for counting an applicant's most recent wages (from the last completed quarter) when determining eligibility for UI benefits. At State option, this alternative base period may have been used only after an initial determination of ineligibility. A State would have been eligible for the remaining two-thirds of its share of the UI Modernization Act incentives when a State was in compliance with the alternative base period requirement and when State law (as certified by the Department of Labor) met at least two of the following three conditions: (1) the State does not deny UI to an individual solely because the person is seeking part-time work (a State may limit application of this provision to former part-time workers); (2) when determining UI eligibility, the State permits good cause allowance for voluntary employment separations that relate directly to compelling family reasons, including at least the following: (a) avoidance of domestic violence; (b) caring for an ill or disabled family member; and (c) following a spouse whose employment has been relocated to a different locality; and (3) the State provides at least 26 weeks of training assistance benefits to claimants who: (a) have been dislocated from a declining occupation; (b) have exhausted regular UI; (c) are in a State-approved training program related to a high-demand occupation; and (d) are making satisfactory progress in such a program.

H.R. 2233 also would have provided $100 million per year in special Reed Act distributions to the States in FY2008 through FY2012 for the purpose of administering and implementing the reforms under the UI Modernization Act and to make other improvements in the administration of the unemployment insurance and employment services systems. Each State would have automatically received its share of the $100 million annually based on the State's FUTA tax contributions.

At a September 19, 2007, Subcommittee on Income Security and Family Support hearing, witnesses testified about the need to modernize the Unemployment Insurance system to reduce barriers for jobless workers. Witnesses included a representative from the Government Accountability Office, a State administrator and policy experts.

Provisions from H.R. 2233 were included in Title III of the Committee on Ways and Means' reported version of H.R. 3920, the Trade and Globalization Assistance Act of 2007. The bill was reported out of the full Committee as amended by a recorded vote of 26–14 on October 24, 2007. The House adopted H.R. 3920 on October 31, 2007 by a vote of 264–157, and it was sent to the Senate on November 5, 2007.

b. Extension of Unemployment Benefits

H.R. 5749, the Emergency Extended Unemployment Compensation Act, introduced on April 9, 2008 by Subcommittee on Income Security and Family Support Chairman McDermott and Represent-

ative Phil English, would have extended unemployment benefits in every State by 13 weeks, and provided an additional 13 weeks of benefits in States with high unemployment. The extended benefits program would have been in effect through January 2009. All benefits would have been paid out of the Federal unemployment trust funds.

The Subcommittee on Income Security and Family Support held a hearing on April 10, 2008 that assessed the need to extend unemployment benefits during the economic downturn. The invited witnesses included policy experts from the Brookings Institution, the National Employment Law Project, the Economic Policy Institute, and the American Enterprise Institute.

The full Committee on Ways and Means considered H.R. 5749 on April 16, 2008, and reported it favorably with amendment by a recorded vote of 24–13. H.R. 5749 was passed by the House on June 12, 2008, 274–137.

Provisions from H.R. 5749 were included in title IV of H.R. 2642, the Supplemental Appropriations Act, 2008 (the war supplemental). Title IV of H.R. 2642 extended unemployment benefits for 13 additional weeks in all States. H.R. 2642 was adopted in the House on June 19, 2008 and was signed into law on June 30, 2008 (P.L. 110–252).

H.R. 6867, the Unemployment Compensation Extension Act of 2008, was introduced by Subcommittee on Income Security and Family Support Chairman McDermott on September 10, 2008. The measure provides seven additional weeks of Federally-funded extended benefits in every State, plus another 13 weeks of benefits for workers in States with high unemployment rates (defined as a three-month average of 6 percent or higher). In combination with P.L. 110–252, the measure provides a maximum of 33 weeks of extended unemployment benefits. H.R. 6867 was passed by the House on October 3, 2008 (368–28) and was signed into law on November 21, 2008 (P.L. 110–449).

c. Curbing Unemployment Insurance Fraud

P.L. 110–328, the "SSI Extension for Elderly and Disabled Refugees Act," amends the Internal Revenue Code to require the Secretary of the Treasury to offset overpayments of Federal taxes by any amount owed to a State for unemployment compensation debt due to fraud. P.L.–110–328 was passed by voice vote in the House on July 11, 2008 and was signed into law on September 30, 2008.

2. CHILD WELFARE

a. Child Welfare Reform

H.R. 6307, the "Fostering Connections to Success Act" was introduced on June 19, 2008 by Subcommittee on Income Security and Family Support Chairman McDermott and Ranking Member Weller. H.R. 6307 would have extended Federal assistance to relatives who assume legal guardianship of eligible children for whom they have cared as foster parents, extended Federal foster care payments up to the age of 21 for foster children, and provided direct Federal foster care and adoption funding to tribal governments who run their own child welfare programs. The bill also would have improved the oversight of the health care and educational needs of

foster children and increased access to Federal funding for training child welfare workers.

Prior to the bill's introduction, the Subcommittee on Income Security and Family Support held a hearing on February 27, 2008 that addressed several proposals aimed at improving the child welfare system. Witnesses included Members of Congress, representatives from State agencies, professional advocates, and a former foster care youth.

H.R. 6307 was adopted by the House on June 24, 2008 by a voice vote. Following bicameral negotiations, a modified version of H.R. 6307, H.R. 6893, the "Fostering Connections to Success and Increasing Adoptions Act of 2008," was introduced on September 15, 2008. It passed the House on September 17, 2008 by a voice vote. The bill was approved in the Senate by unanimous consent and was signed into law on October 7, 2008 (P.L. 110–351).

P.L. 110–351 amends Part E of Title IV of the Social Security Act to provide Federal reimbursement to States choosing to provide assistance to grandparents and other relatives who become legal guardians of children for whom they have cared as foster parents. It also provides grants to promote kinship navigator programs and other initiatives designed to connect and help relative caregivers. Furthermore, at State option, the new law allows Federal foster care assistance to continue up to the age of 21 for youth engaged in school, work, or other constructive activities. Additionally, the measure provides Federal adoption assistance to all special needs children (phased in on the basis of age and time in care), rather than only those children whose birth parents were eligible for cash welfare under the rules in place in 1996.

The law includes a number of other important provisions to improve the well-being of foster children, including: requirements to improve the oversight of the health care needs of every foster child (covering their assessment, treatment, medical records, and medication); a required plan for the educational stability of every foster child and assurance of their school attendance; a requirement that reasonable efforts be made to place siblings together in foster, adoptive or guardianship placements; enhanced Federal funding for training to cover private child welfare workers and court personnel; direct Federal foster care and adoption assistance to tribal governments for children in their care; and an extension and improvement of the Adoption Incentives Program.

b. Modification of Foster Care Rate for the District of Columbia

H.R. 6307 included a modification to the foster care matching rate for the District of Columbia in order to conform that program's matching rate to the rate provided under Medicaid. This same provision was enacted into law as part of the "Medicare Improvements for Patients and Providers Act of 2008", P.L. 110–275.

c. Child Welfare Resolutions

H. Res. 299, a resolution that expressed the sense of the House of Representatives that Congress should increase public awareness of child abuse and neglect and should continue to work with the States to reduce the incidence of child abuse and neglect through such programs as the Child Welfare Services and the Promoting Safe and Stable Families programs, was introduced by Sub-

committee on Income Security and Family Support Chairman McDermott and Ranking Member Weller on April 17, 2007 and passed the House on April 24, 2007 by a vote of 411–0.

H. Res. 527, a resolution that recognized the month of November 2007 as "National Homeless Youth Awareness Month" was introduced in the House by Mr. McDermott on June 28, 2007 and was agreed to in the House on July 11, 2007 by a voice vote.

Mr. McDermott also introduced H. Res. 1185, which expressed the sense of the House of Representatives that Congress should recognize the important contributions of Americans who serve as foster parents and, in doing so, unselfishly open their homes and families to children in need. The resolution was introduced on May 8, 2008 and passed by a voice vote on May 20, 2008.

H. Res. 1432, introduced by Rep. Jon Porter, supported the goals and ideals of National Adoption Day and National Adoption Month by promoting national awareness of adoption. The resolution was introduced on September 15, 2008 and passed by a voice vote on September 18, 2008.

3. SUPPLEMENTAL SECURITY INCOME

a. SSI Extension for Elderly and Disabled Refugees Act

H.R. 2608, the "SSI Extension for Elderly and Disabled Refugees Act", was introduced by Subcommittee on Income Security and Family Support Chairman McDermott and Ranking Member Weller on June 7, 2007. The bill passed the House on June 11, 2007 by a voice vote and was agreed to in the Senate with an amendment by unanimous consent on August 1, 2008. The House adopted the Senate amendments by voice vote on September 17, 2008 and H.R. 2608 was signed into law on September 30, 2008 (P.L. 110–328).

Prior to P.L. 110–238, refugees and other humanitarian immigrants lost eligibility for Supplemental Security Income (SSI) after residing in the United States for seven years. The Subcommittee on Income Security and Family Support held a hearing on March 22, 2007 that evaluated the limitation on providing SSI benefits to refugees and other humanitarian immigrants. Witnesses at the hearing included a disabled refugee from Vietnam, representatives of various charities, and policy experts.

P.L. 110–328 amends the Immigration and Nationality Act, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, to extend SSI eligibility for humanitarian immigrants, including those whose SSI benefits ceased in prior fiscal years. The measure requires a sworn declaration from such aliens (except children under age 18) that they have made a good faith effort to pursue U.S. citizenship. The law generally extends SSI benefits for an additional two years through FY2011.

b. Heroes Earnings Assistance and Relief Tax Act of 2008

Title II of H.R. 6081, the "Heroes Earnings Assistance and Relief Tax Act of 2008," made improvements in the Supplemental Security Income program (SSI) for former and current members of the uniformed services and AmeriCorps participants. Previously, some military families who relied on the SSI program for financial support lost a portion of their benefits because of the treatment of cer-

tain types of military pay in determining eligibility and benefit amounts. Also, some blind veterans in certain States receive an annuity that reduced their SSI benefits.

Title II of H.R. 6081 amends title XVI of the Social Security Act to treat cash remuneration paid to a member of the uniformed services as earned income and certain housing payments to such members as in-kind support and maintenance for SSI program purposes. The title also excludes State annuity payments to blind, disabled, or aged veterans for purposes of SSI benefit determinations. And finally, it excludes any cash or in-kind benefit paid to an AmeriCorps participant from SSI income eligibility and benefit determinations.

H.R. 6081 was introduced in the House on April 16, 2008, and was passed on April 20, 2008, 403–0. The bill was passed by the Senate by unanimous consent on April 22, 2008 and signed into law on June 17, 2008 (P.L. 110–245).

4. TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

Section 301 of H.R. 6331, the "Medicare Improvements for Patients and Providers Act of 2008," amended the Deficit Reduction Act of 2005 to extend through FY 2009 supplemental grants under Title IV Part A (Temporary Assistance for Needy Families, or TANF) in the Social Security Act.

The Deficit Reduction Act of 2005 (DRA, P.L. 109–171) extended funding for most TANF grants through FY 2010, except TANF supplemental grants which expired at the end of FY 2008. Supplemental grants go to 17 States that have had high population growth or have low TANF funding per poor person.

H.R. 6331 passed the House on June 24, 2008 by a vote of 355–59 and was approved by unanimous consent in the Senate on July 9, 2008. President Bush vetoed the bill on July 15, 2008, on which date it was overridden in both the House (383–41) and the Senate (70–26). It consequently became P.L. 110–275.

F. LEGISLATIVE REVIEW OF DEBT ISSUES

On May 17th, 2007, the House and Senate agreed to the conference report on S. Con. Res. 21, the Concurrent Resolution on the Budget for Fiscal Year 2008. The conference report (H. Rept. 110–53) was agreed to by the House by a vote of 214–209, and by the Senate by a vote of 52–40. As a result of the adoption of the FY2008 budget, H.J. Res. 43, a bill to increase the statutory limit on the public debt, was deemed passed in the House pursuant to House Rule XXVII. H.J. Res. 43, which increased the debt limit by $850 billion to $9.815 trillion, was passed by the Senate on September 27, 2007 without amendment by a Yea-Nay vote of 53–42, and was signed into law by the President on September 29, 2007 (P.L. 110–153).

On June 5, 2008, the House agreed to the conference report (H. Rept. 110–659) on S. Con. Res. 70, the Concurrent Resolution on the Budget for Fiscal Year 2009, by a vote of 214–210. The Senate had adopted the conference on June 4 by a vote of 48–45. As a result of the adoption of the FY2009 budget, H.J. Res. 92, a bill to increase the statutory limit on the public debt, was deemed passed in the House pursuant to House Rule XXVII. The Senate never

considered H.J. Res. 92, which would have increased the debt limit by $800 billion to $10.615 trillion.

On July 23, 2008, the House agreed to an amended version of H.R. 3221, the Housing and Economic Recovery Act of 2008, by a vote of 272–152. The Senate agreed to the amended legislation on July 26, 2008 by a Yea-Nay vote of 72–13. It was signed into law by the President on July 30, 2007 (P.L. 110–289). Section 3083 of that legislation increased the debt limit by $800 billion to $10.615 trillion.

On October 3, 2008, the House agreed to the Senate amendments to H.R. 1424, the "Emergency Economic Stabilization Act of 2008", by a vote of 263–171. That legislation had passed the Senate on October 1, 2008 by a Yea-Nay vote of 74–25. It was signed into law by the President on October 3, 2007 (P.L. 110–343). Section 122 of that legislation increased the debt limit by $700 billion to $11.315 trillion.

II. OVERSIGHT REVIEW

A. OVERSIGHT AGENDA

JANUARY 17, 2007.

Hon. HENRY WAXMAN,
Chairman, Committee on Government Reform, Rayburn House Office Building, House of Representatives, Washington, DC.

Hon. JUANITA MILLENDER-MCDONALD,
Chairwoman, Committee on House Administration, Longworth House Office Building, House of Representatives, Washington, DC.

DEAR CHAIRMAN WAXMAN AND CHAIRWOMAN MILLENDER-MCDONALD: In accordance with the requirements of clause 2 of rule X of the Rules of the House of Representatives, the following is a list of hearings and oversight-related activities that the Committee on Ways and Means and its Subcommittees plan to conduct during the 110th Congress.

FULL COMMITTEE

Economic Security and Federal Budget—

• *Current Economy and Outlook.* Oversight hearings to examine current economic conditions and the economic outlook. Specifically, examine topics such as the impact of globalization on U.S. workers and competitiveness, economic opportunities for low- and middle-income workers, the economic costs of poverty, and additional concerns.

• *Priorities of the Office of Management and Budget.* Oversight hearings with the Office of Management and Budget Director to discuss the overall state of the federal budget and the Administration's priorities for the 110th Congress. Also, discuss and consider budgetary proposals affecting the various programs under the Committee's jurisdiction, including tax, health, human resources, Social Security, pensions, and trade-related matters.

• *Additional Issues.* Oversight hearings on a number of overall budget issues, particularly those related to federal finances and debt, the short- and long-term fiscal outlook, the growing reliance

of the United States on foreign debt, and other matters considered by the Department of the Treasury.

Tax Issues—

• *Priorities of the Department of the Treasury*. Oversight hearings with the Treasury Secretary to discuss priorities for the 110th Congress, with the goal of finding common ground for policies and legislation to benefit all Americans. Specifically, discuss and consider tax legislation proposed in the President's 2008 budget submitted to the Congress.

• *Administration of the Tax Laws*. Oversight hearing to receive information from the Internal Revenue Service (IRS) Commissioner concerning overall agency operations and efforts to collect federal taxes, ensure compliance, and provide taxpayer services. Specifically, discuss proposed funding and staffing levels for the IRS and legislation to address the tax gap as proposed in the President's 2008 budget submitted to the Congress.

• *Technical Corrections*. Oversight hearing to evaluate the need for technical corrections to previously-enacted legislation, including the Tax Increase Prevention and Reconciliation Act of 2005, Gulf Opportunity Zone Act of 2005, Energy Policy Act of 2005, American Jobs Creation Act of 2004, Jobs and Growth Tax Relief Reconciliation Act of 2003, Economic Growth Tax Relief Reconciliation Act of 2001, and certain provisions of the Pension Protection Act of 2006.

• *Tax Relief for Individuals and Families*. Oversight hearings on tax relief for individual taxpayers and families, including alternative minimum tax relief and child-related tax benefits.

• *Energy*. Oversight hearings on energy tax issues, including incentives for alternative fuel production, energy conservation, and increasing U.S. energy independence.

• *Housing*. Oversight hearings on tax incentives for moderately-priced housing, focusing on options for increasing the supply of middle-income taxpayer rental housing and home ownership in tandem with federal and state housing spending programs.

• *Education*. Oversight hearings on current law rules governing the use of tax credit bonds to finance school construction and renovation, and options to simplify the current complex structure of tax benefits for higher education.

Health and Human Services Issues—

• *Priorities of the Department of Health and Human Services*. Oversight hearing with the Health and Human Services Secretary to discuss priorities for the 110th Congress and concerns related to the delivery of health services and reimbursement under Medicare. Specifically, discuss and consider health and human services-related legislation proposed in the President's 2008 budget submitted to the Congress.

Trade—

• *Priorities of the Office of the United States Trade Representative*. Oversight hearings with the United States Trade Representative to discuss priorities for the 110th Congress and concerns related to international trade. Specifically, discuss and consider trade proposals in the President's 2008 budget submitted to the Congress and other proposals.

The full Committee intends to conduct additional oversight over the next two years, as becomes necessary to fulfill its oversight re-

sponsibilities to the Congress and the American people. The following is a list of further oversight hearings and activities that the six subcommittees of the Committee on Ways and Means (Oversight, Health, Income Security and Family Support, Social Security, Trade, and Select Revenue Measures) anticipate developing during the course of the 110th Congress.

SUBCOMMITTEE ON OVERSIGHT

• *Programs within the Committee's Jurisdiction*. Oversight investigations and joint subcommittee hearings on issues requiring periodic or timely oversight review. The Subcommittee on Oversight will coordinate with other subcommittees, as appropriate, to ensure comprehensive oversight of programs and laws under the Committee's jurisdiction.

• *IRS Operations*. Oversight of the major IRS programs, including examination, collection, taxpayer services, and returns processing. Consider analyses and reports provided to the Congress by oversight groups, such as the IRS Taxpayer Advocate, IRS Oversight Board, Treasury Inspector General for Tax Administration, and the U.S. Government Accounting Office.

• *Tax Gap*. Oversight of the $345 billion annual tax gap, the difference between taxes paid and taxes owed the federal government. Consider the components of the tax gap, causes of taxpayer noncompliance, and possible solutions.

• *IRS Funding and Staffing Levels*. Oversight of IRS funding and staffing levels needed to effectively and efficiently enforce the tax laws and provide taxpayer assistance. Consider the impact of underfunding the IRS on non-compliance, audit rates, and uncollected taxes. Examine the costs and rates of return for IRS collection activities in comparison to those for private-sector debt collectors under contract with the IRS. Evaluate options for providing the IRS with a permanent funding authorization that, in part, supports additional tax enforcement efforts.

• *Tax-Exempt Organizations*. Oversight review of the advantages and disadvantages of recently-enacted tax provisions that affect charities and foundations, particularly how the new rules affect charitable efforts and the ability of these organizations to serve those in need. Evaluate overall IRS efforts to monitor tax-exempt organization activities, prevent abuse, and ensure timely information to the public about charity activities and finances.

• *Tax Code and Tax Form Complexity*. Oversight of tax code complexity, particularly for individuals and small businesses, with the goal of simplification. Review areas where taxpayers and professional return preparers make the most errors and consider solutions. Evaluate tax return filing seasons, including electronic filing, IRS and volunteer taxpayer assistance programs, the Internet Free File Program, and progress with electronic filing. Also, consider options for meaningful tax reform and greater fairness in the tax system.

• *IRS Audit/Collection Priorities*. Oversight review of the IRS audit/collection levels, focusing on the allocation of enforcement resources among low-, middle-, and high-income individual taxpayers. Consider IRS efforts to deal with small business, large corporate, and estate tax liabilities, particularly those known to the IRS but

uncollected. Also, review the extent of abusive tax shelters and illegal offshore tax transactions.

• *Earned Income Tax Credit (EITC)*. Oversight of IRS programs designed to provide tax assistance to more than 20 million low-income working taxpayers claiming the EITC. Evaluate information showing that: approximately seven million eligible workers do not claim the EITC; only a very small percentage of workers obtain EITC benefits in their paychecks through employer-assisted "advance refunding"; and nearly two-thirds of EITC taxpayers use paid professional return preparers to file their returns. Evaluate the results of EITC certification, program integrity, and efforts to provide educational outreach to reduce errors in claiming the EITC.

• *Tax Scams*. Oversight of the latest sophisticated tax scams and what can be done to protect taxpayers.

• *Illegal Networks*. Oversight of Department of the Treasury and IRS activities to deter money laundering, illegal drug, and terrorists networks.

• *Pensions and Retirement Security*. Oversight review of the Pension Benefit Guaranty Corporation (PBGC), including the financial status and management of pension plan funding. Oversight review of the increasing decline in employer-sponsored defined-benefit plans with the corresponding weakening of workers' retirement security and federally-guaranteed pension benefits. Overview of the growing disparity of retirement benefits for corporate executives and rank-and-file workers.

SUBCOMMITTEE ON HEALTH

• *Medicare Part A and Part B (Hospitals, Physicians, and Other Providers)*. Oversight of the major Medicare programs to ensure efficient use of resources, quality, and access for Medicare beneficiaries. Specific topics to include: relationship between payment policy and workforce issues (future supply); adequacy of program benefits, such as mental health and cost sharing; treatment of specific populations such as people with disabilities and low-income beneficiaries; quality improvement efforts; accreditation; overpayments to providers; IVIG; DME competitive bidding; post-acute care common patient assessment tool; and waste, fraud, and abuse activities.

• *Medicare Part C (Private Plans)*. Oversight of private plan types, enrollment, and locations; value and payments; benefit packages and actuarial equivalence determinations; administrative costs; quality; consumer protection; and ability to manage and treat chronic illnesses and achieve improved health outcomes.

• *Medicare Part D (Prescription Drug Plans)*. Oversight of implementation and ongoing activities related to the Medicare prescription drug program, including: treatment of dual eligibles, low-income subsidy beneficiaries, and nursing home residents; drug pricing; late enrollment penalties; benefit packages and actuarial equivalence evaluations; true out-of-pocket policy (TROOP); formularies for covered drugs and appeals; enrollment issues; plan reporting of consumer data; marketing, promotion, and advertising efforts of the Center for Medicare and Medicaid Services (CMS) and the plans; administrative costs; bidding process and premium setting; retiree drug coverage; pharmacy-plan issues; creating a Medicare-sponsored drug option; and negotiated price mechanisms.

• *Medicare Entitlement*. Oversight of the 45 percent trigger, payments to private plans, and the Part B premium.

• *CMS Administration*. Oversight of the CMS, including the adequacy of its budget and staffing, contracting activities, and general agency accountability.

• *Health Insurance Coverage*. Oversight review of health coverage and the uninsured, including children, early retirees, and small business employees; adequacy of benefits; mental health parity; COBRA; lack of coverage for various groups; and options to expand coverage.

• *Health Savings Accounts (HSAs)*. Oversight of the use of health savings accounts, including the demographics and profile of account holders, the prevalence and use of HSAs, the value of accounts, and the influence on broader health care systems and spending.

• *Executive Orders*. Oversight of Administration activities regarding public transparency of price and quality initiatives, and health information technology.

• *Trade Adjustment Assistance (TAA) Health Insurance*. Oversight of implementation and ongoing activities related to the TAA health care tax credits, including administrative costs and contractual relationships.

• *Emergency Care*. Oversight of emergency health care and areas where reforms are needed.

SUBCOMMITTEE ON INCOME SECURITY AND FAMILY SUPPORT

• *Poverty*. Oversight assessment of poverty in America. Examine the growth in the number of Americans living in poverty by 5.4 million Americans since 2001, review factors that contributed to such rise, and explore proposals for expanding economic opportunity and reducing the extent and severity of poverty.

• *Welfare and Work Programs*. Oversight of programs that help needy families and promote work, especially the Temporary Assistance for Needy Families (TANF) program. Review State efforts to implement new statutory and regulatory requirements under the TANF program, including present and potential impacts on poverty, caseloads, educational opportunities, impacts on disabled populations, employment outcomes, assistance for needy families and administrative burdens. Evaluate recent legislative changes in related programs, such as child care and child support enforcement, in terms of the impact on self-sufficiency and economic opportunity for low-income families. Review the integrity of related programs to ensure accurate payments and eligibility.

• *Vulnerable Children*. Oversight of the Nation's child welfare system, including foster care, adoption assistance, and child and family programs under Title IVB of the Social Security Act. Examine barriers to ensuring safety and permanency for the over one-half million children in foster care, as well as for the thousands of other children that come into contact with the child welfare system every year. Review proposals to improve the financing of child welfare programs to ensure better outcomes for at-risk children and families.

• *Disconnected Populations*. Oversight of "disconnected populations," including youth between the ages of 16 and 24. Review

proposals to reach out to an estimated two to three million youth who are neither in school nor working.

• *Unemployment Compensation*. Oversight of the Nation's unemployment compensation system, with a particular focus on barriers between dislocated workers and unemployment benefits and on reforms designed to modernize the program, including helping dislocated workers return to work.

• *Supplemental Security Income (SSI)*. Oversight of the SSI program, including reviewing proposals to better reward and promote employment by program recipients and to better serve those in need of program benefits.

SUBCOMMITTEE ON SOCIAL SECURITY

• *General Oversight of Social Security*. Oversight of the importance of Social Security for American workers and their families; the essential role it plays in assuring economic security for retirees, disabled workers, and survivors; and how best to manage the challenges and opportunities presented by an aging society, given the central role Social Security plays in income security, and the importance of adopting a balanced approach to address those challenge sand opportunities that has the support of the American people.

• *Social Security Administration (SSA).* Oversight of the administrative operations of the Social Security Administration and the agency's stewardship of Social Security programs.

• *Disability Case Processing Backlogs.* Oversight of SSA's processing of disability cases, including Continuing Disability Reviews, and its current backlog of over one million unprocessed initial claims and appeals requests for disability benefits. Examine why, after SSA has taken steps in recent years to address this backlog, the problem continues to grow. Consider the impact on claimants as they endure disabling health conditions for months, or even years, without income as they wait for their cases to be decided.

• *Management of the Ticket-To-Work Program.* Oversight of the implementation and effectiveness of the Ticket-to-Work program and its related work incentives. Consider how the program operates in conjunction with Social Security Act work incentives and other federal programs aimed at supporting work. Determine why implementation of the program has been criticized, regulatory reforms are delayed, and results have been modest.

• *New Disability Adjudication Process.* Oversight of SSA's phased-in implementation of its new disability adjudication process (resulting from its 2006 regulation modifying how it adjudicates disability claims), the impact of the change in agency leadership on the process, and early results. Examine how claimants are faring under the new process, and whether the process is fair and consistent, evidence collection is improving, claims are receiving full consideration, and the right decision is being made earlier in the process.

• *Social Security Number Protection.* Oversight of the problem of identity misuse of the Social Security number. Consider the role of the Social Security number, the Social Security card, Social Security benefits, and SSA with respect to immigration policy and enforcement.

SUBCOMMITTEE ON TRADE

• *Fast Track.* Oversight of Trade Promotion Authority (TPA), that formally expires on June 30, 2007, including review of agreements concluded to date, the role of the Congress, and labor and environmental concerns.

• *Korea Free Trade Agreement (FTA).* Oversight of Korea FTA negotiations as they reach a critical stage in early 2007, including discussion of automobile, manufacturing, labor, environmental, and other issues.

• *Other Free Trade Agreements (FTAs).* Oversight of ongoing negotiations, for example involving Panama, Thailand and Malaysia, signed FTAs involving Peru and Colombia, and implementation of recently-implemented FTAs involving the Central American/Dominican Republic (CAFTA), Oman, Bahrain, and earlier FTAs with Singapore, Chile, Australia, and Morocco.

• *Preference Programs.* Oversight of major U.S. trade preference programs such as the Generalized System of Preferences (GSP), African Growth and Opportunity Act (AGOA), Caribbean Basin Initiative (CBI), Andean Trade Preference Act (ATPA), and Haitian Hemispheric Opportunity Through Partnership Encouragement Act.

• *Haiti*. Oversight of U.S. trade policy for Haiti, including impact of textile quota elimination.

• *World Trade Organization (WTO) Negotiations.* Oversight of U.S. goals in the areas of agriculture, manufacturing, services, fair trade laws.

• *Improving U.S. Trade Laws.* Oversight of proposals to strengthen U.S. fair trade laws and improve U.S. tools leverage to open foreign markets and other areas, including oversight of WTO decisions involving U.S. fair trade laws, defense of U.S. trade law challenges in the WTO, and administration by the Department of Commerce and U.S. International Trade Commission of U.S. fair trade laws.

• *China.* Oversight of China's rampant theft of massive quantities of U.S. intellectual property, including in the automotive, semiconductor, motion picture, and recording industries. Also, oversight of China's refusal to allow its currency to freely float, industrial subsidies, and other areas.

• *Europe.* Oversight of the second largest bilateral trade deficit of more than $100 billion in 2005, as well as sectoral issues, such as Airbus subsidies, discriminatory regulations in high technology transfer and sectors, attempts at technology transfer, discriminatory barriers to U.S. farm exports, European Union (EU) practices in the WTO negotiations, and EU practice concerning regional trade agreements.

• *Trade and Developing Countries.* Oversight of U.S. trade relations with developing countries, role of developing countries in the WTO and world trading system, extent to which developing countries have benefitted from the trading system over the past 20 years and, in regard particularly with respect to the least developed countries, why many of these countries have lost ground over the last 20 years and what can be done in the area of trade and aid to reverse this trend.

• *Trade and U.S. Workers.* Oversight of the ability of the United States to conduct an effective trade policy that is good for American workers, farmers, businesses, and the country as a whole. Examine options to improve education, on-the-job training, trade adjustment, and portable health care/pensions.

• *Other.* Oversight of the WTO dispute settlement system, Bush Administration labor rules in FTAs, and balance between protecting pharmaceutical patents and promoting access to essential medicines in poor countries.

SUBCOMMITTEE ON SELECT REVENUE MEASURES

Various tax matters. Oversight of a variety of tax issues and tax legislation, as directed by the Committee Chairman.

This list is not intended to be exclusive. The Committee anticipates that additional oversight hearings and activities will be scheduled as issues arise and as time permits. Also, the Committee's oversight priorities and particular concerns may change as the 110th Congress progresses over the coming two years and issues arise meriting the Committee and subcommittees' attention.

Sincerely,

CHARLES B. RANGEL,
Chairman.

B. ACTIONS TAKEN AND RECOMMENDATIONS MADE WITH RESPECT TO OVERSIGHT PLAN

Full Committee

1. Economic Security and the Federal Budget.

Actions taken: The full Committee held a number of hearings on the state of the economy.

On January 23, 2007, the full Committee received testimony on the state of the U.S. economy from Mark Zandi, Ph.D., Chief Economist, Moody's Economy.com, West Chester, Pennsylvania, Martin Regalia, Ph.D., Vice President of Economic and Tax Policy and Chief Economist, U. S. Chamber of Commerce, Richard L. Trumka, Secretary-Treasurer, American Federation of Labor-Congress of Industrial Organizations, William E. Spriggs, Ph.D., Professor and Chair, Department of Economics, Howard University, and John W. Diamond, Ph.D., Edward A. and Hermena Hancock Kelly Fellow in Tax Policy Research, James A. Baker III Institute for Public Policy, Rice University, Houston, Texas.

On January 24, 2007, the full Committee received testimony on the economic and societal costs of poverty from Sigurd R. Nilsen, Ph.D., Director, Education, Workforce, and Income Security, U.S. Government Accountability Office, Harry J. Holzer, Ph.D., Professor at Georgetown University and Visiting Fellow at the Urban Institute, Georgetown University Public Policy Institute, David R. Jones, President and Chief Executive Officer, Community Service Society of New York, New York, New York, Ron Haskins, Ph.D., Senior Fellow, Economic Studies and Co-Director, Center on Children and Families, The Brookings Institution, and Jane Knitzer, Ph.D., Director, National Center for Children in Poverty, New York, New York.

On January 30, 2007, the full Committee received testimony concerning trade and globalization from Daniel Tarullo, Ph.D., Pro-

fessor of Law, Georgetown University, The Honorable Grant Aldonas, William M. Scholl Chair in International Business, Center for Strategic and International Studies, Gene B. Sperling, Senior Fellow, Center for American Progress, and Director, Center for Universal Education, Council on Foreign Relations, John Meier, Chief Executive Officer, Libbey Glass, Inc., Toledo, Ohio, Harold McGraw III, Chairman, President, and CEO, The McGraw-Hill Companies, and Chairman, Business Roundtable, and Chairman, Emergency Committee for American Trade, New York, New York, and Lawrence Mishel, Ph.D., President, Economic Policy Institute.

On January 31, 2007, the full Committee received testimony concerning the economic challenges facing middle class families from Peter Orszag, Director of the Congressional Budget Office, Jacob Hacker, Ph.D., Professor of Political Science, Yale University, New Haven, Connecticut, Jason Furman, Ph.D., Senior Fellow and Director of the Hamilton Project, Brookings Institute, John C. Goodman, Ph.D., President and Chief Executive Officer, National Center for Policy Analysis, Dallas, Texas, Diane Rowland, Sc.D., Executive Vice President, Kaiser Family Foundation, and Eugene Steuerle, Ph.D., Senior Fellow, Urban Institute.

Subcommittee on Oversight

A. Subcommittee Hearings for 110th Congress

1. Earned Income Tax Credit (EITC) Outreach.

Actions taken: The Oversight Subcommittee conducted a hearing to review earned income tax credit (EITC) outreach. The Subcommittee discussed why an estimated 7 million working-poor individuals and families (20% of those eligible) are not claiming the EITC and not benefitting from about $12 billion in federal assistance. Testimony was heard from the Internal Revenue Service, policy experts from the Center on Budget and Policy Priorities and trade associations, and representatives from local organizations conducting EITC outreach. The Subcommittee learned that the Congress, the IRS, and employers need to improve outreach efforts to EITC-eligible individuals. Witnesses at the hearing had prepared corporate employer toolkits to assist with outreach, including posters in English and Spanish, education materials, and paycheck stuffers for low-income employees. Chairman Charles Rangel, Oversight Subcommittee Chairman John Lewis, and Oversight Ranking Member Jim Ramstad issued a Dear Colleague to explain ways that Members could provide EITC outreach in their districts. The Taxpayer Protection Act, H.R. 1677, passed by the House, and the Taxpayer Assistance and Simplification Act of 2008, H.R. 5719, included a provision to require the IRS to notify certain individuals who may be eligible for the credit that they possibly can claim a credit for the three prior years.

2. Medicare Program Integrity (Joint Hearing with the Health Subcommittee).

Actions taken: On March 8, 2007, the Health and Oversight Subcommittees held a hearing to examine Medicare program integrity. The Medicare program will spend over $425 billion dollars providing health care services to over 44 million seniors and people with disabilities in 2007. Testimony was heard from the U.S. Department of Health and Human Services, the Centers for Medicare

and Medicaid Services, and the U.S. Attorney for the Southern District of Florida. The Subcommittee learned that Medicare beneficiaries have been subject to fraudulent practices. In some instances, federal money is used to support unethical, immoral, and illegal behavior. In one unbelievable case, a hospital performed painful, medically unnecessary procedures on elderly residents of assisted living facilities simply because those procedures had high rates of government reimbursement. The Subcommittees expressed the need to ensure that wrongdoers are held accountable and that the Federal government only makes correct and proper payments to a legitimate provider for reasonable and medically necessary services. Provisions to address Medicare program integrity were included in CHAMP (H.R. 3162), which passed the House on August 1, 2007.

3. Katrina Redevelopment Tax Issues.

Actions taken: On March 6, 2007, the Oversight Subcommittee held a hearing on housing tax issues related to the redevelopment of the communities affected by the Katrina, Rita, and Wilma hurricanes of 2005. Testimony was heard from the Louisiana Housing Finance Agency and the Mississippi Home Corporation. The Subcommittee learned that there needs to be an extension of the "placed in service" requirement for the low-income housing tax credit. Many developers will not be able to meet this deadline due to events outside of their control, such as unexpected insurance costs, lengthy site cleanups, and additional financing costs. The Subcommittee also learned that homeowners have not been able to use mortgage revenue bonds to rebuild their homes. Witnesses argued that mortgage revenue bonds should be available for substantial renovations and to refinance existing residential mortgage loans. The Committee passed H.R. 1562, The Katrina Housing Tax Relief Act of 2007, on March 21, 2007. The bill passed the House on March 27, 2007. The bill extended the placed in service date in the GO Zones for purposes of the low-income housing tax credit and provided tax-exempt mortgage bond financing for rehabilitation and reconstruction of residences in the GO Zones. This extension was included in Public Law No. 110–28, the Small Business and Work Opportunity Tax Act of 2007.

4. Internal Revenue Service Operations and the Tax Gap.

Actions taken: On March 20, 2007, the Oversight Subcommittee conducted a hearing to review: the IRS fiscal year 2008 budget request of $11 billion; IRS examination, collection, and taxpayer service operations; the current tax return filing season, including the large number of unclaimed telephone tax refunds; and tax fraud schemes and tax scams that the IRS has identified this year. Testimony was heard from the Commissioner of the Internal Revenue Service. The Subcommittee learned that taxpayers have been subject to a number of "phishing" scams that attempt to steal their identities and confidential taxpayer information (such as their social security numbers, bank accounts, and credit card information). The Subcommittee also learned that the tax gap is growing, collections and audits are decreasing, and, during the filing season, free-file electronic filing was down. This hearing resulted in the introduction of H.R. 1677, the Taxpayer Protection Act of 2007, which passed the House on April 17, 2007. It also resulted in the introduction of H.R. 7083, which passed the House on September 27,

2008 and was enacted into law on October 15, 2008 (Public Law No. 110–428).

5. Hearing on Internal Revenue Service's Use of Private Debt Collection Companies to Collect Federal Income Taxes

Actions taken: On May 23, 2007, the Full Committee held a hearing to review the Internal Revenue Service's use of private debt collection companies. The Committee reviewed whether: (1) federal tax collection is governmental function that can be contracted to the private sector; (2) the IRS can collect federal income taxes more efficiently and effectively than private collection companies; (3) taxpayers are subject to harassment and abuse by private collectors; (4) the IRS has adequate options to address uncollected taxes; and (5) the program should be expanded or repealed. The Committee received testimony from the IRS Acting Commissioner, National Taxpayer Advocate, the General Accountability Office's Managing Director of Forensic Audits and Special Investigations, and representatives of Treasury employees and private collection companies. The National Taxpayer Advocate reported that tax collection is an inherent government function that can not be privatized and that, if the $71 million spent on the program had been spent on IRS employees, the IRS would bring in $1.4 billion compared to the $19.5 million brought in by the private collectors. GAO reported that the private debt collectors had placed nearly one million telephone calls attempting to reach 35,000 taxpayers. The Committee included a provision to repeal the private debt collection program in H.R. 3056, The Tax Collection Responsibility Act of 2007, as passed by the House on October 10, 2007; H.R. 3996, the Tax Increase Prevention Act of 2007, as passed by the House on November 9, 2007; and H.R. 5719, the Taxpayer Assistance and Simplification Act of 2008, as passed by the House on April 15, 2008.

6. Request for Written Comments on Provisions Relating to Tax-Exempt Organizations in the Pension Protection Act.

Actions taken: On June 12, 2007, the Subcommittee on Oversight released an advisory requesting written comments from the public on the charitable provisions in the Pension Protection Act. The Act contains over thirty provisions relating to tax-exempt organizations, including charitable giving incentives and exempt organization reforms. Certain provisions were intended to improve accountability among donor advised funds and supporting organizations. Most of the provisions were never discussed on a bipartisan basis, nor the subject of Committee hearings, during the 109th Congress. The Subcommittee has received about 55 letters or submissions in response to the notice. The Committee included provisions responding to the comments in H.R. 7083, which passed the House on September 27, 2008.

7. Overview of Tax-Exempt Organizations.

Actions taken: On July 24, 2007, the Oversight Subcommittee undertook a broad overview of section 501(c)(3) charitable organizations. The hearing reviewed: (1) the current state (important role and size) of this sector; (2) broad concerns and needs of the charitable community, including those related to the Pension Protection Act of 2006; and (3) IRS operations related to charitable organizations, including budget and staffing levels. Testimony was heard from the Internal Revenue Service, the U.S. Government Accountability Office, and representatives of tax-exempt organization trade

associations. The Subcommittee learned that there are approximately one million tax-exempt organizations described in Internal Revenue Code section 501(c)(3) and that the assets of these organizations exceed $2.5 trillion. They have annual revenues of nearly $1.2 trillion and spend approximately $900 billion on program services. The Subcommittee learned that these organizations play a large and important role in the U.S. economy. The Federal government is increasingly partnering with these organizations to deliver Federal services into local communities, particularly to low-income or needy individuals or families. The Committee included provisions to assist charitable organizations and improve public accountability in H.R. 7083, which passed the House on September 27, 2008.

8. Tax-Exempt Organizations: Hearing on Whether They Serve the Needs of Diverse Communities.

Actions taken: On September 25, 2007, the Oversight Subcommittee held a hearing on whether charitable organizations are serving diverse populations and communities. (The U.S. population—nearly 300 million—is becoming increasingly diverse.) Testimony was heard from representatives of and policy experts on tax-exempt organizations. The Subcommittee learned that charity (and volunteerism) in the United States is largely confined within social, ethnic, racial, religious, and localized communities with little leakage to the "stranger" except for short intervals at times of crises. The needs of diverse urban and rural, majority and minority communities are largely invisible to donors, unless highly publicized in the aftermath of major tragedies, like Hurricane Katrina. A recent study conducted by the Indiana University Center on Philanthropy found that less than one-third of the money donated by individuals to charity in 2005 went to causes that served the needs of the poor. The Committee included provisions to help charitable organizations serve the needs of diverse communities in H.R. 7083, which passed the House on September 27, 2008.

9. Import Safety (Joint Hearing with the Trade Subcommittee.

Actions taken: On October 4, 2007, the Oversight Subcommittee and Trade Subcommittee conducted a joint hearing on import safety. Testimony was heard from the Office of the U.S. Trade Representative, the U.S. Customs and Border Protection Department of Homeland Security, the Department of Agriculture, the Department of Health and Human Services, the U.S. Consumer Product Safety Commission, and outside experts representing various industries. The Subcommittees found that nearly $2 trillion in imported food and products entered the United States in 2006. In January 2007, the Government Accountability Office designated the federal oversight of food as a high risk area for the first time. In August and September, companies and the Consumer Product Safety Commission issued over 50 recalls covering millions of imported products. There is no one central agency that coordinates all agencies involved in import safety. Customs and Border Protection interacts with almost all of these agencies.

10. Accountability and Oversight of the Medicare Advantage Program (Joint Hearing with the Health Subcommittee).

Actions taken: On October 16, 2007, the Oversight and Health Subcommittees conducted a joint hearing to examine the value and accuracy of payments to Medicare Advantage plans, specifically the

report by the Government Accountability Office entitled, "Medicare Advantage: Required Audits of Limited Value" (GAO–07–945). Testimony was heard from the U.S. Government Accountability Office, the Centers for Medicare and Medicaid Services, and representatives of medical insurance companies and advocacy groups. The Subcommittees learned that CMS did not meet the statutory requirement to audit, each year, the financial records of at least one-third of the organizations participating in the Medicare Advantage program for 2001–2005. They also learned that seniors have been victimized by abusive marketing schemes by private insurers offering Medicare Advantage plans. This hearing provided a basis for possible Medicare legislation in 2009.

11. Hearing on the Tax Return Filing Season, Internal Revenue Service Operations, Fiscal Year 2009 Budget Proposals, and the IRS National Taxpayer Advocate's Annual Report.

Actions taken: On March 13, 2008, the Subcommittee on Oversight conducted a hearing on the 2008 tax return filing season, Internal Revenue Service (IRS) operations, the fiscal year 2009 budget proposals, and the National Taxpayer Advocate's Annual Report. The Subcommittee reviewed the 2008 tax filing season with a focus on taxpayer service and assistance, earned income tax credit outreach, and the status of the economic stimulus payments. Testimony was received from the IRS Acting Commissioner and the National Taxpayer Advocate. The Subcommittee learned from the IRS Acting Commissioner that the filing season and the processing of nearly 140 million individual tax returns were proceeding smoothly. IRS's plans were underway for issuance of economic stimulus payments. The Subcommittee looked at examination rates, collection activities, the tax gap, electronic filing, and the protection of taxpayer information. The Acting Commissioner reported that individual audit rates have increased, large corporate audits are down, and IRS has continued efforts to review partnership and S Corporation returns. The Subcommittee considered the Administration's fiscal year 2009 proposed budget for the IRS of $11.4 billion, including the funding priorities, compliance initiatives and proposals to address the tax gap, and learned that the overall budget for Business Systems Modernization is below the level needed to address the tax gap. Finally, the Subcommittee received a report from the National Taxpayer Advocate on the key issues and recommendations from her December 2007 Report to Congress. The report noted the need for: enactment of a Taxpayer Bill of Rights; elimination of private debt collection of tax delinquencies; and additional actions to assist taxpayers. On April 15, 2009, the House passed H.R. 5719, the Taxpayer Assistance and Simplification Act of 2008, that included provisions to help taxpayers (including those receiving in-home health care), to improve low-income taxpayer assistance programs, to repeal private debt collection contracts, and to ensure payment of employment taxes by certain government contractors.

12. Hearing on the Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau.

Actions taken: On May 20, 2008, the Subcommittee on Oversight held a hearing on the Department of Treasury's Alcohol and Tobacco Tax and Trade Bureau (TTB). The hearing reviewed TTB's overall operations on the five-year anniversary of its establishment.

The Subcommittee examined: TTB's budget and workload; enforcement programs and compliance issues related to the collection of alcohol, tobacco, firearms, and ammunition taxes; the immediate and long term impact of the division of resources between TTB and the Bureau of Alcohol, Tobacco, Firearms, and Explosives. Further, the Subcommittee reviewed administrative and other proposals related to TTB's operations. The Subcommittee learned from the Director of TTB that the agency divided its resources evenly between its responsibility to collect the revenue (nearly $15 billion each year) and protect the public. TTB made significant progress since its establishment; however, the Subcommittee learned TTB operations would be improved with law enforcement personnel and the statutory changes contained in H.R. 976, the Children's Health Insurance Program Reauthorization Act of 2007, as passed by the House on September 25, 2007.

13. Hearing on Economic Stimulus Payments.

Actions taken: On June 19, 2008, the Subcommittees on Oversight and Social Security held a hearing on the status of the economic stimulus payments. The Subcommittees examined the number of tax returns received and processed, the number of rebate checks issued (direct deposit and paper), the amount of the rebate checks issued, the overall payment schedule of rebate checks, and outreach activities conducted by the Internal Revenue Service (IRS) and the Social Security Administration (SSA) to locate individuals eligible for rebate checks. Further, the Subcommittees examined problems experienced by individuals eligible for rebate checks and what can be done to address these problems. Finally, the Subcommittee reviewed identity theft schemes identified to date, the actions taken to respond to these schemes, and what agencies are doing to protect individuals from identity theft schemes that use the rebate checks as a lure. The Subcommittee heard testimony from the IRS Commissioner, the SSA Deputy Commissioner for Operations, and the National Taxpayer Advocate. The Subcommittee learned that the economic stimulus payments are on schedule but that the IRS has had to move workers from other functions to handle the dramatic increase in economic-stimulus related telephone calls. The Subcommittee learned that the shift had resulted in 2 million pieces of correspondence pending in inventory. On June 19, 2008, Oversight Chairman John Lewis, Social Security Chairman Michael McNulty, Ranking Member Jim Ramstad, and Ranking Member Sam Johnson, issued a Dear Colleague to explain ways Members could engage in economic stimulus outreach in their districts. Further, H.R. 3221, the American Housing Rescue and Foreclosure Act, signed into law on July 30, 2008, included a provision to allow the IRS to transfer additional funds to taxpayer service to address some of the funding issues associated with the economic stimulus payment program.

14. Hearing on Pension Benefit Guaranty Corporation.

Actions taken: On September 24, 2008, the Subcommittee on Oversight held a hearing on the financial condition, operations, and governance of the Pension Benefit Guaranty Corporation ("PBGC"). The hearing focused on PBGC's exposure in the single-employer pension insurance program, the change in its investment policy, and governance weaknesses identified by the General Accountability Office ("GAO"). The Subcommittee also examined the overall

status and financial condition of the defined-benefit pension system, including the status of defined benefit plans sponsored by employers struggling with the financial downtown and the rise in the number of frozen or voluntarily terminated plans. The Subcommittee heard testimony from GAO and the Director of PBGC. The Subcommittee learned that the single-employer program insures the pensions of approximately 34 million workers. The Subcommittee also learned that, at the end of fiscal year 2007, the single-employer insurance program had a deficit of $13.1 billion. A GAO study found that, from 1990 to 2006, plan sponsors voluntarily terminated over 61,000 sufficiently funded single-employer defined benefit plans and about 3.3 million active pension plan participants in the study, who represent about 21 percent of all active participants in the defined benefit system, are affected by a plan freeze. The Subcommittee also learned that PBGC needs legislative authority to require employers sponsoring defined-benefit pension plans to provide timely and more detailed information regarding the financial status of their pension plans.

Subcommittee on Health

1. Medicare Part A and Part B.

Actions taken: On May 15, 2007, the Subcommittee held a hearing to receive testimony on Medicare payment issues pertaining to certain fee-for-service providers, including hospitals, skilled nursing facilities, and home health agencies. On March 1, 2007, and March 11, 2008, the Subcommittee held hearings on MedPAC's Annual March Report, for 2007 and 2008 respectively. On July 10, 2007, the Subcommittee requested written comments on Medicare therapy caps and refined and alternative payment methodologies. The information was used in developing Medicare fee-for-service payment policies for H.R. 3162, the Children's Health and Medicare Protection (CHAMP) Act; S. 2499, the Medicare, Medicaid and SCHIP Extension Act of 2007 (P.L. 110–173); and H.R. 6331, the Medicare Improvements for Patients and Providers Act of 2008 (P.L. 110–275).

On June 26, 2007, the Subcommittee held a hearing on ensuring safe and appropriate anemia management care for kidney patients. The Subcommittee heard testimony from federal agencies, providers and patient advocates. The information was used in developing a modernized Medicare payment system for End Stage Renal Disease set forth in H.R. 3162, the Children's Health and Medicare Protection Act, and enacted into law in the Medicare Improvements for Patients and Providers Act of 2008 (P.L. 110–275).

On November 15, 2007, the Subcommittee held a hearing on nursing home ownership and transparency. Information gathered at the hearing was used to develop H.R. 7128, the Nursing Home Transparency and Quality of Care Improvement Act of 2008.

On March 6, 2007, the Subcommittee held a hearing to receive a report from the Medicare Payment Advisory Commission (MedPAC) on the Sustainable Growth Rate (SGR) formula for updating physician fee schedule payment rates. On May 10, 2007, the Subcommittee held a hearing to receive testimony from CMS, the Government Accountability Office, and MedPAC on ways to improve quality and efficiency among physicians reimbursed by Medicare. Information gathered at these two hearings was used to de-

velop the physician policies contained in the CHAMP Act. On September 11, 2008, the Subcommittee held a hearing on reforming Medicare's physician payment system.

On June 12, 2007 the Subcommittee held a hearing to receive testimony from the Agency for Healthcare Research and Quality, the Congressional Budget Office, and MedPAC on increasing clinical comparative effectiveness research. Information from this hearing was used to develop the comparative effectiveness research policy contained in the CHAMP Act. That policy would stimulate additional research to improve quality by using a combination of funds from the Medicare Trust Funds and a fee paid by private health insurers.

On May 6, 2008, the Subcommittee held a hearing to receive testimony from CMS and other stakeholders on Medicare's Durable Medical Equipment competitive acquisition program. Information from this hearing was used to develop the policy in H.R. 6331, the Medicare Improvements for Patients and Providers Act (P.L. 110–275) that reformed and delayed implementation of that program.

On July 24, 2008 the Subcommittee held a hearing on the adoption and use of health information technology. Testimony from that hearing was used to develop H.R. 6898, the Health-e Information Technology Act. That legislation would use incentives provided through the Medicare program to spur adoption of health information technology systems by providers.

On March 27, 2007, the Subcommittee held a hearing on mental health and substance abuse parity in Medicare and the commercial market. Information gathered was used to develop policies to provide Medicare mental health parity in H.R. 3162, the Children's Health and Medicare Protection (CHAMP) Act and H.R. 6331, the Medicare Improvements for Patients and Providers Act of 2008 (P.L. 110–275). It was also used to lay the groundwork for enactment of the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (P.L. 110–343), which ensure that mental health and substance abuse benefits are treated the same as those provided for physical aliments.

2. Medicare Part C (Private Plans).

Actions taken: On March 21, 2007, the Subcommittee held a hearing to receive testimony on structure and costs of Medicare Advantage (MA) program. On May 22, 2007, the Subcommittee held a hearing on Medicare Advantage Private Fee-For-Service plans Information gathered from these hearings was used to guide MA reforms, including provisions that would establish beneficiary protections against excessive cost sharing, eliminate overpayments to Medicare Advantage plans and prohibit abusive marketing in H.R. 3162, the Children's Health and Medicare Protection (CHAMP) Act.

On October 16, 2007, the Subcommittee held a joint hearing with the Oversight Subcommittee, on CMS' audits of Medicare Advantage plan bids. On February 28, 2008, the Subcommittee held a hearing to receive testimony on Medicare Advantage plans on cost-sharing in MA plans, plan profits and administrative costs, and overpayments to MA plans. GAO testified about their study jointly commissioned by the Committee along with the Energy & Commerce and Oversight and Government Reform Committees, Medicare Advantage: Increased Spending Relative to Medicare FFS Costs May Not Always Reduce Out-of-Pocket Costs. These hear-

ings, as well as the CHAMP Act, which passed the House, informed policies to improve marketing guidelines, reduce overpayments and reform the private fee-for-service plan option in H.R. 6331, the Medicare Improvements for Patients and Providers Act of 2008 (P.L. 110–275). These changes reduced Medicare payments to plans, which will make Medicare more affordable for beneficiaries. This law also established greater protections for beneficiaries enrolled in private fee-for-service plans, and protected all beneficiaries from aggressive marketing. The Subcommittee intends to consider legislation to completely eliminate overpayments to Medicare Advantage plans.

3. Medicare Part D (Prescription Drug Plans).

Actions taken: On Thursday, June 21, 2007, the Subcommittee held a hearing to receive testimony on beneficiary protections under Part D. On June 27, 2008, GAO released a report on Part D entitled, "MEDICARE PART D: Complaint Rates are Declining, but Operational and Oversight Challenges Remain". This report was jointly commissioned by the Committee along with the Committees on Energy & Commerce and Oversight & Government Reform. This information was used to develop policies to reduce certain cost sharing and improve beneficiary protections under Part D, particularly for low-income beneficiaries in H.R. 3162, the Children's Health and Medicare Protection (CHAMP) Act and the Medicare Improvements for Patients and Providers Act of 2008 (P.L. 110–275). It was also used to develop the policy to codify the six protected classes of drugs and increase the number of beneficiaries eligible for low-income assistance in H.R. 6331, the Medicare Improvements for Patients and Providers Act of 2008 (P.L. 110–275). The Subcommittee will continue to monitor Part D and intends to consider legislation to make improvements to the Part D program.

4. Protecting Medicare.

Actions taken: On April 25, 2007 and April 1, 2008, the Subcommittee held hearings on the Annual Medicare Trustees Reports for 2007 and 2008, respectively. The Subcommittee heard testimony on the solvency of the Medicare Trust Funds, increases in premium levels under the President's budget, and other issues relating to Medicare's fiscal strength and outlook.

5. CMS Administration.

On February 13, 2007, the Subcommittee held a hearing on the Medicare Portions of the President's Fiscal Year 2008 Budget. The Subcommittee heard testimony from the Acting Administrator of Centers for Medicare and Medicaid Services. On February 14, 2008, the Subcommittee held a hearing on the Medicare Portions of the President's Fiscal Year 2009 Budget. The Subcommittee heard testimony from the Acting Administrator of Centers for Medicare and Medicaid Services. Information gathered in these hearings was used to develop policies included in H.R. 3162, the Children's Health and Medicare Protection (CHAMP) Act and H.R. 6331, the Medicare Improvements for Patients and Providers Act of 2008 (P.L. 110–275).

Actions taken: On March 8, 2007, the Subcommittee held a hearing on Medicare Program Integrity. The Subcommittee heard testimony from the Department of Health and Human Services Office of the Inspector General, the Centers for Medicare and Medicaid Services, and the Department of Justice.

6. Health Insurance Coverage/Health Reform.

Actions taken: The Subcommittee held a series of hearings on insurance coverage and issues related to health reform. On April 15, 2008, the Subcommittee held a hearing on the instability of health care coverage in America, which focused on both those with and without health insurance coverage. On June 10, 2008, the Subcommittee held a hearing on addressing disparities in health and healthcare. On July 15, 2008, the Subcommittee held a hearing to receive testimony on state coverage initiatives. On September 23, 2008, the Subcommittee held a hearing on issues in the private health insurance market. The Subcommittee will continue to conduct hearings on health care reform and intends to consider health care reform legislation.

On March 14, 2007, the Subcommittee held a hearing on genetic non-discrimination. The Subcommittee heard testimony from the National Institutes of Health, researchers, health plans and consumers. The information was used to favorably report H.R. 493, the Genetic Information Nondiscrimination Act, which was enacted into law on May 21, 2008 (P.L. 110–233).

On March 27, 2007, the Subcommittee held a hearing on mental health and substance abuse parity in Medicare and the commercial market. Information gathered was used to develop the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (P.L. 110–343).

7. Health Savings Accounts (HSAs).

Actions taken: On May 14, 2008, the Subcommittee held a hearing to receive testimony from the Government Accountability Office (GAO), researchers, patient advocates, and health care professionals on Health Savings Accounts (HSAs) and high deductible health plans (HDHPs). Specifically, the hearing addressed concerns that HSAs and HDHPs disproportionately benefit wealthy individuals and disadvantage those with high medical costs and/or modest incomes. This information was used to favorably report H.R. 5719, the Taxpayer Assistance and Simplification Act of 2008, which was passed by the House on April 16, 2008, and contained a provision to require documentation for HSA claims.

8. Trade Adjustment Assistance (TAA) Health Insurance.

Actions taken: On January 23, 2007, the full committee held a hearing to receive testimony from industry experts, researchers, and advocates on trade and globalization. The information was used to favorably report H.R. 3920: Trade and Globalization Assistance Act of 2007, which was passed by the House on October 31, 2007.

Subcommittee on Income Security and Family Support

1. Poverty.

Actions taken: The Subcommittee held a series of hearings that explored the nature and scope of poverty in the United States. On February 13, 2007 the Subcommittee held a hearing on economic opportunity and poverty in America. The hearing began with a panel of individuals who are currently living below or near the official poverty threshold who shared their personal experiences. The second panel of witnesses consisted of academic experts who assessed the nature and extent of poverty in the nation. Witnesses discussed the obstacles they faced in attempting to move up the

economic ladder. Others discussed the pervasive nature of poverty in America, particularly among children, and how the suburban poor now outnumber the inner-city poor by over one million people.

On April 26, 2007 the Subcommittee held a hearing to review, discuss and evaluate proposals to reduce poverty. A panel of six experts outlined their recommendations to reduce the U.S. poverty rate. Experts included the Deputy Mayor of New York City, the President of Catholic Charities, representatives from think tanks, and an academic.

The Subcommittee held a hearing on August 1, 2007 to evaluate the definitions and standards used to measure the number of Americans living in poverty. Witnesses at the hearing included a representative for the National Academy of Sciences, practitioners, policy experts and academics. The witnesses testified on the need to update the current poverty measure which was developed more than 40 years ago.

On November 14, 2007 the Subcommittee held a hearing to examine how gaps in health coverage affect the income security of Americans. Hearing witnesses included a former foster youth who emancipated from the foster care system at age 18 with no health insurance, researchers, and policy experts. Witnesses at the hearing testified that Americans who lack health care coverage have less opportunity to increase their educational attainment and raise their earnings potential.

The Subcommittee held a hearing on July 17, 2008 to consider legislative proposals to improve and update the current poverty measure. Testimony from the hearing highlighted a broad consensus that the current poverty measure is critically important, but it needs to be significantly updated. A modern poverty measure is necessary to accurately depict how widely shared economic prosperity is in America, to appropriately target resources to the most disadvantaged, and fully assess the impact of programs and policies designed to reduce poverty.

2. Welfare and Work Programs.

Actions taken: The Subcommittee held a hearing on March 6, 2007 to evaluate recent changes made by the Deficit Reduction Act of 2005 to certain programs serving needy families, with particular focus on the Temporary Assistance for Needy Families (TANF) and child support enforcement programs. The hearing included testimony from a representative of the Department of Health and Human Services, as well as State officials responsible for administering the TANF, child care assistance, and child support enforcement programs. Several of the witnesses testified that the changes made by the Deficit Reduction Act reduced their ability to meet the needs of TANF families, particularly those with disabilities and those who have barriers to employment. The witnesses also noted that the reduction in federal funding for child support enforcement would limit their ability to enforce child support orders.

On June 24, 2008, the House passed the Medicare Improvements for Patients and Providers Act of 2008 (H.R. 6331) by a vote of 355–59. The legislation included a provision that modified the Deficit Reduction Act of 2005 to extend through FY 2009 supplemental grants under Title IV Part A (Temporary Assistance for Needy Families, or TANF) in the Social Security Act. Supplemental grants

are provided to 17 States that have had high population growth or have low TANF funding per poor person.

Following passage in the House, H.R. 6331 was approved by unanimous consent in the Senate on July 9, 2008. President Bush vetoed the bill on July 15, 2008, but that veto was overridden in both the House (383–41) and the Senate (70–26) later that day. The legislation became P.L. 110–275.

3. Vulnerable Children.

Actions taken: The Subcommittee held six hearings related to the well-being of children and families served by our nation's child welfare system. The first hearing reviewed the overall challenges that State child welfare agencies face in serving children under their supervision. Witnesses included The Honorable Anne Holton, the First Lady of the Commonwealth of Virginia, a representative from the U.S. Government Accountability Office, a State child welfare administrator, and service providers. The hearing highlighted a number of obstacles States face in providing services to vulnerable children and families including the current Federal financing structure, limited assistance to children living with relatives, an overextended child welfare workforce, limited assistance to youth who "age out" of the foster care system, and the lack of coordination with other systems that serve these children and families.

On July 12, 2007 the Subcommittee held a hearing to explore issues facing youth who emancipate from ("age out" of) the foster care system before finding a permanent home. Witnesses at the hearing included a panel of former foster youth who aged out of the system before they found a permanent family, a representative from the Government Accountability Office, and service providers who cater to older foster youth. The Subcommittee held a hearing on July 19, 2007 to assess the provision of health care services for children who are in the foster care system. The hearing featured a number of physicians and a State child welfare director, each of whom testified to the need for greater oversight of health care services to foster children.

On February 27, 2008 the Subcommittee held a hearing to review legislative proposals designed to improve the child welfare system. At that hearing, Subcommittee Chairman Jim McDermott (D–WA) asked witnesses to evaluate the comprehensive reform bill that he introduced earlier that month, the Invest in KIDS Act (H.R. 5466), which was cosponsored by many Subcommittee Members. Witnesses at the hearing included Members of Congress, a former foster youth, a State child welfare director, a non-profit service provider, a representative for tribal child welfare associations, and policy experts.

On June 19, 2008 Subcommittee Chairman Jim McDermott and Ranking Member Jerry Weller (R–IL) introduced bipartisan legislation to reform the nation's child welfare system. The legislation, the Fostering Connections to Success Act (H.R. 6307), included several proposals that were based on the feedback received during the Subcommittee's series of child welfare hearings. H.R. 6307 would have extended Federal assistance to relatives who assume legal guardianship of eligible children for whom they have cared as foster parents, extended Federal foster care payments up to the age of 21 for foster children, and provided direct Federal foster care and adoption funding to tribal governments who run their own

child welfare programs. The bill also would have improved the oversight of the health care and educational needs of foster children and increased access to Federal funding for training child welfare workers. On June 24, 2008, the legislation was adopted by the House by a voice vote.

Following bicameral negotiations, a modified version of H.R. 6307, the Fostering Connections to Success and Increasing Adoptions Act of 2008 (H.R. 6893) was introduced on September 15, 2008. The legislation passed the House on September 17, 2008 by a voice vote, and was approved in the Senate by unanimous consent on September 22, 2008. The legislation was signed into law on October 7, 2008 and became P.L. 110–351.

The Fostering Connections to Success and Increasing Adoptions Act amends Part E of Title IV of the Social Security Act to provide Federal reimbursement to States choosing to provide assistance to grandparents and other relatives who become legal guardians of children for whom they have cared as foster parents. It also provides grants to promote kinship navigator programs and other initiatives designed to connect and help relative caregivers. Furthermore, at State option, the new law allows Federal foster care assistance to continue up to the age of 21 for youth engaged in school, work, or other constructive activities. Additionally, the measure provides Federal adoption assistance to all special needs children (phased in on the basis of age and time in care), rather than only those children whose birth parents were eligible for cash welfare under the rules in place in 1996.

The Fostering Connections to Success and Increasing Adoptions Act also includes a number of other important provisions to improve the well-being of foster children, including: requirements to improve the oversight of the health care needs of every foster child (covering their assessment, treatment, medical records, and medication); a required plan for the educational stability of every foster child and assurance of their school attendance; a requirement that reasonable efforts be made to place siblings together in foster, adoptive or guardianship placements; enhanced Federal funding for training to cover private child welfare workers and court personnel; direct Federal foster care and adoption assistance to tribal governments for children in their care; and an extension and improvement of the Adoption Incentives Program.

In addition to H.R. 6307, other legislative changes that were made to the child welfare system include the Medicare Improvements for Patients and Providers Act of 2008 (H.R. 6331) which included a provision that modified the foster care matching rate for the District of Columbia in order to conform that program's matching rate to the rate provided under Medicaid. The Medicare Improvements for Patients and Providers Act of 2008 was enacted into law on July 15, 2008 following the House and the Senate overriding a Presidential veto of the legislation. The bill became P.L. 110–275.

The Subcommittee held a hearing on May 8, 2008 on the use of psychotropic medications among children in foster care. Hearing witnesses included physicians, a professor of pharmacy and psychiatry, and a director of a residential treatment center. On July 31, 2008 the Subcommittee held a hearing to examine the over-representation of child of color in the foster care system and the pri-

mary factors that contribute to this problem, as well as potential remedies. Witnesses at the hearing included a representative for the Government Accountability Office, a former foster youth, representatives from two State taskforces examining the problem in their respective States, and a practitioner.

Finally, the Subcommittee introduced several bipartisan resolutions commemorating the important contributions of the child welfare workforce, foster parents and adoptive parents. On April 17, 2007 Subcommittee Chairman McDermott and Ranking Member Weller introduced H. Res. 299, a resolution that expressed the sense of the House of Representatives that Congress should increase public awareness of child abuse and neglect. The legislation passed the House on April 24, 2007 by a vote of 411–0. On May 8, 2008 Subcommittee Chairman McDermott and Ranking Member Weller introduced H. Res. 1185, which expressed the sense of the House of Representatives that Congress should recognize the important contributions of Americans who serve as foster parents. The resolution was introduced on May 8, 2008 and passed by a voice vote on May 20, 2008. And on September 15, 2008 Representative Jon Porter (R–NV) introduced H. Res. 1432 which supported the goals and ideals of National Adoption Day and National Adoption Month. The legislation passed in the House by a voice vote on September 18, 2008.

4. Disconnected Populations.

Actions taken: The Subcommittee held a hearing on June 19, 2007 on disconnected and disadvantaged youth. The objective of the hearing was to evaluate issues that lead youth to become disengaged from work and school or to become homeless. Witnesses at the hearing included Members of Congress, a recording artist that was a former homeless youth, a former-incarcerated youth who is participating in a Youthbuild program, a service provider, and policy experts.

On June 28, 2007 Subcommittee Chairman Jim McDermott introduced H. Res. 527, a resolution that recognized the month of November 2007 as National Homeless Youth Awareness Month. The legislation was passed in the House on July 11, 2007 by a voice vote.

5. Unemployment Compensation.

Actions taken: The Subcommittee held a hearing on March 15, 2007 on increasing economic security for dislocated workers. The hearing reviewed proposals to improve the Unemployment Insurance (UI) system and to replace a portion of any lost wages between past and current employment for workers involuntarily changing jobs. Witnesses at the hearing included a former Secretary of the Department of Labor, policy experts and union representatives.

On May 9, 2007 Subcommittee Chairman Jim McDermott introduced the Unemployment Insurance Modernization Act (H.R. 2233) that would distribute funds to encourage, assist and reward States for removing barriers that limit coverage for low-wage and part-time workers, as well as workers leaving work for compelling family reasons, and for helping dislocated workers increase their skills. The legislation would have provided up to $7 billion from the Federal Unemployment Account for incentive payments to be distrib-

uted between FY 2008 through FY 2012 to States meeting specific criteria related to their unemployment insurance systems.

Provisions from the Unemployment Insurance Modernization Act were included in Title III of the Committee on Ways and Means' reported version of the Trade and Globalization Assistance Act of 2007 (H.R. 3920). The bill was reported out of the Full Committee, as amended, on October 24, 2007 by a recorded vote of 26–14. The House adopted H.R. 3920 on October 31, 2007 by a vote of 264–157, and it was sent to the Senate on November 5, 2007.

The Subcommittee held a joint hearing with the Subcommittee on Select Revenue Measures to evaluate the impacts of the misclassification of workers as independent contractors. Witnesses at the hearing included a representative from the Government Accountability Office, an individual who works as private contractors, a small business owner, and policy experts.

On September 19, 2007 the Subcommittee held a hearing on reducing the gaps and disparities in access to unemployment insurance, particularly for low-wage and part-time workers. Hearing witnesses included a representative from the Government Accountability Office, State administrators, and policy experts. Several witnesses discussed the need to modernize the current Unemployment Insurance program and to reduce barriers to coverage for low-wage and part-time workers.

Subcommittee Chairman McDermott and Representative Phil English (R–PA) introduced the Emergency Extended Unemployment Compensation Act (H.R. 5749) which would extend unemployment benefits in every State by 13 weeks and provide an additional 13 weeks of benefits in States with high unemployment. Under the legislation, the extended benefits program would have been in effect through January 2009, and all benefits would have been paid out of the Federal unemployment trust funds.

On April 10, 2008 the Subcommittee held a hearing to assess the need to extend unemployment benefits for displaced workers. The hearing featured testimony from policy experts and economists who spoke of the need for a federally-funded UI benefit extension for jobless workers.

On April 16, 2008 the full Committee held a markup on the Emergency Extended Unemployment Compensation Act and reported it favorably with amendment by a recorded vote of 24–13. The legislation was passed by the House on June 12, 2008, 274–137.

Provisions from H.R. 5749 were included in title IV of H.R. 2642, the Supplemental Appropriations Act, 2008. Title IV of H.R. 2642 extended unemployment benefits for 13 additional weeks in all States. H.R. 2642 was adopted in the House on June 19, 2008 and was signed into law on June 30, 2008. The legislation subsequently became P.L. 110–252.

On September 10, 2008 Subcommittee Chairman McDermott introduced the Unemployment Compensation Extension Act of 2008 (H.R. 6867) which would provide seven additional weeks of Federally-funded extended benefits in every State, plus another 13 weeks of benefits for workers in States with high unemployment rates (defined as a three-month average of 6 percent or higher). In combination with P.L. 110–252, the measure provides a maximum of 33 weeks of extended unemployment benefits.

On September 11, 2008 the Subcommittee held a hearing on the challenges facing American workers in light of the changing workforce and globalization. Hearing witnesses included economists, policy experts, and researchers.

The Unemployment Compensation Extension Act of 2008 (H.R. 6867) passed the House on October 3, 2008 by a vote of 368–28 and was passed in the Senate on November 20, 2008 by unanimous consent. The bill was signed into law on November 21, 2008 and became P.L. 110–449.

The SSI Extension for Elderly and Disabled Refugees Act (H.R. 2608) amended the Internal Revenue Code to require the Secretary of the Treasury to offset overpayments of Federal taxes by any amount owed to a State for unemployment compensation debt due to fraud. The legislation was agreed to in the House on July 11, 2008 and was agreed to in the Senate, with an amendment, on September 17, 2008. The House adopted the Senate amendment to the bill on September 17, 2008 and the bill was signed into law on September 30, 2008. It became P.L. 110–328.

6. Supplemental Security Income.

Actions taken: The Subcommittee held a hearing on March 22, 2007 that evaluated the limitation on providing SSI benefits to refugees and other humanitarian immigrants. Witnesses at the hearing included a disabled refugee from Vietnam, representatives of various charities, and policy experts who testified on the need to extend the current eligibility of SSI benefits to refugees and other qualified humanitarian immigrants beyond seven years.

On June 7, 2007 Subcommittee Chairman Jim McDermott and Ranking Member Jerry Weller introduced the SSI Extension for Elderly and Disabled Refugees Act (H.R. 2608). The legislation provided a two year extension of SSI benefits for refugees and other qualified humanitarian immigrants. The bill was passed in the House on June 11, 2007 by a voice vote. The legislation was agreed to in the Senate, with an amendment, by unanimous consent on August 1, 2008. The House adopted the Senate amendment to the legislation by voice vote on September 17, 2008. H.R. 2608 was signed into law on September 30, 2008 and became P.L. 110–328.

P.L. 110–328 amended the Immigration and Nationality Act, as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, to extend SSI eligibility for humanitarian immigrants, including those whose SSI benefits were terminated in prior fiscal years. The measure required a sworn declaration from such aliens (except children under age 18) that they have made a good faith effort to pursue U.S. citizenship. The law generally extended SSI benefits for an additional two years through FY2011.

On October 17, 2007 the Subcommittee held a joint hearing with the Subcommittee on Select Revenue Measures to evaluate legislative proposals designed to help members of our armed forces and their families, as well as others volunteering in service to America. Witnesses at the hearing included Members of Congress, a representative for the Social Security Administration, a widow of a military officer killed in action, a director of a State veterans' affairs office, veteran affairs and first responder advocates. Witnesses at the hearing testified for the need for targeted assistance to help

military personnel and their families while the service member is deployed.

On April 16, 2008 Committee Chairman Charles Rangel, Subcommittee Chairman McDermott and other Members introduced the Heroes Earning Assistance and Relief Act of 2008 (H.R. 6081) which included provisions that targeted the SSI program for former and current members of the uniformed services and AmeriCorps participants. Title II of the legislation amended title XVI of the Social Security Act to treat cash remuneration paid to a member of the uniformed services as earned income and certain housing payments to such members as in-kind support and maintenance for SSI program purposes. It also excluded State annuity payments to blind, disabled, or aged veterans for purposes of SSI benefit determinations. Finally, the legislation excluded any cash or in-kind benefit paid to an AmeriCorps participant from SSI income eligibility and benefit determinations.

The Heroes Earning Assistance and Relief Act passed in the House on April 20, 2008 by a vote of 403–0. The bill was passed by the Senate, by unanimous consent, on April 22, 2008 and signed into law on June 17, 2008. It became P.L. 110–245.

Subcommittee on Social Security

Hearings

Full Committee.

Actions taken: The Committee on Ways and Means held one oversight hearing of Social Security issues in the 110th Congress.

Clearing the Disability Backlog—Giving the Social Security Administration the Resources It Needs to Provide the Benefits Workers Have Earned—On April 23, 2008, the Committee on Ways and Means held a hearing on the Social Security Administration's (SSA's) large backlog in disability claims and other declines in service to the public resulting from years of underfunding of the agency's administrative expenses. This hearing focused the impact of a large backlog of disability claims and the role of SSA resource shortages in the growth of the backlog, as well as other effects of these shortages, such as the impact on service in local field offices, telephone service, and SSA's ability to conduct program integrity activities. The hearing highlighted the need for increased administrative funding in FY2009 to address these critical issues.

Subcommittee on Social Security

Actions taken: The Subcommittee on Social Security held eight oversight hearings in the 110th Congress. These hearings include:

Hearing on Social Security Disability Backlogs—On February 14, 2007, the Subcommittee held a hearing on SSA's disability claims backlog. The hearing focused on how the delays impact individuals who have applied for disability benefits; the effect on other critical agency workloads, including program integrity activities; steps SSA had taken to date to resolve the backlogs; and options for addressing the problem.

Hearing on the Hiring of Administrative Law Judges at the Social Security Administration—On May 1, 2007, the Subcommittee held a hearing to examine SSA's ability to hire Administrative Law Judges (ALJs) to address the growing disability claims backlog.

The hearing focused on the importance of having an adequate number of ALJs to address the growing disability claims backlog; barriers to SSA's hiring of ALJs; and the steps that must be taken to remove these barriers. In particular, the Subcommittee addressed the need to develop an updated register of ALJ candidates, the steps involved in this process, and the time frames in which it needed to occur. Following this hearing, on October 30, 2007 the U.S. Office of Personnel Management (OPM) issued an updated register of candidates from which SSA was able to hire.

Hearing on Employment Eligibility Verification Systems—On June 7, 2007 the Subcommittee held a hearing on current and proposed expansions of employment eligibility verification systems and the role of SSA in authenticating employment eligibility, including the potential costs and increased workloads that would be faced by the agency. The hearing also examined the potential impact of this system on workers and employers; how it would interact with REAL ID and other identification methods; and the privacy implications, especially in light of proposed data-sharing arrangements between agencies.

Hearing on Protecting the Privacy of the Social Security Number from Identity Theft—On June 21, 2007 the Subcommittee held a hearing to examine what role the SSN plays in identity theft, and the steps that can be taken to increase SSN privacy and thereby limit its availability to identity thieves and other criminals. The hearing focused on how SSNs are currently used, what risks to individuals and businesses arise from its widespread use and options to restrict its use in the public and private sectors. Following this hearing, the Chairman and Ranking Member of the Subcommittee introduced legislation (see H.R. 3046).

Hearing on Social Security Benefits for Economically Vulnerable Beneficiaries—On January 16, 2008, the Subcommittee held a hearing focused on the needs and concerns of low-income workers, people with disabilities, public servants and other at-risk groups, as well as proposals to improve their economic security, and the costs of such proposals. The hearing also considered the history and policy rationales for the Government Pension Offset (GPO), the Windfall Elimination Provision (WEP), and exempting some public employees from Social Security coverage.

Hearing on Employment Eligibility Verification Systems and the Potential Impacts on SSA's Ability to Serve Retirees, People with Disabilities, and Workers—On May 6, 2008 the Subcommittee further examined the current and proposed expansions of the E-Verify pilot, including the impact of increased immigration-related workloads on SSA's ability to serve seniors, people with disabilities, and survivors of deceased workers. Also examined were the potential impact on businesses and employees; the technical and implementation challenges of expansion; and the data security implications of having personal information in the SSA database accessible to six million businesses nationwide. Findings from this hearing were included as provisions in E-Verify reauthorization legislation (H.R. 6633) to protect SSA's ability to perform its core mission. It also led to the successful conclusion of long-standing negotiations between SSA and the Department of Homeland Security (DHS) regarding DHS reimbursement of SSA's costs associated with E-Verify.

Hearing on Protecting Social Security Beneficiaries from Predatory Lending and Other Harmful Financial Institution Practices—On June 24, 2008 the Subcommittee held a hearing to evaluate how certain payday lending and other financial institution practices may harm vulnerable Social Security beneficiaries, and may undermine the intent of the benefit protections in the Social Security Act. The hearing also examined the response of SSA and federal agencies that regulate financial institution practices.

Hearing on the Performance of Social Security Administration Appeals Hearing Offices—On September 16, 2008, the Subcommittee held a hearing on the performance of SSA's appeals hearing offices. The hearing focused on factors that affect productivity, initiatives SSA is taking to increase efficiency and productivity, and other approaches to improving productivity without compromising the quality and impartiality of decision- making or the due process rights of claimants.

Additional Oversight Activities

SSA Budget and Service Delivery.

Actions taken: Budget shortfalls at SSA directly affected service delivery to constituents, and it was a growing concern to the members of the 110th Congress. Since FY 2001, the number of people awaiting a hearing on their Social Security Disability Insurance (SSDI) claim almost doubled—from about 392,000 to about 752,000 today and waiting times increased to an average of 17 months at the hearing level alone. The Subcommittee aggressively sought an adequate increase in administrative funding for SSA to directly address the disability backlogs and conducted a series of oversight hearings on causes of the service shortfalls and solutions to the problem. For FY 2008, Congress adopted an increase in SSA's administrative funding of $150 million above the President's request for SSA. The FY 2009 appropriations bill passed by the Subcommittee on Labor, Health and Human Services, Education and Related Agencies included an increase of $100 million above the President's request, however, this bill did not pass before the 110th Congress adjourned.

Disability Case Processing Backlogs.

Actions taken: In addition to the hearings held, the Subcommittee monthly monitored the number of pending disability cases in each state and the average time each backlogged case was taking to complete. Moreover, the Subcommittee met frequently with representatives of SSA's Office of Disability Adjudication and Review, attended briefings on updates to the backlog and advocated for SSA's stated needs to address the backlog.

Management of the Ticket To Work Program.

Actions taken: The Subcommittee monitored SSA's progress in addressing problems with the Ticket to Work Program, including issuing revised regulations (published in May 2008) and renewing marketing efforts. The Subcommittee also monitored SSA's progress in implementing related demonstration projects, and provided input on their design. Finally, the Subcommittee attended numerous Ticket to Work and Work Incentives Advisory Panel meetings and briefings, engaged in ongoing communication with the Panel, and offered input on the final report issued to the President and Congress.

New Disability Adjudication Process.

Actions taken: The Subcommittee monitored new and proposed regulations issued by SSA to ensure continued service delivery to beneficiaries. These new procedures included proposed changes to medical evidence collection and review by SSA and the use of video hearings. After strong objections from Congress and stakeholders, SSA withdrew a proposed regulation to restrict appeals rights of disability claimants.

Social Security Number Protection.

Actions taken: After the Subcommittee held a hearing on the problem of identity theft and misuse of SSNs, the Chairman and Ranking Member introduced H.R. 3046, the "Social Security Number Privacy and Identity Theft Prevention Act of 2007." The Full Committee held a mark-up and unanimously passed this legislation, however it was not considered on the floor of the House of Representatives.

Subcommittee on Trade

Priorities of the Office of the United States Trade Representative.

Actions taken: On January 30, 2007, the Committee held a hearing on trade and globalization. The hearing explored the integration of markets brought about by globalization. The hearing also examined how U.S. trade policy can be used as a tool to shape globalization and to ensure that the forces of the global economy are harnessed most effectively and efficiently to generate the maximum amount of broadly based economic growth. Witnesses at the hearing included former officials from the Clinton and Bush administrations and representatives from the business community and other non-governmental organizations.

On February 14, 2007, the Committee held a hearing on the direction and content of U.S. trade policy, including: (1) the status of the WTO Doha Round negotiations; (2) the status of U.S. free trade agreements; (3) policy responses to the U.S. trade deficit and debt; (4) the operations of the WTO Dispute Settlement Body; (5) the status of WTO accession negotiations; (6) the effectiveness of U.S. preference programs; and (7) presidential trade negotiating authority. U.S. Trade Representative Susan C. Schwab was the sole witness at the hearing.

In March 2007, the Committee received the 2007 Trade Policy Agenda and the 2006 Annual Report of the President of the United States on the Trade Agreements Program. Section 163 of the Trade Act of 1974, as amended, and sections 122 and 124 of the Uruguay Round Agreements Act require USTR to submit this report to Congress annually.

In March 2007, the Committee received the 2007 National Trade Estimate Report. This annual report from USTR to Congress is mandated by section 181 of the Trade Act of 1974, as amended by section 303 of the Trade and Tariff Act of 1984, section 1304 of the Omnibus Trade and Competitiveness Act of 1988, section 311 of the Uruguay Round Trade Agreements Act, and section 1202 of the Internet Tax Freedom Act.

On May 10, 2007, Congressional leaders reached an historic agreement with the Administration to revise the free trade agreements (FTAs) that had been concluded but had not yet been sub-

mitted to Congress at that time (with Colombia, Korea, Panama and Peru). As a result of the "May 10 Agreement," these FTAs became the first U.S. FTAs to include fully-enforceable basic international labor standards, as stated in the 1998 ILO Declaration on Fundamental Principles and Rights at Work. They were also the first FTAs to require the parties to implement and enforce their obligations under certain common multilateral environmental agreements and, in the case of the U.S.-Peru Trade Promotion Agreement, to require Peru to take major, specific steps to address illegal logging.

The May 10 Agreement also required other important changes to the texts of these FTAs, including: (1) modifications of the intellectual property chapter to balance promoting access to medicines and protecting pharmaceutical innovation (in particular, in the agreements with Colombia, Panama and Peru); (2) clarification that the government procurement chapters allow conditioning of contracts on adherence to basic and minimum labor standards; (3) clarification that, where there are national security concerns, the United States can prevent foreign companies from operating U.S. ports; and (d) clarification that the FTAs do not accord foreign investors in the United States with greater substantive rights with respect to investment protections than U.S. investors in the United States.

The May 10 Agreement included all of the changes to the texts of the Peru and Panama FTAs that Committee Chairman Rangel and Trade Subcommittee Chairman Levin considered necessary for Committee consideration of those agreements. The Chairmen also considered these changes necessary—but not sufficient—for Committee consideration of the Colombia and Korea FTAs. The May 10 documents note that, in the case of Colombia, the persistent violence against trade unionists (and the related problem of impunity) creates special problems and considerations not presented in the context of the Peru and Panama FTAs. Similarly, the Chairmen noted that the problem of Korea's systemic barriers in the automotive, manufactured, agricultural, and services markets would have to be addressed.

In March 2008, the Committee received the 2008 Trade Policy Agenda and the 2007 Annual Report of the President of the United States on the Trade Agreements Program. Section 163 of the Trade Act of 1974, as amended, and sections 122 and 124 of the Uruguay Round Agreements Act require USTR to submit this report to Congress annually.

In March 2008, the Committee received the 2008 National Trade Estimate Report. This annual report from USTR to Congress is mandated by section 181 of the Trade Act of 1974, as amended by section 303 of the Trade and Tariff Act of 1984, section 1304 of the Omnibus Trade and Competitiveness Act of 1988, section 311 of the Uruguay Round Trade Agreements Act, and section 1202 of the Internet Tax Freedom Act.

Subcommittee on Trade

- Fast Track.

See discussion above under Full Committee—Oversight of Trade Priorities.

- Korea Free Trade Agreement (FTA).

Actions taken: On February 2, 2006, U.S. Trade Representative Portman formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with the Republic of Korea. Negotiations began in June 2006. On March 20, 2007, the Trade Subcommittee held a hearing on the Korea FTA on March 20, 2007. The hearing focused on the major outstanding issues in the negotiations (in particular, the need to open Korea's automotive market) and on the possible agricultural benefits of an FTA (including the need to open Korea's closed rice and beef markets). Witnesses at the hearing included Deputy U.S. Trade Representative Karan Bhatia and representatives from the business and agricultural communities and a labor union representative.

On April 1, 2007, U.S. Trade Representative Schwab announced that the negotiations reached their conclusion. Simultaneously, President Bush officially notified Congress of his intention to sign the Free Trade Agreement between the United States and Korea. The agreement was signed on June 30, 2007. In September 2007, the Committee received a report from the ITC entitled U.S.-Korea Free Trade Agreement: Potential Economy-wide and Selected Sectoral Effects. Publication 3949. Washington, D.C.: September 2007.

• Other Free Trade Agreements (FTAs).

Actions taken. The Trade Act of 2002 (P.L. 107–210) included provisions to renew trade agreement approval procedures (known as "fast track" or "trade promotion authority") that were first enacted in 1974. Under those procedures, Congress grants the President the authority to enter into certain reciprocal trade agreements, and to have implementing bills considered under expedited legislative procedures and without the opportunity for amendment, provided the President observes certain statutory obligations in negotiating them.

U.S.-Peru Trade Promotion Agreement.

On November 18, 2003, U.S. Trade Representative Zoellick formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with Colombia, Ecuador and Peru. Negotiations with those countries began in May 2004, with Bolivia participating as an observer. On December 7, 2005, the United States and Peru announced that they had concluded FTA negotiations. On January 6, 2006, President Bush officially notified Congress of his intention to sign the U.S.-Peru Trade Promotion Agreement. The agreement was signed on April 12, 2006. The President, however, did not submit an implementing bill in the remaining months of the 109th Congress.

On May 10, 2007, House and Senate leaders reached an agreement with the Administration regarding the need to make several substantial changes to the text of the trade agreement with Peru, as described in more detail above. The United States renegotiated the text with Peru, and U.S. Trade Representative Schwab announced on June 25, 2007, that an agreement was reached with Peru. As noted above, the President signed the implementing legislation into law on December 14, 2007 (P.L. 110–138).

From August 5 to 7, 2007, the Chairman, Subcommittee Chairman Sander Levin and Committee Member Allyson Schwartz traveled to Lima, Peru on a Codel. The purpose of the Codel was to meet with the President of Peru, other Peruvian officials and private sector representatives, including representatives of labor and

business groups and other non-governmental organizations, in regard to congressional consideration of the U.S.-Peru Trade Promotion Agreement, implementation of the agreement, and implementation in particular of the elements of the agreement arising out of the agreement of May 10, 2007.

On September 25, 2007, the Committee informally approved draft legislation to implement the United States-Peru Trade Promotion Agreement, by voice vote. The Committee conducted this informal markup to provide advice to the Administration on the implementing bill and Statement of Administrative Action. On September 27, 2007, Majority Leader Hoyer introduced (by request) H.R. 3688, the "United States-Peru Trade Promotion Agreement Implementation Act," to be considered under the trade agreement approval procedures of the Trade Act of 2002.

On October 31, 2007, the Committee held a formal markup session to consider H.R. 3688. The Committee approved the bill and favorably reported H.R. 3688 by a roll call vote of 39–0. Under the trade agreement approval procedures of the Trade Act of 2002, amendments are not permitted to the bill once it has been introduced. On November 8, 2007, the House passed the bill by a recorded vote of 285 to 132. On December 4, 2007, the Senate passed H.R. 3688, without amendment, by a recorded vote of 77–18. The President signed the bill into law on December 14, 2007 (P.L. 110–138).

Committee staff for the Majority and Minority traveled to Peru for meetings from June 7–14, 2008. The purpose of the delegation's trip was to get a better understanding of the challenges that Peru faces, and the progress it has made to date, to come into compliance with the United States-Peru Trade Promotion Agreement's Annex on Forest Sector Governance, a key component of the May 10 Agreement described above. For a portion of the trip, staff traveled to the department of Madre de Dios in the Peruvian Amazon with members of the United States inter-agency team responsible for the implementation of the Annex and their Peruvian counterparts. On the trip, Committee staff met with current and former federal and regional government officials, timber exporters, timber concessionaires, timber mill operators, representatives of Peruvian non-governmental organizations and other stakeholders.

U.S.-Colombia Trade Promotion Agreement.

On November 18, 2003, U.S. Trade Representative Zoellick formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with Colombia, Ecuador and Peru, as noted above. On February 27, 2006, the United States and Colombia announced that they had concluded FTA negotiations. On August 24, 2006, President Bush officially notified Congress of his intention to sign the U.S.-Colombia Trade Promotion Agreement. The agreement was signed on November 22, 2006. An implementing bill was not introduced in the 109th Congress.

On May 10, 2007, House and Senate leaders reached an agreement with the Administration regarding the need to make several substantial changes to the text of the trade agreement with Colombia, as described in more detail above. The United States renegotiated the text with Colombia, and U.S. Trade Representative Schwab announced on June 28, 2007, that an agreement was reached with Colombia.

On April 8, 2008, the President submitted the "United States-Colombia Trade Promotion Agreement Implementation Act" to the House of Representatives and the Senate. In accordance with the trade agreement approval procedures of the Trade Act of 2002, Majority Leader Hoyer introduced the bill, H.R. 5724, by request. The Committee did not informally mark up or approve the draft legislation prior to its introduction. The bill was introduced over the objections of House and Senate leaders and without close collaboration or cooperation between the executive branch and the Committee.

On April 10, 2008, the House considered H. Res. 1092. H. Res. 1092 rendered inapplicable certain trade agreement approval procedures of the Trade Act of 2002 (relating to the period for Committee and Floor consideration and the procedures for Floor consideration) in the case of H.R. 5724. H. Res. 1092 left intact other trade agreement approval procedures, such as the rule that an implementing bill may not be amended once it has been introduced. The House passed H. Res. 1092 by a vote of 224–195 on April 10, 2008.

As described above, on January 30, 2007, the Committee held a hearing concerning trade and globalization. In that hearing, Members and witnesses discussed a range of issues, including the status of FTA negotiations with Colombia, Korea, Panama and Peru, and other countries. In the hearing held on February 14, 2007, described above, U.S. Trade Representative Schwab and the Members of the Committee discussed a range of issues, including the status of FTA negotiations with Colombia, Korea, Panama and Peru, and other countries.

U.S.-Panama Free Trade Agreement.

On November 18, 2003, U.S. Trade Representative Zoellick formally notified Congress of the Administration's intention to initiate negotiations for a free trade agreement with Panama. Negotiations were launched on April 26, 2004. On December 19, 2006, the United States and Panama announced that they had completed negotiations, but with the understanding that further discussions were necessary. On March 30, 2007, President Bush officially notified Congress of his intention to sign the U.S.-Panama Trade Promotion Agreement. After the May 10 changes, discussed above, were incorporated into the text of the agreement with Panama, the parties signed the agreement on June 28, 2007.

On May 15, 2007, the Committee held an executive session with the Vice President of Panama, H.E. Samuel Lewis Navarro. The session focused on the May 10 Agreement and its impact on Congressional consideration of the U.S.-Panama Free Trade Agreement.

Preference Programs: Oversight of major U.S. trade preference programs such as the Generalized System of Preferences (GSP), African Growth and Opportunity Act (AGOA), Caribbean Basin Initiative (CBI), Andean Trade Preference Act (ATPA), and Haitian Hemispheric Opportunity Through Partnership Encouragement Act.

Actions taken: On February 7, 2008, Committee on Ways and Means Chairman Charles B. Rangel introduced H.R. 5264, the Andean Trade Preference Extension Act of 2008. H.R. 5264: (1) extended until September 30, 2010 the Andean Preference Programs,

the Caribbean Basin Initiative (CBI) preferences and the Generalized System of Preferences (GSP); (2) repealed an "abundant supply" requirement that restricted least-developed countries' ability to use the African Growth and Opportunity Act's (AGOA) flexible "third country fabric" rule; (3) reinstated Mauritius' eligibility to use AGOA's "third-country fabric" provisions; and (4) repealed the GSP's competitive need limitation (CNL) waiver provisions. On February 14, 2008, the Committee on Ways and Means met to consider H.R. 5264. At that time, Chairman Rangel offered an amendment in the nature of a substitute, which was adopted by voice vote. The amendment was limited to a 10-month extension of the Andean Preference Programs; none of the CBI, GSP or AGOA provisions included in the bill as introduced was retained. On February 25, 2008, the bill was reported by the Committee. On February 27, 2008, the House took up H.R. 5264 and passed it by voice vote. On February 28, 2008, the bill was passed by the Senate by unanimous consent. On February 29, 2009, it was signed by the President and became Public Law No. 110–191.

On March 29, 2007, the Chairman introduced H.R. 1830, a bill to extend to September 30, 2009, the Andean Trade Preference Act and the Andean Trade Preferences and Drug Eradication Act (hereinafter "the Andean Preference Programs"). On June 27, 2007, the House took up the bill, as amended, under suspension and passed it by a recorded vote of 365–59. As amended, H.R. 1830 extended the Andean Preference Programs until February 29, 2008. On June 28, 2007, the bill was received in the Senate and passed by unanimous consent. On June 30, 2007, H.R. 1830 was signed by the President and became Public Law No. 110–42.

On May 22, 2007, H.R. 2419, the Food, Conservation and Energy Act of 2008, was introduced. It was reported, as amended, by the Committee on Agriculture on July 23, 2007. On July 27, 2007, the House took up H.R. 2419 and passed the bill by recorded vote of 231–191.

On June 19, 2007, the Committee held an executive session with the Heads of State of nine Member countries of the Caribbean Community and Common Market (CARICOM) to discuss ways to strengthen trade and economic ties between the Caribbean and the United States.

In June 2007, the Committee received a report from the GAO entitled Information on Port Security in the Caribbean Basin. Publication GAO–07–804R. Washington, D.C.: June 29, 2007.

In September 2007, the Committee received a report from the ITC entitled The Impact of the Caribbean Basin Economic Recovery Act, Eighteenth Report 2005–2006. Publication 3954. Washington, D.C.: September 2007

In September 2007, the Committee received a report from the ITC entitled Commercial Availability of Fabric & Yarns in AGOA Countries: Certain Denim. Publication 3950, Washington, D.C.: September 2007.

In September 2007, the Committee received a report from the GAO entitled U.S. Trade Preference Programs: An Overview of Use by Beneficiaries and U.S. Administrative Reviews. Publication GAO–07–1209. Washington, D.C.: September 2007.

On December 14, 2007, the Senate passed H.R. 2419 with an amendment by a recorded vote of 79–14. During the conference, at

the request of members of the Committee, additional preference provisions were added to modify the Haitian Hemispheric Opportunity through Partnership Encouragement (HOPE) Act. The "HOPE II" provisions included in H.R. 2419 provide additional, simplified ways for Haitian apparel to qualify for duty-free treatment and enhanced incentives to use U.S. inputs. HOPE II also required that Haiti establish a comprehensive labor monitoring program in its apparel sector with assistance from the International Labor Organization. The preference provisions added in the Farm Bill conference also extended the expiring provisions of the Caribbean Basin Initiative for two years.

The conference report was filed on May 13, 2008. The conference report was agreed to in the House by a recorded vote of 318–106 on May 14, 2008. The Senate agreed to the conference report by a recorded vote of 81–15 on May 15, 2008. On May 21, 2008, the legislation was vetoed by the President. The House passed the bill over the President's veto by a recorded vote of 316–108 on May 22, 2008. The Senate passed the bill over the President's veto by a recorded vote of 82–13 on May 22, 2008, and it became Public Law No. 110–234.

Due to a technical error, only 14 of the 15 chapters of the conference report were presented to the President, vetoed and passed by Congress over the veto. As such, all 15 chapters of the conference report were introduced as H.R. 6124, the Food, Conservation and Energy Act of 2008, on May 22, 2008. On that same day, the House took up H.R. 6124 and passed the bill under suspension by a recorded vote of 306–110. On June 5, 2008, the Senate passed H.R. 6124 without amendment by a vote of 77–15. On June 18, 2008, the President vetoed the legislation. The House passed the bill over the President's veto by a recorded vote of 317–109 on June 18, 2008. The Senate passed the bill over the President's veto by a recorded vote of 80–14 on June 18, 2008, and it became Public Law No. 110–246.

In March 2008, the Committee received a report from the GAO entitled U.S. Trade Preference Programs Provide Important Benefits, but a More Integrated Approach Would Better Ensure Programs Meet Shared Goals. Publication GAO–08–443. Washington, D.C.: March 2008.

In May 2008, the Committee received a report from the ITC entitled Caribbean Region: Review of Economic Growth and Development. Publication 4000. Washington, D.C.: May 2008.

In June 2008, the Committee received a report from the ITC entitled Textiles and Apparel: Effects of Special Rules for Haiti on Trade Markets and Industries. Publication 4016. Washington, D.C.: June 2008.

On July 16, 2008, the Committee held an executive session with trade ministers (or their designates) from 35 sub-Saharan African countries, who were in Washington D.C. for the 7th Annual Africa Growth and Opportunity Act (AGOA) Forum. The meeting yielded a productive exchange of views on how AGOA has worked and on priorities for next steps.

On July 22, 2008, Committee on Ways and Means Chairman Charles B. Rangel introduced H.R. 6560, a bill to establish an earned import allowance program under Public Law 109–53, and for other purposes. H.R. 6560: (1) established a "2 for 1" textile and

apparel allowance program to be developed and administered by the Secretary of Commerce under which Dominican apparel producers could "earn" the right to export duty free certain apparel made with non-U.S. non-regional fabric, if they have purchased certain quantities of U.S. fabric for use in apparel production; (2) extended the GSP program for one year to December 31, 2009; (3) repealed the AGOA "abundant supply" requirement (see description above); and (4) made several of non-controversial, technical corrections to AGOA and the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II). On July 29, 2008, the House took up H.R. 6560 and passed the bill by voice vote. On July 30, 2008, it was received in the Senate and referred to the Committee on Finance. No further action was taken in the Senate.

In August 2008, the Committee received a report from the ITC entitled Denim Fabric: Commercial Availability in AGOA Countries During Fiscal Year 2009. Publication 4027. Washington, D.C.: August 2008.

On September 29, 2008, Committee on Ways and Means Chairman Charles B. Rangel introduced H.R. 7222, a bill to extend the Andean Trade Preference Act, and for other purposes. H.R. 7222: (1) extended the GSP program for one year to December 31, 2009 (2) extended the Andean Preference Programs for (a) one year for Colombia and Peru (until December 31, 2009), (b) six months for Ecuador plus an additional six months unless the Administration determines that Ecuador does not satisfy the Andean Preference Program criteria and (c) six months for Bolivia plus an additional six months only if the Administration determines that Bolivia satisfies the Andean Preference Program criteria; (3) repealed the AGOA "abundant supply" requirement (see description above); (4) reinstated Mauritius' eligibility to use the AGOA "third-country fabric" provisions; and (5) established a "2 for 1" textile and apparel allowance program to be developed and administered by the Secretary of Commerce (see description above); and (6) made several of non-controversial, technical corrections to AGOA and the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008. On September 29, 2007, the Committee on Ways and Means discharged H.R. 7222 and the House passed it without objection on that same day. On October 2, 2008, H.R 7222 passed with an amendment in the Senate by unanimous consent. On October 3, 2008, the House agreed to the Senate amendment without objection. On October 16, 2008, H.R. 7222 was signed by the President and became Public Law No. 110–436.

In September 2008, the Committee received a report from the ITC entitled Andean Trade Preference Act: Impact on U.S. Industries and Consumers and on Drug Crop Eradication and Crop Substitution, 2007. Thirteenth Report. Publication 4037. Washington, D.C.: September 2008.

• Haiti.

See discuss in preceding section.

• World Trade Organization (WTO) Negotiations.

Actions taken. As described above, the Committee held a hearing on January 30, 2007, concerning trade and globalization. In that hearing, Members and witnesses discussed a range of issues, including the status of the WTO Doha Round of trade negotiations

and the need to enforce existing WTO rules through the WTO dispute settlement mechanism.

In the hearing held on February 14, 2007, described above, U.S. Trade Representative Schwab and the Members of the Committee discussed a range of issues, including the status of the WTO Doha Round of trade negotiations and the need to enforce existing WTO rules through the WTO dispute settlement mechanism.

In March 2007, the Committee received a report from the GAO entitled World Trade Organization: Congress Faces Key Decisions as Efforts to Reach Doha Agreement Intensify. Publication GAO–07–379. Washington, D.C.: March 5, 2007.

On April 24, 2007, the Committee held an executive session with WTO Director General Pascal Lamy to discuss the status of the Doha Round of multilateral trade negotiations.

On November 8, 2007, the Committee held an executive session with the European Union Commissioner for Trade, Peter Mandelson. The Commission and the Committee Members discussed the status of the Doha Round of negotiations, among other trade issues.

From December 9–12, 2007, Committee staff for the Majority and Minority traveled to Geneva, Switzerland, for meetings at the World Trade Organization. The purpose of the trip was to gather information on the status of the Doha Round negotiations and to share the Committee's views with WTO Members. While in Geneva, staff met individually with the WTO Director General Lamy, his deputy, Rufus Yerxa, the Agriculture, Rules, and Services chairs of the negotiations (WTO representatives of New Zealand, Uruguay and Mexico, respectively), and representatives of Brazil, China, Costa Rica, the European Communities, and India. Staff also held three larger meetings, one with WTO Members from the African nations, one with Members from the Caribbean nations, and one with representatives from Australia, Chile, Japan, and Malaysia. Two staff members, one from the Majority and one from the Minority, remained in Geneva for an additional day to observe the first day of consideration of a proposed Rules text (in particular, those portions related to trade remedy laws, such as anti-dumping and countervailing duty laws).

From June 30, through July 1, 2008, Committee staff for the Majority and Minority traveled to Geneva, Switzerland, for meetings at the WTO. The purpose of the trip was to assess the progress that had been made since the December meetings and to monitor further the negotiations. While in Geneva, staff met with the Chief of Staff to WTO Director General Lamy, as well as with the chairs of the Agriculture, Industrial Goods, Rules, and Services negotiations. Staff also met with the head of the WTO Rules Division. While there, Staff conducted bilateral meetings with representatives of Brazil, China, and the European Communities. Staff also held three larger meetings, one with WTO Members from African nations (Benin, Kenya, Rwanda, South Africa, and Uganda), one with Members from the Caribbean nations, and one with representatives from Japan, Norway, and Singapore to discuss perspectives on the Rules negotiations.

On July 17, 2008, the Committee held an executive session with U.S. Trade Representative Schwab to discuss the status of the Doha round of trade negotiations and, more specifically, the WTO

ministerial meeting which was scheduled (and took place) at the end of that month (July 21–30).

From July 28 to August 3, Committee staff for the Majority and Minority traveled to Geneva, Switzerland to observe and consult with the Bush Administration on a critical moment in the WTO "Doha Development Agenda" round of negotiations. The purpose of the trip was to meet with U.S. government representatives, U.S. private sector representatives, foreign government representatives, and WTO officials in regard to the ongoing negotiations, to hear their reports on the status of the negotiations, and their perspectives, and offer the perspectives of the Members of the Committee.

• Improving U.S. Trade Laws.

Actions taken: In March 2008, Committee staff for the Majority and Minority traveled to Geneva, Switzerland, to attend the Appellate Body hearing in United States-Final Anti-Dumping Measures on Stainless Steel from Mexico, a dispute involving the controversial methodology known as "zeroing." The hearing was held from March 6–7, 2008. In addition to attending the hearing, Committee staff met with U.S. and WTO officials, including the head of the WTO Rules Division, to discuss the status of the Doha Round negotiations.

For additional actions taken, see section relating to China.

China.

Actions taken. The Subcommittee on Trade held a series of hearings focused on (1) the impact of U.S.-China trade on jobs, wages, prices, manufacturing competitiveness and other aspects of the U.S. economy; (2) the causes of the U.S. trade deficit with China; (3) China's compliance with its WTO commitments; and (4) China's role in the world economy.

The first hearing, held on February 15, 2007, addressed China's enforcement of intellectual property rights and the role and effect of subsidies in the Chinese market and their impact on competition with U.S. products in China. The Trade Subcommittee heard testimony from private sector interests and the Administration.

The second hearing, held on March 15, 2007, addressed the application of countervailing duties to unfairly subsidized and injurious imports from nonmarket economy countries, with a focus on H.R. 1229, the "Nonmarket Economy Trade Remedy Act of 2007," introduced by Representatives Artur Davis (D–AL) and Phil English (R–PA). The Subcommittee received testimony from a Member of Congress, the Administration, and private sector interests.

The third hearing, held on May 9, 2007, addressed the issue of currency manipulation and its effects on U.S. businesses and workers. Three subcommittees participated in the hearing: the Ways and Means Subcommittee on Trade; the Financial Services Subcommittee on Domestic and International Monetary Policy, Trade, and Technology; and, the Energy and Commerce Subcommittee on Commerce, Trade and Consumer Protection. The purpose of the hearing was to consider: (1) whether, and to what extent, the Chinese renminbi (RMB) and the Japanese yen are undervalued as a result of foreign government intervention in the currency markets; (2) the immediate and long-term impact an undervalued RMB or yen has on the economies of the United States and other countries, and on the global economy; and (3) what action, if any, the United

States should take to address exchange rate manipulation. The Subcommittees received testimony during the hearing from the Administration and private sector interests.

In the fourth hearing, held on August 2, 2007, the Trade Subcommittee considered various legislative proposals relating to trade with China. The legislation examined included bills to address trade-distorting currency practices, as well as legislation to modify U.S. trade remedy laws. In addition, the hearing addressed the safety of food imports into the United States and issues related to the application of sanitary and phytosanitary measures overseas and the consistency of those measures with World Trade Organization (WTO) rules. During the hearing, the Subcommittee received testimony from eleven Members of Congress, the Administration, and the private sector.

On October 4, 2007, the Trade Subcommittee and the Oversight Subcommittee held a joint hearing on import safety. The hearing focused on the mechanisms and legal authorities under current law for ensuring the safety of food and consumer products imported into the United States.

In addition to the five hearings described above, the Trade Subcommittee and other interested Members of the Committee held an executive session on February 13, 2007, on exchange rate regimes and their effect on international trade, with a focus on the policies of China and Japan. The Members of the Committee informally discussed these issues with several knowledgeable economists, from the business community and other non-governmental organizations.

In December 2007, the Committee received a report from the ITC entitled China: Description of Selected Government Practices and Policies Affecting Decision Making in the Economy. Publication 3978. Washington, D.C.: December 2007. The report was the first in a three-part study requested by the Chairman on May 23, 2007. However, in a letter dated April 1, 2008, the Chairman recognized that it was not possible for the ITC to access and analyze key information within the time agreed (given the lack of transparency in Chinese policymaking, the absence of a clear demarcation between central and provincial government responsibilities, the pace at which laws are being written and rewritten, and the incomplete development of the rule of law in China) and terminated the requested study.

On December 11, 2007, the Committee received from the U.S. Trade Representative the "2007 Report to Congress on China's WTO Compliance," pursuant to section 421 of the U.S.-China Relations Act of 2000 (P.L. 106–286).

On December 1, 2008, the Committee received from the ITC the first in a series of reports entitled Statistical Reports on Certain Textile and Apparel Imports from China, under investigation No. 332–501. The Chairman of the Committee requested this investigation, pursuant to section 332(g) of the Tariff Act of 1930 (19 U.S.C. 1332(g)), to monitor textile and apparel imports from China following the expiration on December 31, 2008, of the Memorandum of Understanding Concerning Trade in Textile and Apparel Products between the United States and China.

Europe.

On November 8, 2007, the Committee held an executive session with the European Union Commissioner for Trade, Peter Mandelson. The Commission and the Committee Members discussed the status of the Doha Round of negotiations, among other trade issues.

Trade and Developing Countries.

See discussion above regarding Preference Programs.

Trade and U.S. Workers.

On January 29, 2007, H.J. Res. 20, the Continuing Appropriations Resolution, 2007, was introduced in the House. The joint resolution included language, at the request of members of the Committee, prohibiting the Department of Labor from using appropriated funds "to finalize or implement any proposed regulation under the Workforce Investment Act of 1998, Wagner-Peyser Act of 1933, or the Trade Adjustment Assistance Reform Act of 2002 until such time as legislation reauthorizing the Workforce Investment Act of 1998 and the Trade Adjustment Assistance Reform Act of 2002 is enacted." H.J. Res. was taken up and passed by a recorded vote of 286–140 on January 31, 2007. It was taken up by the Senate and passed without amendment by a recorded vote of 81–15 on February 14, 2007. On February 15, 2007, it was signed by the President and became Public Law No. 110–5.

In June 2007, the Committee received a report from the GAO entitled Industry Certification Would Likely Make More Workers Eligible, but Design and Implementation Challenges Exist. Publication GAO–07–919. Washington, D.C.: June 2007.

In June 2007, the Committee received a report from the GAO entitled Trade Adjustment Assistance: Changes Needed to Improve States' Ability to Provide Benefits and Services to Trade-Affected Workers. Publication GAO–07–995T. Washington, D.C.: June 14, 2007.

On June 14, 2007, the Committee on Ways and Means held a hearing entitled "Promoting U.S. Worker Competitiveness in a Globalized Economy." The hearing focused on the operation of and possible reforms to the Trade Adjustment Assistance for Workers program. Witnesses included Congressman Adam Smith; Sigurd Nilsen, Director for Education, Workforce, and Income Security Issues, Government Accountability Office; the Honorable Mason M. Bishop, Deputy Assistant Secretary, Employment and Training Administration, Department of Labor; David R. Williams, Director of Electronic Tax Administration and Refundable Credits, Internal Revenue Service, as well as representatives of state government workforce entities, organized labor, and non-profits and think tanks.

On August 3, 2007, Committee on Ways and Means Trade Subcommittee Ranking Member Wally Herger introduced H.R. 3375, a bill to extend for three months the trade adjustment assistance ("TAA") program under the Trade Act of 1974. The bill was referred to the Committee on Ways and Means, which marked it up on September 18, 2007. On September 24, 2007, it was reported favorably by the Committee by voice vote. On September 25, 2007, the House took up H.R. 3375, as amended, and passed the bill by voice vote. It was received by the Senate that same day and passed by unanimous consent. On September 28, 2007, it was signed by the President and became Public Law No. 110–89.

On October 22, 2007, Chairman Rangel introduced H.R. 3920, the Trade and Globalization Assistance Act of 2007, which was referred to the Committee on Ways and Means and, in addition, to the Committees on Education and Labor, and Energy and Commerce. H.R. 3920: (1) expands TAA coverage to more workers, including service workers; (2) streamlines TAA enrollment for workers, including creating mechanisms for industry-wide (as opposed to company-specific) eligibility determinations; (3) enhances workers' access to long term training under TAA; (4) reforms the TAA heath care tax credit benefit; (5) creates new TAA benefits for communities adversely affected by trade; and (6) reforms the unemployment insurance system. On October 24, 2007, the Committee on Ways and Means marked up H.R. 3920, and ordered the bill, as amended, favorably reported by a roll call vote of 26 to 14, with a quorum present. On October 31, 2007, the House took up and passed H.R. 3920 under a rule by a recorded vote of 264–157. On November 5, 2007, it was received in the Senate and referred to the Committee on Finance. No further action was taken in the Senate.

In November 2007, the Committee received a report from the GAO entitled Trade Adjustment Assistance: States Have Fewer Training Funds Available than Labor Estimates when Both Expenditures and Obligations are Considered. Publication GAO–08–165. Washington, D.C.: November 2, 2007.

On December 10, 2007, Committee on Ways and Means Trade Subcommittee Chairman Sander M. Levin introduced H.R. 4341, a bill to extend for three months the trade adjustment assistance program under the Trade Act of 1974. On December 11, 2007, the House took up H.R. 4341 and passed the bill by voice vote. On January 22, 2008, it was received in the Senate and referred to the Committee on Finance. No further action was taken in the Senate.

On December 26, 2007, the Consolidated Appropriations Act, 2008, Public Law 110–161, was enacted, fully funding the TAA for Workers and ATAA programs for fiscal year 2008. DOL considered the appropriations language sufficient to continue the operation of the TAA for Workers program throughout fiscal year 2008, including issuing new certifications for eligibility. See Training and Guidance Letter No. 15–07, December 27, 2007 (Department of Labor, Employment and Training Administration). The Consolidated Appropriations Act, 2008 continued the prohibition on using funds made available to finalize or implement any proposed regulation related to TAA for Workers until the program is re-authorized.

The Consolidated Security, Disaster Assistance and Continuing Appropriations Act, 2009, Public Law 110–329, enacted on Sept. 30, 2008, fully funded the TAA for Workers program until enactment of the applicable regular appropriations bill or until March 6, 2009, whichever occurs first. The prohibition on the finalization or implementation of proposed TAA for Workers regulations until the program is reauthorized also remains in place. Again, DOL considered the appropriations language sufficient to continue the operation of the TAA for Workers program.

Other.

Actions taken. In March 2008, Committee staff for the Majority and Minority traveled to Geneva, Switzerland, to attend the Appellate Body hearing in United States—Final Anti-Dumping Measures

on Stainless Steel from Mexico, a dispute involving the controversial methodology known as "zeroing." The hearing was held from March 6–7, 2008. In addition to attending the hearing, Committee staff met with U.S. and WTO officials, including the head of the WTO Rules Division, to discuss the status of the Doha Round negotiations.

On December 5, 2007, Congressman John Conyers, Jr. (D–MI) introduced H.R. 4279, the Prioritizing Resources and Organization for Intellectual Property Act of 2008. Several provisions of H.R. 4279 fell within the jurisdiction of the Committee. For example, section 301(e) would amend the Trade Act of 1974 by imposing an additional consultation requirement on the U.S. Trade Representative. As another example, section 322(b)(9) would require the newly created Intellectual Property Enforcement Representative to report to Congress and the President on "[t]he progress of the United States Trade Representative in taking the appropriate action under any trade agreement or treaty to protect intellectual property rights of United States persons and their licensees."

Prior to markup of the bill by the House Judiciary Committee, Ways and Means Committee staff for both the Majority and Minority worked with the staff of the Judiciary Committee to ensure that the bill would not undermine the prerogatives of the Committee and the various trade agencies within its jurisdiction (in particular, the U.S. Trade Representative and U.S. Customs and Border Protection). The staff of the Judiciary Committee addressed these and other concerns, as reflected in an amended bill. The Judiciary Committee reported favorably on the amended bill on May 5, 2008, by voice vote. That same day, the Chairman and Judiciary Chairman Conyers exchanged letters, acknowledging the jurisdiction of the Ways and Means Committee and its agreement to forgo consideration of the amended bill. On May 8, 2008, the House passed the bill by a recorded vote of 410 to 11.

On July 24, 2008, Senator Patrick J. Leahy (D–VT) introduced a companion bill, S. 3325. On September 15, 2008, the Senate Committee on the Judiciary reported on the bill with amendments, without a written report. On September 26, 2008, the Senate passed the bill with an amendment by Unanimous Consent. S. 3325 included the modifications sought by Committee staff in the amended H.R. 4279. On September 28, 2008, the House passed S. 3325 by a vote of 381 to 41. The President signed the bill into law on October 13, 2008 (P.L. 110–403).

Appendix I. Jurisdiction of the Committee on Ways and Means

A. U.S. Constitution

Article I, Section 7, of the Constitution of the United States provides as follows:

All Bills for raising Revenue shall originate in the House of Representatives; but the Senate may propose or concur with Amendments as on other Bills.

In addition, Article I, Section 8, of the Constitution of the United States provides the following:

The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and * * * To borrow Money on the credit of the United States.

B. RULE X, CLAUSE 1, RULES OF THE HOUSE OF REPRESENTATIVES

Rule X, clause 1(t), of the Rules of the House of Representatives, in effect during the 110th Congress, provides for the jurisdiction of the Committee on Ways and Means, as follows:

(t) Committee on Ways and Means.

(1) Customs revenue, collection districts, and ports of entry and delivery.

(2) Reciprocal trade agreements.

(3) Revenue measures generally.

(4) Revenue measures relating to insular possessions.

(5) Bonded debt of the United States, subject to the last sentence of clause 4(f).

Clause 4(f) requires the Committee on Ways and Means to include in its annual report to the Committee on the Budget a specific recommendation, made after holding public hearings, as to the appropriate level of the public debt that should be set forth in the concurrent resolution on the budget.

(6) Deposit of public monies.

(7) Transportation of dutiable goods.

(8) Tax exempt foundations and charitable trusts.

(9) National Social Security (except health care and facilities programs that are supported from general revenues as opposed to payroll deductions and except work incentive programs).

C. BRIEF DESCRIPTION OF COMMITTEE'S JURISDICTION

The foregoing recitation of the provisions of House Rule X, clause 1, paragraph(t), does not convey the comprehensive nature of the jurisdiction of the Committee on Ways and Means. The following summary provides a more complete description:

(1) Federal revenue measures generally.—The Committee on Ways and Means has the responsibility for raising the revenue required to finance the Federal Government. This includes individual and corporate income taxes, excise taxes, estate taxes, gift taxes, and other miscellaneous taxes.

(2) The bonded debt of the United States.—The Committee on Ways and Means has jurisdiction over the authority of the Federal Government to borrow money. Title 31 of Chapter 31 of the U.S. Code authorizes the Secretary of the Treasury to conduct any necessary public borrowing subject to a maximum limit on the amount of borrowing outstanding at any one time. This statutory limit on the amount of public debt ("the debt ceiling") currently is $11.315 trillion. The Committee's jurisdiction also includes conditions under which the U.S. Department of the Treasury manages the Federal debt, such as restrictions on the conditions under which certain debt instruments are sold.

(3) National Social Security programs.—The Committee on Ways and Means has jurisdiction over most of the programs authorized by the Social Security Act, which includes not only those programs that are normally referred to colloquially as "Social Security" but

also social insurance programs and a whole series of grant-in-aid programs to State governments for a variety of purposes. The Social Security Act, as amended, contains 21 titles (a few of which have either expired or have been repealed). The principal programs established by the Social Security Act and under the jurisdiction of the Committee on Ways and Means in the 110th Congress can be outlined as follows:

(a) Old-age, survivors, and disability insurance (Title II)—At present, there are approximately 162 million workers in employment covered by the program, and for calendar year 2005, $521 billion in benefits were paid to 48 million individuals.

(b) Medicare (Title XVIII)—Provides hospital insurance benefits to 35.2 million persons over the age of 65 and to 6.7 million disabled persons. Voluntary supplementary medical insurance is provided to 33.7 million aged persons and 6 million disabled persons. Total program outlays under these programs were $330 billion in 2005.

(c) Supplemental Security Income (SSI) (Title XVI)—The SSI program was inaugurated in January 1974 under the provisions of P.L. 92–603, as amended. It replaced the former Federal-State programs for the needy aged, blind, and disabled. In October 2008, 7.5 million individuals received Federal SSI benefits on a monthly basis. Of these 7.5 million persons, approximately 1.2 million received benefits on the basis of age, and nearly 6.3 million on the basis of blindness or disability. Federal expenditures for cash SSI payments in 2007 totaled $34.2 billion, while State expenditures for federally administered SSI supplements totaled $3.7 billion.

(d) Temporary Assistance for Needy Families (TANF) (part A of Title IV)—The TANF program is a block grant of about $16.5 billion dollars awarded to States to provide income assistance to poor families, to end dependency on welfare benefits, and to prevent nonmarital births, among other purposes. In most cases, Federal TANF benefits for individuals are limited to 5 years and individuals must participate in federally defined activities to maintain their eligibility. In June 2008, about 1.7 million families and 3.9 million individuals received benefits from the TANF program.

(e) Child support enforcement (part D of Title IV)—In fiscal year 2007 Federal expenditures totaled nearly $5.6 billion for the child support enforcement program. Child support collections for that year totaled $24.9 billion.

(f) Child welfare, foster care, and adoption assistance (parts B and E of Title IV)—Titles IV B and E provide funds to States for child welfare services for abused and neglected children; foster care for children who meet Aid to Families with Dependent Children eligibility criteria; and adoption assistance for children with special needs. In fiscal year 2007, Federal expenditures for child welfare services totaled $713 million. Federal expenditures for foster care and adoption assistance were approximately $6.5 billion.

(g) Unemployment compensation programs (Titles III, IX, and XII)—These titles authorize the Federal-State unemployment compensation program and the permanent extended benefits program. Between October 1, 2007, and September 30,

2008, an estimated $38.4 billion was paid in regular unemployment compensation and an additional $4.2 million for the State share of the extended benefit program. Approximately 8.8 million workers received unemployment compensation payments.

(h) Social services (Title XX)—Title XX authorizes the Federal Government to reimburse the States for money spent to provide persons with various services. Generally, the specific services provided are determined by each State. In fiscal year 2007, $1.7 billion was appropriated. These funds are allocated on the basis of population.

(4) Trade and tariff legislation.—The Committee on Ways and Means has responsibility over legislation relating to tariffs, import trade, and trade negotiations. In the early days of the Republic, tariff and customs receipts were major sources of revenue for the Federal Government. As the Committee with jurisdiction over revenue-raising measures, the Committee on Ways and Means thus evolved as the primary Committee responsible for international trade policy.

The Constitution vests the power to levy tariffs and to regulate international commerce specifically in the Congress as one of its enumerated powers. Any authority to regulate imports or to negotiate trade agreements must therefore be delegated to the executive branch through legislative action. Statutes including the Reciprocal Trade Agreements Acts beginning in 1934, Trade Expansion Act of 1962, Trade Act of 1974, Trade Agreements Act of 1979, Trade and Tariff Act of 1984, Omnibus Trade and Competitiveness Act of 1988, North American Free Trade Agreement (NAFTA) Implementation Act, Uruguay Round Agreements Act, and Trade Act of 2002 provide the basis for U.S. bargaining with other countries to achieve the mutual reduction of tariff and nontariff trade barriers under reciprocal trade agreements.

The Committee's jurisdiction includes the following authorities and programs:

(a) The tariff schedules and all tariff preference programs, such as the General System of Preferences and the Caribbean Basin Initiative;

(b) Laws dealing with unfair trade practices, including the antidumping law, countervailing duty law, section 301, and section 337;

(c) Other laws dealing with import trade, including section 201 (escape clause), section 232 national security controls, section 22 agricultural restrictions, international commodity agreements, textile restrictions under section 204, and any other restrictions or sanctions affecting imports;

(d) General and specific trade negotiating authority, as well as implementing authority for trade agreements and the grant of normal-trade-relations (NTR) status;

(e) General and NAFTA-related TAA programs for workers, and TAA for firms;

(f) Customs administration and enforcement, including rules of origin and country-of-origin marking, customs classification, customs valuation, customs user fees, and U.S. participation in the World Customs Organization (WCO);

(g) Trade and customs revenue functions of the Department of Homeland Security and the Department of the Treasury.

(h) Authorization of the budget for the International Trade Commission (ITC), functions of the Department of Homeland Security under the Committee's jurisdiction, and the Office of the U.S. Trade Representative (USTR).

D. Revenue Originating Prerogative of the House of Representatives

The Constitutional Convention debated adopting the British model in which the House of Lords could not amend revenue legislation sent to it from the House of Commons. Eventually, however, the Convention proposed and the States later ratified the Constitution providing that "All bills for raising revenue shall originate in the House of Representatives, but the Senate may propose or concur with amendments as on other bills." (Article 1, Section 7, clause 1.)

In order to pass constitutional scrutiny under this "origination clause," a tax bill must be passed first by the House of Representatives. After the House has completed action on a bill and approved it by a majority vote, the bill is transmitted to the Senate for formal action. The Senate may have already reviewed issues raised by the bill before its transmission. For example, the Senate Committee on Finance frequently holds hearings on tax legislative proposals before the legislation embodying those proposals is transmitted from the House of Representatives. On occasion, the Senate will consider a revenue bill in the form of a Senate or "S." bill, and then await passage of a revenue "H.R." bill from the House. The Senate then will add or substitute provisions of the "S." bill as an amendment to the "H.R." bill and send the "H.R." bill back to the House of Representatives for its concurrence or for conference on the differing provisions.

E. The House's Exercise of Its Constitutional Prerogative: "Blue -Slipping"

When a Senate bill or amendment to a House bill infringes on the constitutional prerogative of the House to originate revenue measures, that infringement may be raised in the House as a matter of privilege. That privilege has also been asserted on a Senate amendment to a House amendment to a Senate bill (see 96th Congress, 1st Session, November 8, 1979, Congressional Record p. H10425).

Note that the House in its sole discretion may determine that legislation passed by the Senate infringes on its prerogative to originate revenue legislation. In the absence of such determination by the House, the Federal courts are occasionally asked to rule a certain revenue measure to be unconstitutional as not having originated in the House (see *U.S.* v. *Munoz-Flores*, 495 U.S. 385 (1990).

Senate bills or amendments to non-revenue bills infringe on the House's prerogative even if they do not raise or reduce revenue. Such infringements are referred to as "revenue affecting." Thus, any import ban which could result in lost customs tariffs must originate in the House (100th Congress, 1st Session, July 30, 1987

100th Congress, 2d Session, June 16, 1988, Congressional Record p. H4356).

Offending bills and amendments are returned to the Senate through the passage in the House of a House Resolution which states that the Senate provision: "in the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privilege of the House and that such bill be respectfully returned to the Senate with a message communicating this resolution" (e.g., 100th Congress, 1st Session, July 30, 1987, Congressional Record p. H6808). This practice is referred to as "blue slipping" because the resolution returning the offending bill to the Senate is printed on blue paper.

In other cases, the Committee of the Whole House has passed a similar or identical House bill in lieu of a Senate bill or amendment (e.g., 91st Congress, 2d Congress, May 11, 1970, Congressional Record pp. H14951–14960). The Committee on Ways and Means has also reported bills to the House which were approved and sent to the Senate in lieu of Senate bills (e.g., 93d Congress, 1st Session, November 6, 1973, Congressional Record pp. 36006–36008). In other cases, the Senate has substituted a House bill or delayed action on its own legislation to await a proper revenue affecting bill or amendment from the House (see 95th Congress, 2d Session, September 22, 1978, Congressional Record p. H30960; January 22, 1980, Congressional Record p. S107).

Any Member may offer a resolution seeking to invoke Article I, Section 7. However, the determination that a bill violates the Origination Clause has been traditionally made by Members of the Committee on Ways and Means, and the resolution has been offered by the Chairman or another Member of the Committee on Ways and Means. Because Article I, Section 7 involves the privileges of the House, a blue-slip resolution offered by the Chairman or other Members of the Committee on Ways and Means has been typically adopted by voice vote on the House Floor. There have been instances where the House has agreed to not deal directly with the issue by tabling a resolution.[1] [2]

BLUE SLIP RESOLUTIONS—98TH CONGRESS THROUGH 110TH CONGRESS CHRONOLOGICAL LIST

[Resolutions passed by the House returning to the Senate bills passed in violation of the origination clause of the United States Constitution (Clause 1, Section 7 of Article 1)]

H. Res., sponsor, and date of House passage	Description of Senate action (and related House action, if any)
107th Congress:	
H. Res. 240, Mr. Thomas ..... September 20, 2001	On September 13, 2001, the Senate passed H.R. 2500, ''Making appropriations for the U.S. Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2002, and for other purposes'' with an amendment. Contained in this legislation was a provision banning the importation of diamonds not certified as originating outside conflict zones. The proposed change in the import laws constituted a revenue measure in the constitutional sense, because it would have had a direct impact on customs revenues.

[1] In cases where the Chairman of the Committee on Ways and Means did not believe that the bill in question violated the Origination Clause or the objection had been dealt with in another manner, resolutions offered by other Members of the House have been tabled. [See adoption of motion by Representative Rostenkowski to table H. Res. 571, 97–2, p. 22127.]

[2] This was an instance where the Chairman of the Committee on Ways and Means raised a question of the privilege of the House pursuant to Article I, Section 7, of the U.S. Constitution on H.R. 4516, Legislative Branch Appropriations. The motion was laid on the table.

BLUE SLIP RESOLUTIONS—98TH CONGRESS THROUGH 110TH CONGRESS CHRONOLOGICAL LIST—Continued

[Resolutions passed by the House returning to the Senate bills passed in violation of the origination clause of the United States Constitution (Clause 1, Section 7 of Article 1)]

H. Res., sponsor, and date of House passage	Description of Senate action (and related House action, if any)
106th Congress:	
H. Res. 645, Mr. Crane ..... October 24, 2000	On October 17, 2000, the Senate passed S. 1109, the Bear Protection Act of 1999. This legislation would have conserved global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera. The proposed change in the import laws constituted a revenue measure in the constitutional sense, because it would have had a direct impact on customs revenues.
H. Res. 394, Mr. Weller ..... November 18, 1999	On November 3, 1999, the Senate passed S. 1232, Federal Erroneous Retirement Coverage Corrections Act. This legislation would have provided that no Federal retirement plan involved in the corrections under the bill would fail to be treated as a tax-qualified retirement plan by reason of the correction, and that any fund transfers or government contributions resulting from the corrections would have no impact on the tax liability of individuals. These changes constituted a revenue measure in the constitutional sense because they would have had a direct impact on Federal revenues.
H. Res. 393, Mr. Weller ..... November 18, 1999	On February 24, 1999, the Senate passed S. 4, the Soldiers', Sailors', Airmen', and Marines' Bill of Rights Act of 1999. The legislation would have allowed members of the Armed Forces to participate in the Federal Thrift Savings Program and to avoid the tax consequences that would otherwise have resulted from certain contributions in excess of the limitations imposed in the Internal Revenue Code. This proposed exemption therefore constituted a revenue measure in the constitutional sense because it would have had a direct impact on Federal revenues.
H. Res. 249, Mr. Portman ..... July 16, 1999	On May 20, 1999, the Senate passed S. 254, the Violent and Repeat Juvenile Offender Accountability and Rehabilitation Act of 1999. The legislation would have had the effect of banning the import of large capacity ammunition feeding devices. The proposed change in the import laws constituted a revenue measure in the constitutional sense, because it would have had a direct impact on customs revenues.
105th Congress:	
H. Res. 601, Mr. Crane ..... October 15, 1998	On October 8, 1998, the Senate passed S. 361, the Tiger and Rhinoceros Conservation Act of 1998. This legislation would have had the effect of creating a new basis and mechanism for applying import restrictions for products intended for human consumption or application containing (or labeled as containing) any substance derived from tigers or rhinoceroses. The proposed change in the import laws constituted a revenue measure in the constitutional sense, because it would have had a direct impact on customs revenues.
H. Res. 379, Mr. Ensign ..... March 5, 1998	On April 15, 1997, the Senate passed S. 104, the Nuclear Waste Policy Act of 1997. This legislation would have repealed a revenue provision and replaced it with a user fee. The revenue provision in question was a fee of 1 mill per kilowatt hour of electricity generated by nuclear power imposed by the Nuclear Waste Policy Act of 1982. The proposed user fee in the legislation would have been limited to the amount appropriated for nuclear waste disposal. The original fee was uncapped, and, in fact, because the fees collected exceeded the associated costs, it was being used as revenue to finance the Federal Government generally. Its proposed repeal, therefore, constituted a revenue measure in the constitutional sense because it would have had a direct impact on Federal revenues.
104th Congress:	
H. Res. 554, Mr. Crane ..... September 28, 1996	On June 30, 1996, the Senate passed H.R. 400, the Anaktuvuk Pass Land Exchange and Wilderness Redesignation Act of 1995, with an amendment. Section 204(a) of the Senate amendment would have overridden existing tax law by expanding the definition of actions not subject to Federal, State, or local taxation under the Alaska Native Claims Settlement Act. These changes constituted a revenue measure in the constitutional sense because they would have had a direct impact on Federal revenues.

BLUE SLIP RESOLUTIONS—98TH CONGRESS THROUGH 110TH CONGRESS CHRONOLOGICAL LIST—Continued

[Resolutions passed by the House returning to the Senate bills passed in violation of the origination clause of the United States Constitution (Clause 1, Section 7 of Article 1)]

H. Res., sponsor, and date of House passage	Description of Senate action (and related House action, if any)
H. Res. 545, Mr. Archer ..... September 27, 1996	On September 25, 1996, the Senate passed S. 1311, the National Physical Fitness and Sports Foundation Establishment Act. Section 2 of the bill would have waived the application of certain rules governing recognition of tax-exempt status for the foundation established under this legislation. This exemption constituted a revenue measure in the constitutional sense because it would have had a direct impact on Federal revenues.
H. Res. 402, Mr. Shaw ..... April 16, 1996	On January 26, 1996, the Senate passed S. 1463, to amend the Trade Act of 1974. The bill would have changed the authority and procedure for investigations by the ITC for certain domestic agricultural products. Such investigations are a predicate necessary for achieving access to desired trade remedies that the President may order, such as tariff adjustments, tariff-rate quotas, quantitative restrictions, or negotiation of trade agreements to limit imports. By creating a new basis and mechanism for import restrictions under authority granted to the President, the bill constituted a revenue measure in the constitutional sense because it would have had a direct impact on customs revenues.
H. Res. 387, Mr. Crane ..... March 21, 1996	On February 1, 1996, the Senate passed S. 1518, repealing the Tea Importation Act of 1897. Under existing law in 1996, it was unlawful to import substandard tea, except as provided in the HTS. Changing import restrictions constituted a revenue measure in the constitutional sense because it would have had a direct impact on customs revenues.
103d Congress:	
H. Res. 577, Mr. Gibbons ..... October 7, 1994	On October 3, 1994, the Senate passed S. 1216, the Crow Boundary Settlement Act of 1994. The bill would have overridden existing tax law by exempting certain payments and benefits from taxation. These exemptions constituted a revenue measure in the constitutional sense because they would have had a direct impact on Federal revenues.
H. Res. 518, Mr. Gibbons ..... August 12, 1994	On July 20, 1994, the Senate passed H.R. 4554, the Agriculture and Rural Development Appropriation for fiscal year 1995, with amendments. Senate amendment 83 would have provided authority for the Food and Drug Administration (FDA) to collect fees to cover the costs of regulation of products under their jurisdiction. However, these fees were not limited to covering the cost of specified regulatory activities, and would have been charged to a broad cross-section of the public (rather than been limited to those who would have benefited from the regulatory activities) to fund the cost of the FDA's activities generally. These fees constituted a revenue measure in the constitutional sense because they were not based on a direct relationship between their level and the cost of the particular government activity for which they would have been assessed, and would have had a direct impact on Federal revenues.
H. Res. 487, Mr. Gibbons ..... July 21, 1994	On May 25, 1994, the Senate passed S. 1030, the Veterans Health Programs Improvement Act of 1994. A provision in the bill would have exempted from taxation certain payments made on behalf of participants in the Education Debt Reduction Program. This provision constituted a revenue measure in the constitutional sense because it would have had a direct impact on Federal revenues.
H. Res. 486, Mr. Gibbons ..... July 21, 1994	On May 29, 1994, the Senate passed S. 729, to amend the Toxic Substances Control Act. Title I of the bill included several provisions to prohibit the importation of specific categories of products which contained more than specified quantities of lead. By establishing these import restrictions, the bill constituted a revenue measure in the constitutional sense because it would have had a direct impact on customs revenues.
H. Res. 479, Mr. Rangel ..... July 14, 1994	On June 22, 1994, the Senate passed H.R. 4539, the Treasury, Postal Service, and General Government Appropriation for fiscal year 1995, with amendments. Senate amendment 104 would have prohibited the Treasury from using appropriations to enforce the Internal Revenue Code requirement for the use of undyed diesel fuel in recreational motorboats. This prohibition, therefore, constituted a revenue measure in the constitutional sense because it would have had a direct impact on Federal revenues.

BLUE SLIP RESOLUTIONS—98TH CONGRESS THROUGH 110TH CONGRESS CHRONOLOGICAL LIST—Continued

[Resolutions passed by the House returning to the Senate bills passed in violation of the origination clause of the United States Constitution (Clause 1, Section 7 of Article 1)]

H. Res., sponsor, and date of House passage	Description of Senate action (and related House action, if any)
102d Congress:	
H. Res. 373, Mr. Rostenkowski ... February 25, 1992	On August 1, 1991, the Senate passed S. 884 amended, the Driftnet Moratorium Enforcement Act of 1991; This legislation would require the President to impose economic sanctions against countries that fail to eliminate large-scale driftnet fishing. Foremost among the sanction provisions are those which impose a ban on certain imports into the United States from countries which continue to engage in driftnet fishing on the high seas after a certain date. These changes in our tariff laws constitute a revenue measure in the constitutional sense, because they would have a direct effect on customs revenues.
H. Res. 267, Mr. Rostenkowski ... October 31, 1991	On February 20, 1991, the Senate passed S. 320, to reauthorize the Export Administration Act of 1979. This legislation contains several provisions which impose, or authorize the imposition of, a ban on imports into the United States. Among the provisions containing import sanctions are those relating to certain practices by Iraq, the proliferation and use of chemical and biological weapons, and the transfer of missile technology. These changes in our tariff laws constitute a revenue measure in the constitutional sense, because they would have a direct effect on customs revenues.
H. Res. 251, Mr. Russo ..... October 22, 1991	On July 11, 1991, the Senate passed S. 1241, the Violent Crime Act of 1991. This legislation contains several amendments to the Internal Revenue Code. Section 812(f) provides that the police corps scholarships established under the bill would not be included in gross income for tax purposes. In addition, sections 1228, 1231, and 1232 each make amendments to the Tax Code with respect to violations of certain firearms provisions. Finally, Title VII amends section 922 of Title VIII of the U.S. Code, making it illegal to transfer, import or possess assault weapons. These changes in our tariff and tax laws constitute revenue measures in the constitutional sense, because they would have an immediate impact on revenues anticipated by U.S. Customs and the Internal Revenue Services.
101st Congress:	
H. Res. 287, Mr. Cardin ..... Nov. 9, 1989	On August 4, 1989, the Senate passed S. 686, the Oil Pollution Liability and Compensation Act of 1989. This legislation contained a provision which would have allowed a credit against the oil spill liability tax for amounts transferred from the Trans-Alaska Pipeline Trust Fund to the Oil Spill Liability Trust Fund.
H. Res. 177, Mr. Rostenkowski ... June 15, 1989	On Apr. 19, 1989, the Senate passed S. 774, the Financial Institution Reform, Recovery and Enforcement Act of 1989. This legislation would create two corporations to administer the financial assistance under the bill: the Resolution Trust Corporation and the Resolution Financing Corporation. S. 774 would have conferred tax-exempt status to these two corporations. Without these two tax provisions, these two corporations would be taxable entities under the Federal income tax.
100th Congress:	
H. Res. 235, Mr. Rostenkowski ... July 30, 1987	On Mar. 30, 1987, the Senate passed S. 829, legislation which would authorize appropriations for the ITC, the U.S. Customs Service, and the Office of the U.S. Trade Representative for fiscal year 1988, and for other purposes. In addition, the bill contained a provision relating to imports from the Soviet Union which amends provisions of the Tariff Act of 1930.
H. Res. 474, Mr. Rostenkowski ... June 16, 1988 (see also H.R. 3391)	On Oct. 6, 1987, the Senate passed S. 1748, legislation which would prohibit the importation into the United States of all products from Iran. (The House passed H.R. 3391, which included similar provisions, on Oct. 6, 1987.)
H. Res. 479, Mr. Rostenkowski ... June 21, 1988 (see also H.R. 2792 and H.R. 4333)	On May 13, 1987, the Senate passed S. 727, legislation which would clarify Indian treaties and Executive orders with respect to fishing rights. This legislation dealt with the tax treatment of income derived from the exercise of Indian treaty fishing rights. (The House passed H.R. 2792, which included similar provisions, on June 20, 1988, under suspension of the rules and was enacted into law as part of P.L. 100–647, H.R. 4333.)
H. Res. 544, Mr. Rostenkowski ... Sept. 23, 1988 (see also H.R. 1154)	On Sept. 9, 1988, the Senate passed S. 2662, the Textile and Apparel Trade Act of 1988. This legislation would impose global import quotas on textiles and footwear products.
H. Res. 552, Mr. Rostenkowski ... Sept. 28, 1988	On Sept. 9, 1988, the Senate passed S. 2763, the Genocide Act of 1988. This legislation contained a ban on the importation of all oil and oil products from Iraq.

BLUE SLIP RESOLUTIONS—98TH CONGRESS THROUGH 110TH CONGRESS CHRONOLOGICAL LIST—Continued

[Resolutions passed by the House returning to the Senate bills passed in violation of the origination clause of the United States Constitution (Clause 1, Section 7 of Article 1)]

H. Res., sponsor, and date of House passage	Description of Senate action (and related House action, if any)
H. Res. 603, Mr. Rostenkowski ... Oct. 21, 1988	On Mar. 30, 1988, the Senate passed S. 2097, the Uranium Mill Tailings Remedial Action Amendments of 1987. This legislation would establish a Federal fund to assist in the financing of reclamation and other remedial action at currently active uranium and thorium processing sites and would increase the demand for domestic uranium. The fund would be financed in part by what are called ''mandatory fees'' which are equal to $22 per kilogram for uranium contained in fuel assemblies initially loaded into civilian nuclear power reactors during calendar years 1989–1993. In addition, S. 2097 would impose charges on domestic utilities that use foreign-source uranium in new fuel assemblies loaded in their nuclear reactors.
H. Res. 604, Mr. Rostenkowski ... Oct. 21, 1988	On Aug. 8, 1988, the Senate passed H.R. 1315, legislation which would authorize appropriations for the Nuclear Regulatory Commission for fiscal years 1988 and 1989. Title IV of the legislation would, among other things, establish a Federal fund to assist in the financing of reclamation and other remedial action at currently active uranium and thorium processing sites and would assist the domestic uranium industry by increasing the demand for domestic uranium. The fund would be financed in part by what are called ''mandatory fees'' equal to $72 per kilogram of uranium contained in fuel assemblies initially loaded into civilian nuclear power reactors on or after Jan. 1, 1988. These fees would be paid by licensees of civilian nuclear power reactors and would be in place until $1 billion had been raised.
99th Congress:	
H. Res. 283, Mr. Rostenkowski ... Oct. 1, 1985	On Sept. 26, 1985, the Senate passed S. 1712, legislation which would extend the 16-cents-per-pack cigarette excise tax rate for 45 days, through Nov. 14, 1985. (The House passed H.R. 3452, which included a similar extension, on Sept. 30, 1985.)
H. Res. 562, Mr. Rostenkowski ... Sept. 25, 1986	The Senate passed S. 638, legislation to provide for the sale of Conrail to the Norfolk Southern Railroad. The legislation contained numerous provisions relating to the tax treatment of the sale of Conrail.
98th Congress:	
H. Res. 195, Mr. Rostenkowski ... June 17, 1983	On Apr. 21, 1983, the Senate passed S. 144, a bill to insure the continued expansion of international market opportunities in trade, trade in services and investment for the United States, and for other purposes.

F. Prerogative Under the Rules of the House Over "Revenue Measures Generally"

In the House of Representatives, tax legislation is initiated by the Committee on Ways and Means. The Committee's exclusive prerogative to report "revenue measures generally" is provided by Rule X(1)(t) of the Rules of the House of Representatives. The jurisdiction of the Committee on Ways and Means under Rule X(1)(t) is protected through the exercise of Rule XXI(5)(a) which states:

> A bill or joint resolution carrying a tax or tariff measure may not be reported by a committee not having jurisdiction to report tax or tariff measures, and an amendment in the House or proposed by the Senate carrying a tax or tariff measure shall not be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction. A point of order against a tax or tariff measure in such a bill, joint resolution, or amendment thereto may be raised at any time during pendency of that measure for amendment.

Based on the precedents of the House, especially those involving Rule XXI(5)(a), the following statements can be made concerning points of order made under the rule.

1. *Timeliness.* The point of order can be raised at any point during consideration of the bill. However, that section of the bill in which the "tax or tariff" provision lies must either have been previously read or currently open for amendment. A point of order may not be raised after the Committee of the Whole has risen and reported the bill to the House. A point of order against an amendment must be made prior to its adoption.

2. *Effect.* If a point of order is sustained, the effect is that the provision in the bill or amendment is automatically deleted.

3. *Substance over form.* A provision need not involve an amendment to the Internal Revenue Code or the Harmonized Tariff Schedule in order to be determined to be a "tax or tariff" provision.

4. *Revenue decreases and increases.* A provision need not raise revenue in order to be found to be a "tax or tariff measure." Provisions which would have the effect of decreasing revenues are also covered by the rule. Similarly, provisions which could have a revenue effect have been determined to be covered by the rule.

The following is a detailed listing of each of the occasions on which points of order have been sustained:

G. Points of Order—House Rule XXI Chronological List

June 13, 2006

H.R. 5576, Transportation, Treasury, Housing and Urban Development, the Judiciary, and Related Agencies Appropriations Act, 2007

A point of order was raised against Section 206 of the bill, which would have limited funds to the IRS and prohibit its ability to provide and tax preparation software or online tools.

The chair ruled that the provision was in violation of Rule XXI, clause 2. The point of order was sustained, and the provision was stricken from the bill. [109–2, H3849–3850]

June 14, 2006

H.R. 5576, Transportation, Treasury, Housing and Urban Development, the Judiciary, and Related Agencies Appropriations Act, 2007

A point of order was raised against an amendment offered by Representative Tiahrt, which would have limited funds to the IRS and prohibit its ability to provide and tax preparation software or online tools.

Representative Tiahrt withdrew his amendment. [109–2, H3930]

May 23, 2006

H.R. 5384, Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2007

A point of order was raised against an amendment offered by Representative DeLauro, which would have increased the bill's appropriation for waste and water grant programs by $689 million

and paid for this increase by reducing the size of the tax cut for those making over one million dollars.

The chair ruled that the provision proposes to change existing law and constitutes legislation on an appropriations bill and, therefore, violates clause 2 of Rule XXI. The point of order was sustained, and the amendment was not in order. [109–2, H3063]

May 19, 2006

H.R. 5385, Military Construction and Veterans Affairs and Related Agencies Appropriations Act, 2007

Points of order were raised against three amendments offered by Representatives Edwards, Farr, and Obey, which would have raised taxes to offset program funding increases.

The chair ruled that these provisions proposed to change existing law and constituted legislation on an appropriations bill and, therefore, violated clause 2 of Rule XXI. The points of order were sustained, and the amendments were not in order. [109–2, H2922–2931]

June 30, 2005

H.R. 3058, Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006

A point of order was raised against an amendment offered by Representative Simmons, which would have limited the use of funds to enter into, implement, or provide oversight of contracts between the Secretary of the Treasury, or his designee, and private collection agencies.

Representative Simmons withdrew his amendment. [109–1, H3640]

June 29, 2005

H.R. 3058, Transportation, Treasury, Housing and Urban Development, the Judiciary, the District of Columbia, and Independent Agencies Appropriations Act, 2006

A point of order was raised against section 218 of the bill, which would direct the Secretary of the Treasury to submit to the Committees on Appropriations a report defining currency manipulation and what actions would be construed as another nation manipulating its currency, and describing how statutory provisions addressing currency manipulation by America's trading partners contained in, and relating to, title 22 U.S.C. 5304, 5305, and 286y can be better clarified administratively to provide for improved and more predictable evaluation. The chair ruled that the provision was in violation of Rule XXI, clause 2. The point of order was sustained, and the provision was stricken from the bill. [109–1, H5422]

June 14, 2005

H.R. 2862, Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006

A point of order was raised against an amendment offered by Representative Obey, which would have increased funding for the

EDA by $53 million and paid for this increase by reducing the size of the tax cut for those making over one million dollars.

The chair ruled that the provision proposes to change existing law and constitutes legislation on an appropriations bill and, therefore, violates clause 2 of Rule XXI. The point of order was sustained, and the amendment was not in order. [109–1, H4437]

May 26, 2005

H.R. 2528, Military Quality of Life and Veterans Affairs Appropriations Act, 2006

A point of order was raised against an amendment offered by Representative Obey, which would have increased the bill's appropriation for veterans medical care by $2.6 billion and paid for this increase by reducing the size of the tax cut for those making over one million dollars.

The chair ruled that the provision proposes to change existing law and constitutes legislation on an appropriations bill and, therefore, violates clause 2 of Rule XXI. The point of order was sustained, and the amendment was not in order. [109–1, H4106]

May 19, 2005

H.R. 2361, Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006

A point of order was raised against an amendment offered by Representative Obey, which would have increased the bill's appropriation for the Clean Water State Revolving Fund by $500,000 and paid for this increase by reducing the size of the tax cut for those making over one million dollars.

The chair ruled that the provision proposes to change existing law and constitutes legislation on an appropriations bill and, therefore, violates clause 2 of Rule XXI. The point of order was sustained, and the amendment was not in order. [109–1, H3640]

May 17, 2005

H.R. 2360, Department of Homeland Security Appropriations Act, 2006

A point of order was raised against an amendment offered by Representative Obey, which would have increased the bill's appropriation for Customs and Border Protection and paid for this increase by reducing the size of the tax cut for those making over one million dollars.

The chair ruled that the provision proposes to change existing law and constitutes legislation on an appropriations bill and, therefore, violates clause 2 of Rule XXI. The point of order was sustained, and the amendment was not in order. [109–1, H3398]

September 14, 2004

H.R. 5025, Transportation, Treasury, and Independent Agencies Appropriations Act, 2005

A point of order was raised against section 644 of the bill, which would have amended section 6402 of the Internal Revenue Code of 1986 by adding a new subsection that allows for the offset of federal tax refunds to collect delinquent state unemployment com-

pensation overpayments. The chair ruled that the provision was in violation of Rule XXI, clause 2. The point of order was sustained, and the provision was stricken from the bill. [108–2, H7176]

September 14, 2004

H.R. 5025, Transportation, Treasury, and Independent Agencies Appropriations Act, 2005

A point of order was raised against section 643 of the bill, which would have amended section 453(j) of the Social Security Act to allow access to data in the National Directory of New Hires for use in collecting delinquent non-tax federal debt. The chair ruled that the provision was in violation of Rule XXI, clause 2. The point of order was sustained, and the provision was stricken from the bill. [108–2, H7176]

September 14, 2004

H.R. 5025, Transportation, Treasury, and Independent Agencies Appropriations Act, 2005

A point of order was raised against section 642 of the bill, which would have amended Title 31 of the U.S. Code to allow the Federal Government to collect debts that are more than 10 years old by withholding federal tax refunds or garnishing Social Security benefits. The chair ruled that the provision was in violation of Rule XXI, clause 2. The point of order was sustained, and the provision was stricken from the bill. [108–2, H7176]

September 9, 2004

H.R. 5006, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2005

A point of order was raised against an amendment offered by Representative Brown (OH), which would have stopped the increase of Part B Medicare premiums, effectively leaving them at their current dollar amount. The chair ruled that the provision would provide new budget authority in excess of the suballocation provided by the Appropriations Committee, and therefore violated section 302(f) of the Congressional Budget Act of 1974. The point of order was sustained, and the amendment was not in order. [108–2, H6945]

September 8, 2004

H.R. 5006, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2005

A point of order was raised against section 219(b) of the bill, which created a Medicare claims processing fee for duplicative or incorrect claims for Medicare Part A or B services. The chair ruled that the provision was in violation of Rule XXI. The point of order was conceded, sustained, and the provision was stricken from the bill. [108–2, H6836]

June 18, 2004

H.R. 4567, Department of Homeland Security Appropriations Act, 2005

A point of order was raised against an amendment offered by Representative Sherman, which would have limited the funds made available in this Act for processing the importation of any article which is the product of Iran. The chair ruled that the provision was in violation of clause 5(a) of Rule XXI. The point of order was sustained, and the amendment was not in order. [108–2, p. H4551]

July 10, 2003

H.R. 2660, Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2004

A point of order was raised against section 217(B) of the bill, which created a Medicare Claims Processing fee. An October 1, 2003, requirement assured a policy for providers to submit all Medicare claims electronically. Since most electronic billing systems eliminate inaccurate and duplicate claims, and because current law provided the proper small business exemption, the user fee was unnecessary. The chair ruled that the provision was in violation of Rule XXI, clause 2(b). The point of order was conceded, sustained, and the provision was stricken from the bill. [108–1, p. H6560]

July 10, 2003

H.R. 2660 Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2004

A point of order was raised against an amendment offered by Representative Obey, which would have provided a 1–percentage add-on to the Federal assistance to every State for their Medicaid programs. This would have been paid for through a reduction in the size of the tax cut for persons who make more than $1 million a year. The chair ruled that the amendment constituted legislation in violation of Rule XXI, clause 2(c), and in addition, constituted a tax measure in violation of Rule XXI, clause 5(a). The point of order was conceded and sustained. [108–1, p. H6547]

July 23, 2003

H.R. 2799, Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations, Act 2004

A point of order was raised against an amendment offered by Representative Levin, which would forbid expenditure of funds that would be used to negotiate free trade agreements that did not contain certain listed provisions, which imposed new duties that were not required by law and made the appropriations contingent upon the performance of said duties and on successful trade negotiations with other countries. The Chair ruled that the provision was in vio-

lation of Rule XXI, clause 2. The point of order was sustained. [108–1, p. H7337–7339]

September 4, 2003

H.R. 2989, Transportation, Treasury, and Independent Agencies Appropriations Act, 2004

A point of order was raised against portions of section 631 of the bill, which would have amended the Trade Agreements Act of 1979. The provision exempted limitations on procurement. The chair ruled that the provision was in violation of Rule XXI, clause 2(b). The point of order was conceded, sustained and the language was stricken from the bill. [108–1, p. H7913]

September 4, 2003

H.R. 2989, Transportation, Treasury, and Independent Agencies Appropriations Act, 2004

A point of order was raised against the contents of Section 164 of the bill, which amended the Buy America requirements for transit capital purchases of steel, iron, manufactured goods, and rolling stock. The Chair ruled that these provisions were in violation of Rule XXI. The point of order was conceded, sustained, and the section was stricken from the bill. [108–1, p. H7912–7913]

September 8, 1999

H.R. 2684, U.S. Departments of Veterans Affairs and Housing and Urban Development Appropriations for 2000

A point of order was raised against an amendment offered by Representative Edwards, which would have offset an increase in funding for veterans' health care by postponing the implementation of a capital gains tax cut. The Chair ruled that the amendment constituted legislation in violation of Rule XXI, clause 2(c), and, in addition, constituted a tax measure in violation of Rule XXI, clause 5(a). The point of order was sustained, and the amendment ruled not in order. [106–1, p. H7923]

September 3, 1997

H.R. 2159, Foreign Operations Appropriations for Fiscal Year 1998

A point of order was raised against section 539 of the bill, which would have restricted the President's ability to issue an executive order lifting import sanctions against Yugoslavia (Serbia). The Chair ruled that since current law allowed the President to waive the application of certain sanctions, including import prohibitions which affect tariff collections, the provision in question was a tariff measure within the meaning of Rule XXI, clause 5(b). The point of order was sustained, and the provision stricken from the bill. [105–1, p. H6731]

July 17, 1996

H.R. 3756, Treasury, Postal Service, and General Government Appropriations Act of 1997

A point of order was raised against an amendment which prohibited the use of funds by the United States Customs Service to take any action that allowed certain imports into the United States from the People's Republic of China. The point of order was sustained. [104–2, p. H7708]

May 9, 1995

H.R. 1361, Coast Guard Authorization

A point of order was raised against an amendment which increased certain fees for large foreign-flag cruise ships. The Chair ruled that by increasing the fees charged by the Coast Guard for inspecting large foreign-flag cruise ships by an unspecified amount in order to offset a decrease in fees for other vessels, the amendment attenuated the relationship between the amount of the fee and the cost of the particular government activity for which it was assessed. Therefore the increased fee qualified as a tax or tariff within the meaning of Rule XXI, clause 5(b). The point of order was sustained, and the amendment ruled out of order. [1–4–1, p. H4593]

June 15, 1994

H.R. 4539, Treasury, Postal Service, and General Government Appropriation for Fiscal Year 1995

A point of order was raised against section 527 of the bill, which would have amended the HTS to create a new tariff classification. The new classification would have changed the rate of duty on the import of certain fabrics intended for use in the manufacture of hot air balloons, thus having direct impact on customs revenues. The point of order was conceded and sustained, and the provision was stricken from the bill. [103–2, p. H4531]

September 16, 1992

H.R. 5231, The National Competitiveness Act of 1992

A point of order was raised against an amendment offered by Representative Walker. The bill was reported solely from the Committee on Science and Technology and amended the Internal Revenue Code to provide, inter alia, changes in the tax treatment of capital gains.

The Chair sustained the point of order without elaboration. [H102– p. H8621]

October 23, 1990

H.R. 5021, Department of Commerce, Justice and State, the Judiciary and Related Agencies Appropriations Act, 1991

A point of order was raised against amendment 139 which increased the rate of fees paid to the Securities and Exchange Commission at the time of filing a registration statement. The Chair ruled that since the amendment provided that the increased level of fees would be deposited in the Treasury, the fee involved was in

reality a tax and the revenues were to be used to defray general governmental costs. The point of order was conceded and sustained. [101–2, p. H11412]

July 13, 1990

H.R. 5241, Treasury, Postal Service and General Government Appropriations Act of 1991

A point of order was raised against section 528 which provided that "no funds appropriated" would be used to impose or assess any tax under section 4181 of the Internal Revenue Code relating to the excise tax on the manufacture of firearms. The point of order was conceded and sustained. [101–2, p. H4692]

July 13, 1990

H.R. 5241, Treasury, Postal Service and General Government Appropriations Act of 1991

A point of order was raised against section 524 which prohibited the Internal Revenue Service from enforcing rules governing the antidiscrimination rules of the exclusion for employer provided health-care plans (section 89 of the Internal Revenue Code). The point of order was conceded and sustained. [101–2, p. H4692]

October 5, 1989

H.R. 3299, Omnibus Budget Reconciliation Act of 1989

A point of order was raised against section 3201 which imposed fees on the filing of certain forms required to be filed annually in connection with maintaining pension and benefit plans. The point of order was sustained with the Chair ruling that the revenue raised funded "general government activity." [101–1, p. H 6662]

October 4, 1989

H.R. 3299, Omnibus Budget Reconciliation Act of 1989

A point of order was raised against section 3156 which imposed a "Termination Fee." Under the provision of the bill, an employer who terminated a pension plan in a standard termination was required to pay a $200-per-participant fee to the Pension Benefit Guaranty Corporation (PBGC), the Federal insurance agency established to insure defined benefit pension plans against insolvency. The point of order was conceded and sustained. [101–1, p. H 6621]

October 4, 1989

H.R. 3299, Omnibus Budget Reconciliation Act of 1989

A point of order was raised against section 3131(b) which exempted multi-employer pension plans from the full funding limits of the Internal Revenue Code, section 412(c)(7). This provision directly amended the Internal Revenue Code to allow the deductibility of contributions to a multi-employer pension plan in excess of the full funding limit. The point of order was conceded and sustained. [101–1, p. H 6622]

October 4, 1989

H.R. 3299, Omnibus Budget Reconciliation Act of 1989

A point of order was raised against section 7002 which imposed an annual fee of $1 per acre on the holder of Outer Continental Shelf leases. This fee has been designated to offset the costs of ocean related environmental research, assessment, and protection programs. The point of order was sustained with the Chair stating that "a provision raising revenue to finance general government functions improperly characterized as a tax within the jurisdiction of Clause 5(b) of Rule XXI." [101–1, p. H 6610]

October 4, 1989

H.R. 3299, Omnibus Budget Reconciliation Act of 1989

A point of order was raised against section 7002 which imposed a fee of $20 per passenger on vessels engaged in U.S. cruise trade or which offer off-shore gambling. The proceeds of this fee were to be deposited in both the Harbor Maintenance Trust Fund and the Treasury's general fund. The point of order was conceded and sustained. [101–1, p. H6620]

September 30, 1988

H.R. 4637, Conference Agreement to accompany the Foreign Operations, Export Financing and Related Programs Appropriations Act of 1989

A point of order was raised against the motion to concur in the Senate amendment No. 176 which provided that S. 2848 (Sanctions Against Iraqi Chemical Weapons Use Act), be added to the bill. The point of order was conceded and sustained. [100–2, p. H9236]

June 25, 1987

H.R. 3545, Budget Reconciliation Act of 1987

A point of order was raised against the section of the bill providing that "all earnings and distributions" from the Enjebi Community Trust Fund, "shall not be subject to any form of Federal, State, or local taxation." The point of order was conceded and sustained. [100–1, p. H 5539–40]

August 1, 1986

H.R. 5294, Appropriations, Treasury, Postal Service and General Government Appropriations, 1987

A point of order was raised against section 103 which denied funds to the Internal Revenue Service to impose vesting requirements for qualified pension funds more stringent than 4/40. As a result, legally collectible taxes on employer contributions to such plans would be indefinitely deferred. The point of order was conceded and sustained. [99–2, p. H5311]

August 1, 1986

H.R. 5294, Appropriations, Treasury, Postal Service and General Government Appropriations, 1987

A point of order was raised against section 3 which prohibited the use of funds to implement regulations issued by the Department of the Treasury to implement section 274(d) of the Internal Revenue Code relating to the duty imposed on taxpayers to substantiate deductibility of certain expenses relating to travel, gifts, and entertainment.

The Chair sustained the point of order stating that a limitation otherwise in order under Clause 2(c), of House Rule XXI which "effectively and inherently either preclude[s] the IRS from collecting revenues otherwise due to be [owed] under provision of the Internal Revenue Code or require[s] the collection of revenue not legally due and owing constitutes a tax provision within the meaning of Rule XXI, Clause 5(b)."

The Chair also noted that when the point of order was raised that under the rule the point of order against the provision could be raised at any point during the consideration of the bill. [99–2, p. H5310]

October 24, 1986

H.R. 3500, Budget Reconciliation Act of 1985

A point of order was raised against section 3113. The provision in the reconciliation bill reported from the Budget Committee contained a recommendation from the Committee on Education and Labor to exclude certain interest on obligations to Student Loan Marketing Association from Application of Internal Revenue Code (IRC), section 265 which denies a deduction for certain expenses and interest relating to the production of tax-exempt income. The point of order was sustained. [99–1, p. H5310]

October 24, 1985

H.R. 3500, Budget Reconciliation Act of 1985

A point of order was raised against section 6701 which had been reported from the Committee on the Budget containing a recommendation of the Committee on Merchant Marine and Fisheries. Section 6701 expanded tax benefits available to ship owners through the "capital construction fund" (section 7518 of the Internal Revenue Code), by permitting repatriation of foreign-source income to avoid U.S. taxes and expanding the definition of vessels eligible to establish such tax-exempt funds. [99–1, p. H9189]

July 26, 1985

H.R. 3036, Appropriations, Treasury, Postal Service, and General Government Appropriation, 1986

A point of order was raised against section 106 which prohibited the use of funds to implement or enforce regulations imposing or collecting a tax on the interest deferral from entrance or accommodation fees paid by elderly residents of continuing care facilities (section 7872 of the Internal Revenue Code). The Chair sustained

the point of order against the provision as a tax provision within the meaning of House Rule XXI, Clause 5(b). [99–1, p. H6418]

July 11, 1985

H.R. 1555, International Security and Development Act of 1985

A point of order was raised against section 1208 which denied trade benefits to Afghanistan, provided for the denial of most favored nation status to Afghanistan and denied trade credits to Afghanistan. The point of order was conceded and sustained. [99–1, p. H5489]

June 4, 1985

H.R. 1460, Anti-Apartheid Act of 1985

A point of order was raised against an amendment to prohibit the entry of South African Krugerrands or gold coins into the customs territory of the United States unless uniform 5 percent fee were paid. The point of order was sustained on the grounds that the fee was equivalent to a tariff uniform charge imposed at ports of entry with proceeds deposited in the Treasury. [99–1, p. H3762]

September 12, 1984

H.R. 5798, conference report to accompany the Appropriations, Treasury, Postal Service, Executive Office of the President and certain independent agencies Appropriation, 1985

A point of order was raised against a Senate amendment, No. 92 which amended the existing customs law under the Tariff Act of 1930 with respect to seizures and forfeitures of property by the Customs Service. The point of order was conceded and sustained. [98–2, p. H9407]

September 12, 1984

H.R. 5798, conference report to accompany the Appropriations, Treasury, Postal Service, Executive Office of the President and certain independent agencies Appropriation, 1985

A point of order was raised against a Senate amendment, No. 26 which amended the tariff schedule of the United States (TSUS) to provide duty-free importation of a telescope for the University of Arizona. The point of order was conceded and sustained. [98–2, p. H9396]

September 12, 1984

H.R. 5798, conference report to accompany the Appropriations, Treasury, Postal Service, Executive Office of the President and certain independent agencies Appropriation, 1985

A point of order was raised against a Senate amendment, No. 24 which provided that "none of the funds appropriated by this act or any other act" shall be used to impose of assess the manufacturer's excise tax on sporting goods. The point of order specifically stated

that the term "tax" and "tariff" under House Rule XXI, Clause 5(b), included provisions such as these contained in the amendment which would result less revenue spent than under the operation of existing law. The point of order was conceded and sustained. [98–2, p. H9395–9396]

October 27, 1983

H.R. 4139, conference report to accompany the Appropriations Treasury, Postal Service, Executive Office of the President and certain independent agencies Appropriation, 1984

The Chair sustained a point of order against section 511 which would have prohibited the Customs Service from enforcing a provision of law permitting agricultural products to enter the United States duty-free under the CBI. The Chair ruled that the effect of the provision was to cause duties on certain imports to be imposed where none is required and to require collections of revenue contrary to existing tariff laws and that, as a result, section 511 was a tariff provision rather than a limitation of appropriated funds. [98–1, p. H8717]

September 21, 1983

H.R. 1036, Community Renewal Employment Act

The Chair sustained a point of order against a motion to recommit a bill to a committee without jurisdiction over revenue measures (the Committee on Education and Labor), and to report the bill back to the House with tax provisions relating to "enterprise zones." The motion was ruled to violate House Rule XVI, Clause 7, and House Rule XXI Clause 5(b). [98–1, p. H7244]

H. RESTRICTIONS ON "FEDERAL INCOME TAX RATE INCREASES"

House Rule XXI, clause 5(b) and (c) prohibit retroactive Federal income tax rate increases and require a supermajority [3/5] vote for any bill containing a prospective Federal income tax rate increase. The wording of the rule and its legislative history make it clear that the rule applies only to increases in specific statutory rates in the Internal Revenue Code and not to provisions merely because they raise revenue or otherwise modify the income tax base.

Appendix II. Historical Note

The Committee on Ways and Means was first established as an ad hoc committee in the first session of the First Congress, on July 24, 1789. Representative Fitzsimons, from Pennsylvania, in commenting on the report of a select committee concerning appropriations and revenues, pointed out the desirability of having a committee to review the expenditure needs of the Government and the resources available, as follows:

The finances of America have frequently been mentioned in this House as being very inadequate to the demands. I have never been of a different opinion, and do believe that the funds of this country, if properly drawn into operation, will be equal to every claim. The estimate of supplies necessary for the current year appears very great from a report on your table, and which report has found its way into the public newspapers. I said, on a former occasion, and

I repeat it now, notwithstanding what is set forth in the estimate, that a revenue of $3 million in specie, will enable us to provide every supply necessary to support the Government, and pay the interest and installments on the foreign and domestic debt. If we wish to have more particular information on these points, we ought to appoint a Committee on Ways and Means, to whom, among other things, the estimate of supplies may be referred, and this ought to be done speedily, if we mean to do it this session.

After discussion, the motion was agreed to and a committee consisting of one Member from each State (North Carolina and Rhode Island had not yet ratified the Constitution) was appointed as follows: Messrs. Fitzsimons (Pennsylvania), Vining (Delaware), Livermore (New Hampshire), Cadwalader (New Jersey), Laurance (New York), Wadsworth (Connecticut), Jackson (Georgia), Gerry (Massachusetts), Smith (Maryland), Smith (South Carolina), and Madison (Virginia).

While there does not appear to be any direct relationship, it is interesting to note that the appointment of this ad hoc committee came within a few weeks after the House, in Committee of the Whole, had spent a good part of the months of April, May, and June in wrestling with the details involved in writing bills "for laying a duty on goods, wares, and merchandises imported into the United States" and for imposing duties on tonnage. Tariffs, of course, became a prime revenue source for the new government.

However, the results of this ad hoc committee are not clear. It existed for a period of only 8 weeks, being dissolved on September 17, 1789, with the following order:

That the Committee on Ways and Means be discharged from further proceeding on the business referred to them, and that it be referred to the Secretary of the Treasury to report thereon.

It has also been suggested by one student that the Committee was dissolved because Alexander Hamilton had become Secretary of the newly created U.S. Department of the Treasury, and thus it was presumed that the U.S. Department of the Treasury could provide the necessary machinery for developing information which would be needed. During the next 6 years there was no Committee on Ways and Means or any other standing committee for the examination of estimates. Rather, ad hoc committees were appointed to draw up particular pieces of legislation on the basis of decisions made in the Committee of the Whole House. On November 13, 1794, a rule was adopted providing that:

> All proceedings touching appropriations of money shall be first moved and discussed in a Committee on the Whole House.

In the next Congress historians have suggested that the House was determined to curtail Secretary Hamilton's influence by first setting up a Committee on Ways and Means and requiring that Committee to submit a report on appropriations and revenue measures before consideration in the Committee of the Whole House. It was also said that this Committee on Ways and Means was put on a more or less standing basis since such a committee appeared at some point in every Congress until it was made a permanent committee.

In the first session of the 7th Congress, Tuesday, December 8, 1801, a resolution was adopted as follows:

> *Resolved*, That a standing Committee on Ways and Means be appointed, whose duty it shall be to take into consideration all such reports of the Treasury Department, and all such propositions, relative to the revenue as may be referred to them by the House; to inquire into the state of the public debt, of the revenue, and of the expenditures; and to report, from time to time, their opinion thereon.

The following Members were appointed: Messrs. Randolph (Virginia), Griswold (Connecticut), Smith (Vermont), Bayard (Delaware), Smilie (Pennsylvania), Read (Massachusetts), Nicholson (Maryland), Van Rensselaer (New York), Dickson (Tennessee).

On Thursday, January 7, 1802, the House agreed to standing rules which, among other things, provided for standing committees, including the Committee on Ways and Means. The relevant part of the rules in this respect read as follows:

A Committee on Ways and Means, to consist of seven Members;

* * * * * * *

It shall be the duty of the said Committee on Ways and Means to take into consideration all such reports of the U.S. Department of the Treasury, and all such propositions relative to the revenue, as may be referred to them by the House; to inquire into the state of the public debt, of the revenue, and of the expenditures, and to report, from time to time, their opinion thereon; to examine into the state of the several public departments, and particularly into the laws making appropriations of moneys, and to report whether the moneys have been disbursed conformably with such laws; and also to report, from time to time, such provisions and arrangements, as may be necessary to add to the economy of the departments, and the accountability of their officers.

It has been said that the jurisdiction of the Committee was so broad in the early 19th century that one historian described it as follows:

> It seemed like an Atlas bearing upon its shoulders all the business of the House.

The jurisdiction of the Committee remained essentially the same until 1865 when the control over appropriations was transferred to a newly created Committee on Appropriations and another part of its jurisdiction was given to a newly created Committee on Banking and Currency. This action followed rather extended discussion in the House, too lengthy to review here.

During the course of that discussion, however, the following observations are of some historical interest. Representative Cox, who was handling the motion to divide the Committee, gave a very picturesque discussion of the many varied and heavy duties which had fallen on the Committee over the years. He observed:

> And yet, sir, powerful as the Committee is constituted, even their powers of endurance, physical and mental, are not adequate to the great duty which has been imposed by the emergencies of this historic time. It is an old adage, that "whoso wanteth rest will also want of might"; and

> even an Olympian would faint and flag if the burden of Atlas is not relieved by the broad shoulders of Hercules.

He continued:

> I might give here a detailed statement of the amount of business thrown upon that Committee since the commencement of the war. But I prefer to append it to my remarks. Whereas before the war we scarcely expended more than $70 million a year, now, during the five sessions of the last two Congresses, there has been an average appropriation of at least $800 million per session. The statement which I hold in my hand shows that during the first and extra session of the 37th Congress there came appropriation bills from the Committee on Ways and Means amounting to $226,691,457.99. I say nothing now of the loan and other fiscal bills emanating from that Committee. * * * During the present session I suppose it would be a fair estimate to take the appropriations of the last session of the 37th Congress, say $900 million.
>
> These are appropriation bills alone. They are stupendous, and but poorly symbolize the immense labors which the internal revenue, tariff, and loan bills imposed on the Committee. * * * And this business of appropriations is perhaps not one-half of the labor of the Committee. There are various and important matters upon which they act, but upon which they never report. Their duties comprehend all the varied interests of the United States; every element and branch of industry, and every dollar or dime of value. They are connected with taxation, tariffs, banking, loan bills, and ramify to every fiber of the body-politic. All the springs of wealth and labor are more or less influenced by the action of this Committee. Their responsibility is immense, and their control almost imperial over the necessities, comforts, homes, hopes, and destinies of the people. All the values of the United States, which in the census of 1860 (page 194) amount to nearly $17 billion, or, to be exact, $16,159,616,068, are affected by the action of that Committee, even before their action is approved by the House. Those values fluctuate whenever the head of the Committee on Ways and Means rises in his place and proposes a measure. The price of every article we use trembles when he proposes a gold bill or a loan bill, or any bill to tax directly or indirectly. * * *
>
> * * * the interests connected with these economical questions are of all questions those most momentous for the future. Parties, statesmanship, union, stability, all depend upon the manner in which these questions are dealt with.

Representative Morrill (who was subsequently appointed chairman of the Committee on Ways and Means in the succeeding Congress, and who still later became chairman of the Senate Committee on Finance after he became a Senator) observed as follows:

> I am entirely indifferent as to the disposition which shall be made of this subject by the House. So far as I am my-

> self concerned, I have never sought any position upon any committee from the present or any other Speaker of the House, and probably never shall. I have no disposition to press myself hereafter for any position. In relation to the proposed division of the Committee on Ways and Means, the only doubt that I have is the one expressed by my colleague on that Committee, Representative Stevens, in regard to the separation of the questions of revenue from those relating to appropriations. In ordinary times of peace I should deem it almost indispensable and entirely within their power that this Committee should have the control of both subjects, in order that they might make both ends meet, that is, to provide a sufficient revenue for the expenditures. That reason applies now with greater force; but it may be that the Committee is overworked. It is true that for the last 3 or 4 years the labors of the Committee on Ways and Means have been incessant, they have labored not only days but nights; not only weekends but Sundays. If gentlemen suppose that the Committee have permitted some appropriations to be reported which should not have been permitted they little understand how much has been resisted.

The influence the Committee came not only from the nature of its jurisdiction but also because for many years the chairman of the Committee was also ad hoc majority Floor leader of the House.

When the revolt against Speaker Cannon took place, and the Speaker's powers to appoint the Members of committees were curtailed, the Majority Members on the Committee on Ways and Means became the Committee on Committees. Subsequently, this power was disbursed to the respective party caucuses, beginning in the 94th Congress.

Throughout its history, many famous Americans have served on the Committee on Ways and Means. The long and distinguished list includes 8 Presidents of the United States, 8 Vice Presidents, 4 Justices of the Supreme Court, 34 Cabinet members, and quite interestingly, 21 Speakers of the House of Representatives. This latter figure represents nearly one-half of the 51 Speakers who have served since 1789 through the end of the 110th Congress. See the alphabetical list which follows for names.

Major positions held by former members of the Committee on Ways and Means

President of the United States:
- George H. W. Bush, Texas
- Millard Fillmore, New York
- James A. Garfield, Ohio
- Andrew Jackson, Tennessee
- James Madison, Virginia
- William McKinley, Jr., Ohio
- James K. Polk, Tennessee
- John Tyler, Virginia

Vice President of the United States:
- John C. Breckinridge, Kentucky
- George H. W. Bush, Texas
- Charles Curtis, Kansas

Millard Fillmore, New York
John N. Garner, Texas
Elbridge Gerry, Massachusetts
Richard M. Johnson, Kentucky
John Tyler, Virginia

Justice of the Supreme Court:
Philip P. Barbour, Virginia
Joseph McKenna, California
John McKinley, Alabama
Fred M. Vinson, Kentucky (Chief Justice)

Speaker of the House of Representatives:
Nathaniel P. Banks, Massachusetts
Philip P. Barbour, Virginia
James G. Blaine, Maine
John G. Carlisle, Kentucky
Langdon Cheves, South Carolina
James B. (Champ) Clark, Missouri
Howell Cobb, Georgia
Charles F. Crisp, Georgia
John N. Garner, Texas
John W. Jones, Virginia
Michael C. Kerr, Indiana
Nicholas Longworth, Ohio
John W. McCormack, Massachusetts
James K. Polk, Tennessee
Henry T. Rainey, Illinois
Samuel J. Randall, Pennsylvania
Thomas B. Reed, Maine
Theodore Sedgwick, Massachusetts
Andrew Stevenson, Virginia
John W. Taylor, New York
Robert C. Winthrop, Massachusetts

Cabinet Member:
Secretary of State:
James G. Blaine, Maine
William J. Bryan, Nebraska
Cordell Hull,Tennessee [1]
Louis McLean, Delaware
John Sherman, Ohio

Secretary of the Treasury:
George W. Campbell, Tennessee
John G. Carlisle, Kentucky
Howell Cobb, Georgia
Thomas Corwin, Ohio
Charles Foster, Ohio
Albert Gallatin, Pennsylvania
Samuel D. Ingham, Pennsylvania
Louis McLean, Delaware
Ogden L. Mills, New York
John Sherman, Ohio
Philip F. Thomas, Maryland
Fred M. Vinson, Kentucky

Attorney General:

[1] Recipient of Nobel Peace Prize in 1945.

James P. McGranery, Pennsylvania
Joseph McKenna, California
A. Mitchell Palmer, Pennsylvania
Caesar A. Rodney, Delaware
Postmaster General:
Samuel D. Hubbard, Connecticut
Cave Johnson, Tennessee
Horace Maynard, Tennessee
William L. Wilson, West Virginia
Secretary of the Navy:
Thomas W. Gilder, Virginia
Hilary A. Herbert, Alabama
Victor H. Metcalf, California
Claude A. Swanson, Virginia
Secretary of the Interior:
Rogers C. B. Morton, Maryland
Jacob Thompson, Mississippi
Secretary of Commerce and Labor:
Victor H. Metcalf, California
Secretary of Commerce:
Rogers C. B. Morton, Maryland
Secretary of Agriculture:
Clinton P. Anderson, New Mexico

Appendix III. Statistical Review of the Activities of the Committee on Ways and Means

A. Number of Bills and Resolutions Referred to the Committee

At the close of the 110th Congress, there had been referred to the Committee a total of 2,386 bills, representing 25.6 percent of all the public bills introduced in the House of Representatives.

The following table gives a more complete statistical review since 1967.

TABLE 1.—NUMBER OF BILLS AND RESOLUTIONS REFERRED TO THE COMMITTEE, 90TH THROUGH 110TH CONGRESSES

	Introduced in House	Referred to Committee on Ways and Means	Percentage
90th Congress	24,227	3,806	15.7
91st Congress	23,575	3,442	14.6
92nd Congress	20,458	3,157	15.4
93rd Congress	21,096	3,370	16
94th Congress	19,371	3,747	19.3
95th Congress	17,800	3,922	22
96th Congress	10,196	2,337	22.9
97th Congress	9,909	2,377	26.4
98th Congress	8,104	1,904	23.5
99th Congress	7,522	1,568	20.8
100th Congress	7,043	1,419	22.1
101st Congress	7,640	1,737	22.7
102nd Congress	7,771	1,972	25.4
103rd Congress	6,645	1,496	22.5
104th Congress	5,329	1,071	20.1
105th Congress	5,976	1,509	25.2
106th Congress	6,942	1,762	25.3
107th Congress	7,029	1,941	27.6
108th Congress	6,953	1,541	22.2

TABLE 1.—NUMBER OF BILLS AND RESOLUTIONS REFERRED TO THE COMMITTEE, 90TH THROUGH 110TH CONGRESSES—Continued

	Introduced in House	Referred to Committee on Ways and Means	Percentage
109th Congress	8,152	2,152	26.4
110th Congress	9,319	2,386	25.6

B. Public Hearings

In the course of the 110th Congress, the Committee on Ways and Means along with its six subcommittees held public hearings on a total of 103 days. Many of these hearings dealt with broad subject matter including the President's fiscal year 2008 and 2009 budget proposals, health and Social Security issues, and President Bush's trade agenda. The full Committee reviewed programs under the Committee's jurisdiction for waste, fraud, and abuse, and focused on such issues as tax reform, and the implementation of free trade agreements with Bahrain, Oman, Peru, and the Dominican Republic.

The following table specifies the statistical data on the number of days and witnesses published on each of the subjects covered by public hearings in the full Committee during the 110th Congress.

TABLE 2.—PUBLIC HEARINGS CONDUCTED BY THE FULL COMMITTEE ON WAYS AND MEANS

Subject and date	Number of—	
	Days	Witnesses
2007:		
Hearing on the Economy, January 23	1	5
Hearing on the Economic and Societal Costs of Poverty, January 24	1	5
Hearing on Trade and Globalization, January 30	1	6
Hearing on Economic Challenges Facing Middle Class Families, January 31	1	6
Hearing on the President's Fiscal Year 2008 Budget with U.S. Department of the Treasury Secretary Henry Paulson, February 6	1	1
Hearing on the President's Fiscal Year 2008 Budget with OMB Director Rob Portman, February 7	1	1
Hearing on the President's Fiscal Year 2008 Budget for the U.S. Department of Health and Human Services, February 8	1	1
Hearing on the U.S. Trade Agenda, February 14	1	1
First in a Series of Hearings on Energy and Tax Policy, February 28	1	4
Hearing on the Revenue Increasing Measures in the "Small Business and Work Opportunity Act of 2007," March 14	1	4
Hearing on Internal Revenue Service's Use of Private Debt Collection Companies to Collect Federal Income Taxes, May 23	1	5
Hearing on Promoting U.S. Worker Competitiveness in a Globalized Economy, June 14	1	14
Hearing on Fair and Equitable Tax Policy for America's Working Families, September 6	1	20
Hearing on the Appropriateness of Retirement Plan Fees, October 30	1	15
Total for 2007	14	88
2008:		
Hearing on the President's Fiscal Year 2009 Budget with U.S. Department of the Treasury Secretary Henry Paulson, February 7	1	1
Hearing on the President's Fiscal Year 2009 Budget with OMB Director Jim Nussle, February 13	1	1
Hearing on the President's Fiscal Year 2009 Budget for the U.S. Department of Health and Human Services, February 13	1	1
Hearing on Clearing the Disability Backlog—Giving the Social Security Administration the Resources It Needs to Provide the Benefits Workers Have Earned, April 23	1	6
Hearing on Policy Options to Prevent Climate Change, September 18	1	13
Hearing on Economic Recovery, Job Creation and Investment In America, October 29	1	13

TABLE 2.—PUBLIC HEARINGS CONDUCTED BY THE FULL COMMITTEE ON WAYS AND MEANS—Continued

Subject and date	Number of—	
	Days	Witnesses
Total for 2008	6	35
Total for both sessions	20	123

The six Subcommittees of the Committee on Ways and Means were also very active in conducting public hearings during the 110th Congress. The following table specifies in detail the number of days and witnesses published by each of the Subcommittees.

TABLE 3.—PUBLIC HEARINGS CONDUCTED BY THE SUBCOMMITTEES OF THE COMMITTEE ON WAYS AND MEANS

Subject and date	Number of—	
	Days	Witnesses
SUBCOMMITTEE ON TRADE		
2007:		
Hearing on Trade with China, February 15	1	10
Hearing on the Nonmarket Economy Trade Remedy Act of 2007, March 13	1	7
Hearing on the U.S.-Korea Free Trade Agreement Negotiations, March 20	1	11
Tri-partite Hearing on Currency Manipulation and Its Effect on U.S. Businesses and Workers, May 9	1	10
Hearing on Legislation Related to Trade with China, August 2	1	20
Joint Hearing on Import Safety, October 4	1	12
Total	6	70
SUBCOMMITTEE ON OVERSIGHT		
2007:		
Hearing on Earned Income Tax Credit Outreach, February 13	1	5
SEE HEALTH, March 8		
Hearing on Katrina Redevelopment Tax Issues, March 13	1	2
Hearing on Internal Revenue Service Operations and the Tax Gap, March 20	1	1
Hearing on Tax-Exempt Charitable Organizations (The Hearing Advisory merged the Request for Written Comments into this record), July 24	1	5
Hearing to Examine Whether Charitable Organizations Serve the Needs of Diverse Communities, September 25	1	6
SEE TRADE, October 4		
SEE HEALTH, October 16		
2008:		
Hearing on the Tax Return Filing Season, Internal Revenue Service Operations, Fiscal Year 2009 Budget Proposals, and the IRS National Taxpayer Advocate's Annual Report, March 13	1	2
Hearing on the Department of the Treasury Alcohol and Tobacco Tax and Trade Bureau, May 20	1	2
Hearing on Economic Stimulus Payments, June 19	1	3
Hearing on the Pension Benefit Guaranty Corporation, September 24	1	2
Total	9	28
SUBCOMMITTEE ON HEALTH		
2007:		
Hearing on the President's Fiscal Year 2008 Budget with Acting CMS Administrator Norwalk, February 13	1	1
Hearing on MedPAC's Annual March Report with MedPAC Chairman Glenn M. Hackbarth, March 1	1	1
Hearing on MedPAC's Report on the Sustainable Growth Rate (SGR), March 6	1	3
Hearing on Medicare Program Integrity (Joint with Oversight), March 8	1	3
Hearing on Genetic Non-Discrimination, March 14	1	5
Hearing on Medicare Advantage, March 21	1	3

TABLE 3.—PUBLIC HEARINGS CONDUCTED BY THE SUBCOMMITTEES OF THE COMMITTEE ON WAYS AND MEANS—Continued

Subject and date	Number of—	
	Days	Witnesses
Hearing on Mental Health and Substance Abuse Parity, March 27	1	8
Hearing on the 2007 Medicare Trustees Report, April 25	1	1
Hearing on Medicare Programs for Low-Income Beneficiaries, May 3	1	8
Hearing on Options to Improve Quality and Efficiency Among Medicare Physicians, May 10	1	7
Hearing on Payments to Certain Medicare Fee-for-Service Providers, May 15	1	8
Hearing on Medicare Advantage Private Fee-For-Service Plans, May 22	1	7
Hearing on Strategies to Increase Information on Comparative Clinical Effectiveness, June 12	1	9
Hearing on Beneficiary Protections in Medicare Part D, June 21	1	7
Hearing on Ensuring Kidney Patients Receive Safe and Appropriate Anemia Management Care, June 26	1	7
Joint Hearing on Statutorily Required Audits of Medicare Advantage Plan Bids, October 16	1	7
Hearing on Trends in Nursing Home Ownership and Quality, November 15	1	4
2008:		
Hearing on the Medicare Portions of the President's Fiscal Year 2009 Budget with Acting CMS Administrator Weems, February 14	1	1
Hearing on Medicare Advantage, February 28	1	6
Hearing on MedPAC's Annual March Report with MedPAC Chairman Glenn M. Hackbarth, March 11	1	1
Hearing on the 2008 Medicare Trustees Report, April 1	1	1
Hearing on the Instability of Health Coverage in America, April 15	1	5
Hearing on Medicare's Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Competitive Bidding Program, May 6	1	5
Hearing on Health Savings Accounts (HSAs) and Consumer Driven Health Care: Cost Containment or Cost-Shift?, May 14	1	5
Addressing Disparities in Health and Healthcare: Issues for Reform, June 10	1	10
Hearing on State Coverage Initiatives, July 15	1	5
Hearing on Promoting the Adoption and Use of Health Information Technology, July 24	1	7
Hearing on Reforming Medicare's Physician Payment System, September 11	1	4
Hearing on The Health of the Private Health Insurance Market, September 23	1	4
Total	29	143
SUBCOMMITTEE ON SOCIAL SECURITY		
2007:		
Hearing on Social Security Disability Backlogs, April 23	1	5
Hearing on the Hiring of Administrative Law Judges at the Social Security Administration, May 1	1	2
Hearing on Employment Eligibility Verification Systems, June 7	1	8
Hearing on Protecting the Privacy of the Social Security Number from Identity Theft, June 21	1	12
2008:		
Hearing on Social Security Benefits for Economically Vulnerable Beneficiaries, January 16	1	9
Hearing on Employment Eligibility Verification Systems and the Potential Impacts on SSA's Ability to Serve Retirees, People with Disabilities, and Workers, May 6	1	11
Hearing on Protecting Social Security Beneficiaries from Predatory Lending and Other Harmful Financial Institution Practices, June 24	1	8
Hearing on the Performance of Social Security Administration Appeals Hearing Offices, September 16	1	7
Total	8	62
SUBCOMMITTEE ON INCOME SECURITY AND FAMILY SUPPORT		
2007:		
Hearing on Economic Opportunity and Poverty in America, February 13	1	9
Hearing on Recent Changes to Programs Assisting Low-Income Families, March 6	1	6
Hearing on Increasing Economic Security for American Workers, March 15	1	5
Hearing on Assistance for Elderly and Disabled Refugees, March 22	1	4
Hearing on Proposals for Reducing Poverty, April 26	1	6
Hearing on the Effects of Misclassifying Workers as Independent Contractors, May 8	1	6

TABLE 3.—PUBLIC HEARINGS CONDUCTED BY THE SUBCOMMITTEES OF THE COMMITTEE ON WAYS AND MEANS—Continued

Subject and date	Number of—	
	Days	Witnesses
Hearing on Challenges Facing the Child Welfare System, May 15	1	5
Hearing on Disconnected and Disadvantaged Youth, June 19	1	6
Hearing on Children Who ''Age Out'' of the Foster Care System, July 12	1	10
Hearing on Health Care for Children in Foster Care, July 19	1	6
Hearing on Measuring Poverty in America, August 1	1	5
Hearing on Modernizing Unemployment Insurance to Reduce Barriers for Jobless Workers, September 19	1	5
Hearing on Impact of Gaps in Health Coverage on Income Security, November 14	1	5
2008:		
Hearing on Improving the Child Welfare System, February 27	1	12
Hearing on Extending Unemployment Insurance, April 10	1	4
Hearing on the Utilization of Psychotropic Medication for Children in Foster Care, May 8	1	6
Hearing on Establishing a Modern Poverty Measure, July 17	1	5
Hearing on Racial Disproportionality in Foster Care, July 31	1	5
Hearing on Challenges Facing American Workers, September 11	1	5
Total	19	116
SUBCOMMITTEE ON SELECT REVENUE MEASURES		
2007:		
Hearing on the Alternative Minimum Tax, March 7	1	4
Second in a Series of Hearings on the Alternative Minimum Tax, March 22	1	6
Hearing on Energy and Tax Policy, April 19	1	7
Hearing on Member Proposals on Energy Tax Incentives, April 24	1	21
SEE INCOME SECURITY AND FAMILY SUPPORT, May 8		
Hearing on Tax Incentives for Affordable Housing, May 24	1	10
Hearing on Aviation Taxes, August 1	1	11
Joint Hearing on Heroes Earnings Assistance and Relief Tax Act of 2007, October 17	1	9
2008:		
Hearing on Derivatives, March 5	1	8
Hearing on Education Tax Incentives, May 1	1	6
Hearing on Individual Retirement Accounts (IRAs) and their role in our retirement system, June 26	1	10
Total	10	92

As the foregoing statistics indicate, during the 110th Congress the full Committee and its six Subcommittees held public hearings aggregating a grand total of 103 days, during which time 639 witnesses testified. There were no field hearings.

In addition, written comments were received by the Full Committee on Proposed Modification to the U.S. Department of Commerce's Calculation of Weighted Average Dumping Margins in Investigations, the Health Subcommittee on Medicare Therapy Caps and Refined and Alternative Payment Methodologies, the Subcommittee on Oversight on Provisions Relating to Tax-Exempt Organizations in the "Pension Protection Act of 2006", the Full Committee on H.R. 3361, a bill to make technical corrections to the "Pension Protection Act of 2006", and the Full Committee on H.R. 4195, the "Technical Corrections Act of 2007", the Trade Subcommittee on Miscellaneous Tariff and Duty Suspension Bills and Deadlines for Limited Tariff Benefit Disclosures.

In addition, the Trade Subcommittee Members Levin and Herger requested "Introduction of Miscellaneous Tariff and Duty Suspension Bills by December 14, 2007" and "Additional Bills on Technical

Corrections to U.S. Trade Laws and Miscellaneous Duty Suspensions for Written Comments".

C. Markup Sessions

With respect to markup or business sessions during the 110th Congress, the full Committee and its six Subcommittees were also very actively engaged. The full Committee held such sessions on 20 working days, usually both morning and afternoon sessions, and the Subcommittees an aggregate of 7 working days, making a grand total of 27 working days of markup or business sessions for the full Committee and its Subcommittees during the 110th Congress.

D. Number and Final Status of Bills Reported From the Committee on Ways and Means in the 110th Congress

During the 110th Congress, the Committee reported to the House a total of 24 bills favorably. There were 88 bills containing provisions within the purview of the Committee that were passed by the House; 38 were enacted into law. This is not indicative of the total number of bills considered by the Committee.

Appendix IV. Chairmen of the Committee on Ways and Means and Membership of the Committee from the 1st through the 110th Congresses

A. Chairmen of the Committee on Ways and Means, 1789 to Present

Name	State	Party	Term of service
Thomas Fitzsimons	Pennsylvania	Federalist	1789.
William L. Smith	South Carolina	Federalist	1794 to 1797.
Robert G. Harper	South Carolina	Federalist	1797 to 1800.
Roger Griswold	Connecticut	Federalist	1800 to 1801.
John Randolph	Virginia	Jeffersonian Republican	1801 to 1805, 1827.
Joseph Clay	Pennsylvania	Jeffersonian Republican	1805 to 1807.
George W. Campbell	Tennessee	Jeffersonian Republican	1807 to 1809.
John W. Eppes	Virginia	Jeffersonian Republican	1809 to 1811.
Ezekiel Bacon	Massachusetts	Jeffersonian Republican	1811 to 1812.
Langdon Cheves	South Carolina	Jeffersonian Republican	1812 to 1813.
John W. Eppes	Virginia	Jeffersonian Republican	1813 to 1815.
William Lowndes	South Carolina	Jeffersonian Republican	1815 to 1818.
Samuel Smith	Maryland	Jeffersonian Republican	1818 to 1822.
Louis McLane	Delaware	Jeffersonian Republican	1822 to 1827.
George McDuffie	South Carolina	Democrat	1827 to 1832.
Gulian C. Verplanck	New York	Democrat	1832 to 1833.
James K. Polk	Tennessee	Democrat	1833 to 1835.
C.C. Cambreleng	New York	Democrat	1835 to 1839.
John W. Jones	Virginia	Democrat	1839 to 1841.
Millard Fillmore	New York	Whig	1841 to 1843.
James Iver McKay	North Carolina	Democrat	1843 to 1847.
Samuel F. Vinton	Ohio	Whig	1847 to 1849.
Thomas H. Bayly	Virginia	Democrat	1849 to 1851.
George S. Houston	Alabama	Democrat	1851 to 1855.
Lewis D. Campbell	Ohio	Republican	1855 to 1857.
J. Glancy Jones	Pennsylvania	Democrat	1857 to 1858.
John S. Phelps	Missouri	Democrat	1858 to 1859.
John Sherman	Ohio	Republican	1859 to 1861.
Thaddeus Stevens	Pennsylvania	Republican	1861 to 1865.
Justin S. Morrill	Vermont	Republican	1865 to 1867.
Robert C. Schenck	Ohio	Republican	1867 to 1871.
Samuel D. Hooper	Massachusetts	Republican	1871.

Name	State	Party	Term of service
Henry L. Dawes	Massachusetts	Republican	1871 to 1875.
William R. Morrison	Illinois	Democrat	1875 to 1877.
Fernando Wood	New York	Democrat	1877 to 1881.
John R. Tucker	Virginia	Democrat	1881.
William D. Kelley	Pennsylvania	Republican	1881 to 1883.
William R. Morrison	Illinois	Democrat	1883 to 1887.
Roger Q. Mills	Texas	Democrat	1887 to 1889.
William McKinley, Jr	Ohio	Republican	1889 to 1891.
William M. Springer	Illinois	Democrat	1891 to 1893.
William L. Wilson	West Virginia	Democrat	1893 to 1895.
Nelson Dingley, Jr	Maine	Republican	1895 to 1899.
Sereno E. Payne	New York	Republican	1899 to 1911.
Oscar W. Underwood	Alabama	Democrat	1911 to 1915.
Claude Kitchin	North Carolina	Democrat	1915 to 1919.
Joseph W. Fordney	Michigan	Republican	1919 to 1923.
William R. Green	Iowa	Republican	1923 to 1928.
Willis C. Hawley	Oregon	Republican	1929 to 1931.
James W. Collier	Mississippi	Democrat	1931 to 1933.
Robert L. Doughton	North Carolina	Democrat	1933 to 1947, 1949 to 1953.
Harold Knutson	Minnesota	Republican	1947 to 1949.
Daniel A. Reed	New York	Republican	1953 to 1955.
Jere Cooper	Tennessee	Democrat	1955 to 1957.
Wilbur D. Mills	Arkansas	Democrat	1957 to 1975.
Al Ullman	Oregon	Democrat	1975 to 1981.
Dan Rostenkowski	Illinois	Democrat	1981 to 1994.
Bill Archer	Texas	Republican	1995 to 2001.
William M. Thomas	California	Republican	2001 to 2007.
Charles B. Rangel	New York	Democrat	2007–

B. Tables Showing Past Membership of the Committee

1. MEMBERS OF THE COMMITTEE ON WAYS AND MEANS FROM THE 1ST THROUGH THE 110TH CONGRESS, BY STATE

[Beginning with the 104th Congress, Intra-Congress Committee Membership changes are footnoted]

Member	Congress(es)
Alabama:	
John McKinley	23
David Hubbard	26
Dixon H. Lewis	27–28
George S. Houston	29–30, 32–33
James F. Dowdell	35
Hilary A. Herbert	48
Joseph Wheeler	53–55
Oscar W. Underwood	56, 59–63
Ronnie G. Flippo	98–101
Arizona:	
J.D. Hayworth	105–109
Arkansas:	
James K. Jones	48
Clifton R. Breckinridge	49–51, 53
William A. Oldfield	64–70
Heartsill Ragon	70–73
William J. Driver	72
Claude A. Fuller	73–75
Wilbur D. Mills	77–94
Jim Guy Tucker, Jr	95
Beryl Anthony, Jr	97–102
California:	
Joseph McKenna	51–52
Victor H. Metcalf	57–58
James C. Needham	58–62

Member	Congress(es)
William E. Evans	73
Frank H. Buck	74–77
Bertrand W. Gearhart	76–80
Cecil R. King	78–79, 81–90
James B. Utt	83, 86–91
James C. Corman	90–96
Jerry L. Pettis	91–94
William M. Ketchum	94–95
Fortney Pete Stark	94–
John H. Rousselot	95–97
Robert T. Matsui	[4] 97–108
William M. Thomas	98–109
Wally Herger	103–
Xavier Becerra	105–
Mike Thompson	109–
Devin Nunes	[6] 109–
Colorado:	
Robert W. Bonynge	60
Charles B. Timberlake	66–72
John A. Carroll	81
Donald G. Brotzman	92–93
George H. ''Hank'' Brown	100–101
Scott McInnis	106–108
Bob Beauprez	109
Connecticut:	
Jeremiah Wadsworth	1
Uriah Tracy	3
James Hillhouse	4
Nathaniel Smith	4–5
Joshua Coit	5
Roger Griswold	5–8
John Davenport	8
Jonathan O. Moseley	9, 14, 16
Benjamin Tallmadge	10–11
Timothy Pitkin	12–13, 15
Ralph I. Ingersoll	21–22
Samuel D. Hubbard	30
James Phelps	45–46
Charles A. Russell	54–57
Ebenezer J. Hill	58–62, 64–65
John Q. Tilson	66–68
Antoni N. Sadlak	83–85
William R. Cotter	94–97
Barbara B. Kennelly	98–105
Nancy L. Johnson	101–109
John B. Larson	109–
Delaware:	
John Vining	1
Henry Latimer	3
John Patten	4
James A. Bayard, Sr	5, 7
Caesar A. Rodney	8
Louis McLane	16–19
Florida:	
A. S. Herlong, Jr	84–90
Sam M. Gibbons	91–104
L.A. (Skip) Bafalis	94–97
E. Clay Shaw, Jr	100–109
Karen L. Thurman	105–107
Mark Foley	[8] 104–109
Georgia:	
James Jackson	1
Abraham Baldwin	3–5
Benjamin Taliaferro	6
John Milledge	7
David Meriwether	8–9
William W. Bibb	12–13

Member	Congress(es)
Joel Abbott	15
Joel Crawford	15–16
Wiley Thompson	17–18
George R. Gilmer	20
Richard H. Wilde	22–23
George W. Owens	24–25
Charles E. Haynes	25
Mark A. Cooper	26
Absalom H. Chappell	28
Seaborn Jones	29
Robert Toombs	30–31
Alexander H. Stephens	30–31, 33
Marshall J. Wellborn	31
Howell Cobb	34
Martin J. Crawford	35–36
Benjamin H. Hill	44
Henry R. Harris	45, 49
William H. Felton	46
Emory Speer	47
James H. Blount	48
Henry G. Turner	50–54
Charles F. Crisp	54
James M. Griggs	60–61
William G. Brantley	61–62
Charles R. Crisp	64–72
Albert S. Camp	78–83
Phillip M. Landrum	89–94
Ed Jenkins	95–102
Wyche Fowler, Jr	96–99
John Lewis	103–
Mac Collins	104–108
John Linder	109–
Hawaii:	
Cecil (Cec) Heftel	96–99
Illinois:	
Daniel P. Cook	19
John A. McClernand	37
John Wentworth	39
John A. Logan	40
Samuel S. Marshall	41
Horatio C. Burchard	42–45
William R. Morrison	44, 46–49
William M. Springer	52
Albert J. Hopkins	52–57
Henry S. Boutell	58–61
Henry T. Rainey	62–66, 68–72
John A. Sterling	65
Ira C. Copley	66–67
Carl R. Chindblom	68–72
Chester C. Thompson	74–75
Raymond S. McKeough	76–77
Charles S. Dewey	78
Thomas J. O'Brien	79, 81–88
Noah M. Mason	80–87
Harold R. Collier	88–93
Dan Rostenkowski	88–103
Abner J. Mikva	94–96
Philip M. Crane	94–108
Marty Russo	96–102
Mel Reynolds	103
Jerry Weller	105–110
Rahm Emanuel	109–110
Indiana:	
David Wallace	27
Cyrus L. Dunham	32
William E. Niblack	40, 43
Godlove S. Orth	41

Member	Congress(es)
Michael C. Kerr	42
Thomas M. Browne	48–50
William D. Bynum	50, 53
Benjamin F. Shively	52
George W. Steele	54–57
James E. Watson	58–60
Edgar D. Crumpacker	60–61
Lincoln Dixon	62–65
Harry C. Canfield	71–72
John W. Boehne, Jr	73–77
Robert A. Grant	80
Andy Jacobs, Jr	94–104
Chris Chocola	109
Iowa:	
John A. Kasson	38, 43, 47–48
William B. Allison	39–41
John H. Gear	51, 53
Jonathan P. Dolliver	54–56
William R. Green	63–70
C. William Ramseyer	70–71
Otha D. Wearin	75
Lloyd Thurston	75
Thomas E. Martin	80–83
Fred Grandy	102–103
Jim Nussle	104–109
Kansas:	
Dudley C. Haskell	47
Chester I. Long	56–57
Charles Curtis	58–59
William A. Calderhead	60–61
Victor Murdock	63
Guy T. Helvering	64–65
Frank Carlson	76–79
Martha E. Keys	94–95
Kentucky:	
Alexander D. Orr	3
Christopher Greenup	4
Thomas T. Davis	5
John Boyle	8
Richard M. Johnson	11–12
Thomas Montgomery	13
David Trimble	15–16
Nathan Gaither	22
John Pope	25
Thomas F. Marshall	27
Garrett Davis	28
Charles S. Morehead	30–31
John C. Breckinridge	33
Robert Mallory	38
James B. Beck	42–43
Henry Watterson	44
John G. Carlisle	46–47, 51
Joseph C.S. Blackburn	48
William C.P. Breckinridge	49–50
Alexander B. Montgomery	52–53
Walter Evans	54–55
Ollie M. James	62
Augustus O. Stanley	63
Frederick M. Vinson	72–75
Noble J. Gregory	78–85
John C. Watts	86–92
Jim Bunning	102–105
Ron Lewis	106–110
Louisiana:	
Thomas B. Robertson	14
William L. Brent	19–20
Walter H. Overton	21

Member	Congress(es)
Lionel A. Sheldon	43
Randall L. Gibson	45–46
Charles J. Boatner	54
Samuel M. Robertson	55–59
Robert F. Broussard	61
Whitmell P. Martin	65–70
Paul H. Maloney	76, 78–79
Thomas Hale Boggs, Sr	81–91
Joe D. Waggonner, Jr	92–95
W. Henson Moore III	96–99
William J. Jefferson	[7]103, 105–109
Jim McCrery	103–110
Jimmy Hayes	104[1]
Maine:	
Peleg Sprague	19–20
Francis O.J. Smith	24
George Evans	26
Israel Washburn, Jr	36
James G. Blaine	44
William P. Frye	46
Thomas B. Reed	48–50, 52–53
Nelson Dingley, Jr	51, 54–55
Daniel J. McGillicuddy	64
Maryland:	
William Smith	1
Gabriel Christie	3
William Vans Murray	4
William Hindman	4–5
William Craik	5
Joseph H. Nicholson	6–9
Nicholas R. Moore	8
Roger Nelson	9
John Montgomery	10–11
Alexander McKim	13
Stevenson Archer	13
Samuel Smith	14–17
Isaac McKim	18, 23–25
Henry W. Davis	34–36
Phillip F. Thomas	44
David J. Lewis	72–75
Rogers C.B. Morton	91–92
Benjamin L. Cardin	101–109
Massachusetts:	
Elbridge Gerry	1
Fisher Ames	3
Theodore Sedgwick	4
Theophilus Bradbury	4
Harrison Gray Otis	5–6
Samuel Sewall	5
Isaac Parker	5
Bailey Bartlett	6
Nathan Read	7
Seth Hastings	8
Josiah Quincy	9
Ezekiel Bacon	11–12
Ebenezer Seaver	11
Henry Shaw	16
Henry W. Dwight	19–21
Benjamin Gorham	23
Abbott Lawrence	24, 26
Richard Fletcher	25
George N. Briggs	25
Leverett Saltonstall	26
Robert C. Winthrop	29
Charles Hudson	30
George Ashmun	31
William Appleton	32–33, 37

Member	Congress(es)
Alexander De Witt	34
Nathaniel P. Banks	35, 45
Samuel Hooper	37–41
Henry L. Dawes	42–43
Chester W. Chapin	44
William A. Russell	47–48
Moses T. Stevens	52–53
Samuel W. McCall	56–62
Andrew J. Peters	62–63
Augustus P. Gardner	63–65
John J. Mitchell	63
Allen T. Treadway	65–78
Peter F. Tague	67–68
John W. McCormack	72–76
Arthur D. Healey	77
Charles L. Gifford	79–80
Angier L. Goodwin	80, 82–83
James A. Burke	87–95
James M. Shannon	96–98
Brian J. Donnelly	99–102
Richard E. Neal	103–
Michigan:	
William A. Howard	34–36
Austin Blair	41
Henry Waldron	43
Omar D. Conger	46
Jay A. Hubbell	47
William C. Maybury	49
Julius C. Burrows	50–53
Justin R. Whiting	52–53
William A. Smith	59
Joseph W. Fordney	60–67
James C. McLaughlin	68–72
Roy O. Woodruff	73–82
John D. Dingell	74–84
Victor A. Knox	83, 86–88
Thaddeus M. Machrowicz	84–87
Martha W. Griffiths	87–93
Charles E. Chamberlain	91–93
Richard F. Vander Veen	93–94
Guy Vander Jagt	94–102
William M. Brodhead	95–97
Sander M. Levin	100–
Dave Camp	103–
Minnesota:	
Mark H. Dunnell	46–47
James A. Tawney	54–58
James T. McCleary	59
Winfield S. Hammond	62–63
Sydney Anderson	63
Harold Knutson	73–80
Eugene J. McCarthy	84–85
Joseph E. Karth	92–94
Bill Frenzel	94–101
Jim Ramstad	104–110
Mississippi:	
Jacob Thompson	31
John Sharp Williams	58–59
James W. Collier	63–72
Aaron Lane Ford	77
Missouri:	
James S. Green	31
John S. Phelps	32–37
Henry T. Blow	38
John Hogan	39
Gustavus A. Finkelburg	42
John C. Tarsney	53–54

Member	Congress(es)
Seth W. Cobb	54
Champ Clark	58–61
Dorsey W. Shackleford	62–63
Clement C. Dickinson	63–66, 68–70, 72–73
Charles L. Faust	69–70
Richard M. Duncan	74–77
Thomas B. Curtis	83–90
Frank M. Karsten	84–90
Richard A. Gephardt	95–101
Mel Hancock	103–104
Kenny Hulshof	105–110
Montana:	
Lee W. Metcalf	86
James F. Battin	89–91
Nebraska:	
William J. Bryan	52–53
Charles H. Sloan	63–65
Ashton C. Shallenberger	73
Carl T. Curtis	79–83
Hal Daub	99–100
Peter Hoagland	103
Jon Christensen	104–105
Nevada:	
Francis G. Newlands	56–57
John Ensign	104–105
Jon Porter	109–110
New Hampshire:	
Samuel Livermore	1
Nicholas Gilman	3–4
Abiel Foster	5
Nathaniel A. Haven	11
Henry Hubbard	23
Charles G. Atherton	25–27
Moses Norris, Jr	28–29
Harry Hibbard	31–33
Judd A. Gregg	99–100
New Jersey:	
Lambert Cadwalader	1
Elias Boudinot	3
Isaac Smith	4
Thomas Sinnickson	5
James H. Imlay	6
William Coxe, Jr	13
John L. N. Stratton	37
William Hughes	62
Isaac Bacharach	66–74
Donald H. McLean	76–78
Robert W. Kean	78–85
Henry Helstoski	94
Frank J. Guarini	96–102
Dick Zimmer	104
New Mexico:	
Clinton P. Anderson	79
New York:	
John Laurance	1
John Watts	3
Ezekiel Gilbert	4
James Cochran	5
Hezekiah L. Hosmer	5
Jonas Platt	6
Killian K. Van Rensselaer	7
Joshua Sands	8
Erastus Root	11
John W. Taylor	13
Jonathan Fisk	13
Thomas J. Oakley	13
James W. Wilkin	14

Member	Congress(es)
James Tallmadge, Jr	15
Albert H. Tracy	16
Nathaniel Pitcher	17
Churchill C. Cambreleng	17–18, 23–25
Dudley Marvin	19
Gulian C. Verplanck	20–22
Aaron Vanderpoel	26
Millard Filmore	27
Daniel D. Barnard	28
David L. Seymour	28
George O. Rathbun	28
Orville Hungerford	29
Henry Nicoll	30
James Brooks	31–32, 39–40, 42
William Duer	31
Solomon G. Haven	33
Russell Sage	34
John Kelly	35
William B. MacLay	35
Elbridge G. Spaulding	36–37
Erastus Corning	37
Reuben E. Fenton	38
De Witt C. Littlejohn	38
Henry G. Stebbins	38
John V. L. Pruyn	38
Roscoe Conkling	39
Charles H. Winfield	39
John A. Griswold	40
Dennis McCarthy	41
Ellis H. Roberts	42–43
Fernando Wood	43–46
Abram S. Hewitt	48–49
Frank Hiscock	48–49
Sereno E. Payne	51–63
Roswell P. Flower	51
William B. Cochran	52–53, 58–60
George B. McClellan	55–58
John W. Dwight	61
Francis B. Harrison	61–63
Michael F. Conry	64
George W. Fairchild	64–65
John F. Carew	65–71
Luther W. Mott	66–67
Alanson B. Houghton	67
Ogden L. Mills	67–69
Frank Crowther	68–77
Thaddeus C. Sweet	70
Frederick M. Davenport	70–71
Thomas H. Cullen	71–78
Christopher D. Sullivan	72–76
Daniel A. Reed	73–86
Walter A. Lynch	78–81
Eugene J. Keogh	82–89
Albert H. Bosch	86
Steven B. Derounian	87–88
Barber B. Conable, Jr	90–98
Jacob H. Gilbert	90–91
Hugh L. Carey	91–93
Otis G. Pike	93–95
Charles B. Rangel	94–
Thomas J. Downey	96–102
Raymond J. McGrath	99–102
Michael R. McNulty	103, [2] 104–110
Amo Houghton	103–108
Thomas M. Reynolds	109–110
North Carolina:	
William B. Grove	3

Member	Congress(es)
Thomas Blount	4–5
Robert Williams	5
David Stone	6
James Holland	7
Willis Alston	10–11, 13
William Gaston	13–14
Abraham Rencher	25, 27
Henry W. Conner	26
James I. McKay	28–30
Edward Stanly	32
William M. Robbins	45
Edward W. Pou	60–61
Claude Kitchin	62–67
Robert L. Doughton	69–82
James G. Martin	94–98
North Dakota:	
Martin N. Johnson	54–55
George M. Young	66–68
Byron L. Dorgan	98–102
Earl Pomeroy	107–
Ohio:	
William Creighton, Jr	13
Thomas R. Ross	16
Thomas Corwin	23–24
Thomas L. Hamer	25
Taylor Webster	25
Samson Mason	26–27
John B. Weller	28
Samuel F. Vinton	29–31
Lewis D. Campbell	34–35
John Sherman	36
Valentine B. Horton	37
George H. Pendleton	38
James A. Garfield	39, 44–46
Robert C. Schenck	40–41
Charles Foster	43
Milton Sayler	45
William McKinley, Jr	46–47, 49–51
Frank H. Hurd	48
Charles H. Grosvenor	53–59
Nicholas Longworth	60–62, 64–67
Timothy T. Ansberry	62–63
Alfred G. Allen	64
George White	65
Charles C. Kearns	68–71
Charles F. West	73
Thomas A. Jenkins	73–85
Arthur P. Lamneck	74–75
Stephen M. Young	81
Jackson E. Betts	86–92
Donald D. Clancy	93–94
Charles A. Vanik	89–96
Bill Gradison	95–103
Don J. Pease	97–102
Rob Portman	[5] 104–109
Stephanie Tubbs Jones	[9] 108–110
Oklahoma:	
Thomas A. Chandler	67
James V. McClintic	73
Wesley E. Disney	74–78
James R. Jones	94–99
Bill K. Brewster	103
Wes Watkins	105–107
Oregon:	
William R. Ellis	61
Willis C. Hawley	65–72
Albert C. Ullman	87–96

Member	Congress(es)
Mike Kopetski	103
Pennsylvania:	
Thomas Fitzsimons	1, 3
Albert Gallatin	4–6
Henry Woods	6
John Smilie	6–7, 10–12
Joseph Clay	8–9
John Rea	11
Jonathan Roberts	12–13
Samuel D. Ingham	13–14, 18
John Sergeant	15, 25
John Tod	17
John Gilmore	21–22
Horace Binney	23
Richard Biddle	26
Joseph R. Ingersoll	24, 27–29
James Pollock	30
Moses Hampton	31
J. Glancy Jones	32, 35
John Robbins	33
James H. Campbell	34
Henry M. Phillips	35
Thaddeus Stevens	36–38
James K. Moorhead	39–40
William D. Kelley	41–50
Russell Errett	47
Samuel J. Randall	47
William L. Scott	50
Thomas M. Bayne	51
John Dalzell	52–62
A. Mitchell Palmer	62–63
J. Hampton Moore	63–66
John J. Casey	64, 68
Henry W. Watson	66–73
Harris J. Bixler	69
Harry A. Estep	70–72
Thomas C. Cochran	73
Joshua T. Brooks	74
Patrick J. Boland	76–77
Benjamin Jarrett	76–77
James P. McGranery	77–78
Herman P. Eberharter	78–85
Richard M. Simpson	78–86
William J. Green, Jr	86–88
John A. Lafore, Jr	86
Walter M. Mumma	86–87
George M. Rhodes	88–90
Herman T. Schneebeli	87–94
William J. Green, III	90–94
Raymond F. Lederer	95–96
Dick Schulze	95–102
Donald A. Bailey	97
William J. Coyne	99–107
Rick Santorum	103
Philip S. English	104–110
Melissa A. Hart	109
Rhode Island:	
Benjamin Bourne	3–4
Francis Malbone	4
Elisha R. Potter	4
Christopher G. Champlin	5
John Brown	6
Joseph Stanton, Jr	8
Daniel L.D. Granger	59–60
George F. O'Shaunessy	65
Richard S. Aldrich	69–72
Aime J. Forand	78–86

Member	Congress(es)
South Carolina:	
William L. Smith	3–5
Robert Goodloe Harper	5–6
Abraham Nott	6
David R. Williams	9
Langdon Cheves	12
Theodore Gourdin	13
William Lowndes	13–15
John Taylor	14
Thomas R. Mitchell	17
George McDuffie	18–22
R. Barnwell Rhett	25–26
Francis W. Pickens	27
John L. McLaurin	54–55
Ken Holland	95–97
Carroll A. Campbell, Jr	98–99
Tennessee:	
Andrew Jackson	4
William C.C. Claiborne	5
William Dickson	7, 9
George W. Campbell	10
Bennett H. Henderson	14
Francis Jones	16–17
James K. Polk	22–23
Cave Johnson	24
George W. Jones	31–34
Horace Maynard	37, 40–42
Benton McMillan	49–55
James D. Richardson	55–57
Cordell Hull	62–66, 68–71
Edward E. Eslick	72
Jere Cooper	72–85
Howard H. Baker	83–88
James B. Frazier, Jr	85–87
Ross Bass	88
Richard H. Fulton	89–94
John J. Duncan	92–100
Harold E. Ford	94–104
Don Sundquist	101–103
John S. Tanner	105–
Texas:	
John Hancock	44
Roger Q. Mills	46, 48–51
Joseph W. Bailey	55
Samuel B. Cooper	56–58
Choice B. Randell	60–62
John N. Garner	63–71
Morgan G. Sanders	72–75
Milton H. West	76–80
Jesse M. Combs	81–82
Frank N. Ikard	84–87
Bruce Alger	86–88
Clark W. Thompson	87–89
George H.W. Bush	90–91
Omar T. Burleson	90–95
Bill Archer	93–106
J.J. Pickle	94–103
Kent R. Hance	97–98
Michael A. Andrews	99–103
Sam Johnson	104–
Greg Laughlin	[3]104
Lloyd Doggett	104–
Kevin Brady	107–
Max Sandlin	108
Utah:	
Walter K. Granger	82
Vermont:	
Daniel Buck	4

Member	Congress(es)
Israel Smith	3, 4, 7
Lewis R. Morris	5
James Fisk	10, 12
Horace Everett	25
Justin S. Morrill	35–39
Virginia:	
James Madison	1, 3, 4
William B. Giles	5
Richard Brent	5
Walter Jones	5
Leven Powell	6
John Nicholas	6
John Randolph	7–9, 20
James M. Garnett	9
John W. Eppes	10–11, 13
William A. Burwell	12, 14–16
James Pleasants	12–13
John Tyler	16
Andrew Stevenson	17–19
Alexander Smyth	20–21
Philip P. Barbour	21
Mark Alexander	21–22
George Loyall	23–24
John W. Jones	25–27
John M. Botts	27
Thomas W. Gilmer	27
Thomas H. Bayly	28, 31
George C. Dromgoole	28–29
James McDowell	30
John Letcher	34–35
John S. Millson	36
John R. Tucker	44–47
Claude A. Swanson	55–58
A. Willis Robertson	75–79
Burr P. Harrison	82, 84–87
W. Pat Jennings	88–89
Joel T. Broyhill	88–93
Joseph L. Fisher	94–96
L.F. Payne	103–104
Eric Cantor	108–
Washington:	
Francis W. Cushman	61
Lindley H. Hadley	66–72
Samuel B. Hill	71–74
Knute Hill	77
Otis H. Holmes	80–85
Rodney D. Chandler	100–102
Jim McDermott	102–
Jennifer Dunn	104–108
West Virginia:	
William L. Wilson	50, 52–53
Joseph H. Gaines	60–61
George M. Bowers	66–67
Hubert S. Ellis	80
Wisconsin:	
Charles Billinghurst	34
Robert M. La Follette	51
Joseph W. Babcock	57–59
James A. Frear	66–68, 71–73
Thaddeus F.B. Wasielewski	78–79
John W. Byrnes	80–92
William A. Steiger	94–95
Jim Moody	100–102
Gerald D. Kleczka	103–108
Paul Ryan	107–

[1] Appointed January 25, 1996.
[2] Appointed January 25, 1996.

[3] Appointed July 10, 1995.
[4] Reelected to the 109th Congress; died January 1, 2005.
[5] Resigned April 29, 2005.
[6] Appointed May 5, 2005.
[7] Pursuant to H. Res. 872, removed June 16, 2006.
[8] Resigned September 29, 2006.
[9] Died, August 20, 2008.

2. COMMITTEE MEMBERSHIP, 110TH CONGRESS

COMMITTEE ON WAYS AND MEANS

ONE HUNDRED TENTH CONGRESS

CHARLES B. RANGEL, New York, *Chairman*

FORTNEY PETE STARK, California
SANDER M. LEVIN, Michigan
JIM McDERMOTT, Washington
JOHN LEWIS, Georgia
RICHARD E. NEAL, Massachusetts
MICHAEL R. McNULTY, New York
JOHN S. TANNER, Tennessee
XAVIER BECERRA, California
LLOYD DOGGETT, Texas
EARL POMEROY, North Dakota
STEPHANIE TUBBS JONES, Ohio
MIKE THOMPSON, California
JOHN B. LARSON, Connecticut
RAHM EMANUEL, Illinois
EARL BLUMENAUER, Oregon
RON KIND, Wisconsin
BILL PASCRELL, JR., New Jersey
SHELLY BERKLEY, Nevada
JOSEPH CROWLEY, New York
CHRIS VAN HOLLEN, Maryland
KENDRICK MEEK, Florida
ALLYSON Y. SCHWARTZ, Pennsylvania
ARTUR DAVIS, Alabama

JIM McCRERY, Louisiana
WALLY HERGER, California
DAVE CAMP, Michigan
JIM RAMSTAD, Minnesota
SAM JOHNSON, Texas
PHIL ENGLISH, Pennsylvania
JERRY WELLER, Illinois
KENNY C. HULSHOF, Missouri
RON LEWIS, Kentucky
KEVIN BRADY, Texas
THOMAS M. REYNOLDS, New York
PAUL RYAN, Wisconsin
ERIC CANTOR, Virginia
JOHN LINDER, Georgia
DEVIN NUNES, California
PAT TIBERI, Ohio
JON PORTER, Nevada

○