

Thursday, October 2, 2008

House Meets At...	Votes Predicted At...
12:00 p.m. For Legislative Business Ten "One-Minutes" Per Side	Last Vote: Evening

Any anticipated Member absences for votes this week should be reported to the Office of the Majority Whip at 226-3210.

Floor Schedule and Procedure

- **Suspension Bills:** Today, the House will consider several bills on the Suspension calendar. Bills considered on the Suspension calendar are debatable for 40 minutes; may not be amended; and require a two-thirds vote for passage. If a recorded vote is requested, it will be postponed.
 1. **S. 3641** - A bill to authorize funding for the National Crime Victim Law Institute to provide support for victims of crime under Crime Victims Legal Assistance Programs as a part of the Victims of Crime Act of 1984 (Sen. Kyl - Judiciary)
 2. **S. 3197** - National Guard and Reservists Debt Relief Act of 2008 (Sen. Durbin - Judiciary)
 3. **H.R. 3971** - Death in Custody Reporting Act of 2008 (Rep. Scott (VA) - Judiciary)
 4. **H.R. 6064** - National Silver Alert Bill (Rep. Doggett - Judiciary)
 5. **H.R. 6503** - Missing Alzheimer's Disease Patient Alert Program Reauthorization of 2008 (Rep. Waters - Judiciary)
 6. **H.R. 6838** - Center to Advance, Monitor, and Preserve University Security Safety Act of 2008 (Rep. Scott (VA) - Judiciary)
 7. **H.R. 5464** - A Child Is Missing Alert and Recovery Center Act (Rep. Klein - Judiciary)
 8. **H.R. 2352** - School Safety Enhancements Act of 2007(Rep. Rothman - Judiciary)
 9. **S. 1518 /H.R. 7221** - Community Partnership to End Homelessness Act of 2007 (Sen. Reed – Financial Services)

- **Possible Consideration of Senate amendment to H.R. 1424 – Emergency Economic Stabilization Act of 2008**: Debate on the bill will proceed pursuant to a rule to be reported from the Committee on Rules.

Bill Summary & Key Issues

Senate amendment to H.R. 1424 – Emergency Economic Stabilization Act of 2008

Please note: The differences between the House and Senate versions of the Emergency Economic Stabilization Act of 2008 are the additions of an increase in FDIC insurance coverage to a maximum of \$250,000 and a tax extenders package that includes business and energy tax extenders, mental health parity, alternative minimum tax patch, and additional disaster assistance.

I. Stabilizing the Economy

The Emergency Economic Stabilization Act of 2008 (EESA) provides up to \$700 billion to the Secretary of the Treasury to buy mortgages and other assets that are clogging the balance sheets of financial institutions and making it difficult for working families, small businesses, and other companies to access credit, which is vital to a strong and stable economy. EESA also establishes a program that would allow companies to insure their troubled assets.

II. Homeownership Preservation

EESA requires the Treasury to modify troubled loans – many the result of predatory lending practices – wherever possible to help American families keep their homes. It also directs other federal agencies to modify loans that they own or control. Finally, it improves the *HOPE for Homeowners* program by expanding eligibility and increasing the tools available to the Department of Housing and Urban Development to help more families keep their homes.

III. Taxpayer Protection

Taxpayers should not be expected to pay for Wall Street's mistakes. The legislation requires companies that sell some of their bad assets to the government to provide warrants so that taxpayers will benefit from any future growth these companies may experience as a result of participation in this program. The legislation also requires the President to submit legislation that would cover any losses to taxpayers resulting from this program from financial institutions.

IV. No Windfalls for Executives

Executives who made bad decisions should not be allowed to dump their bad assets on the government, and then walk away with millions of dollars in bonuses. In order to participate in this program, companies will lose certain tax benefits and, in some cases, must limit executive pay. In addition, the bill limits "golden parachutes" and requires that unearned bonuses be returned.

V. Strong Oversight

Rather than giving the Treasury all the funds at once, the legislation gives the Treasury \$250 billion immediately, and then requires the President to certify that additional funds are needed (\$100 billion, then \$350 billion subject to Congressional

disapproval). The Treasury must report on the use of the funds and the progress in addressing the crisis. EESA also establishes an Oversight Board so that the Treasury cannot act in an arbitrary manner. It also establishes a special inspector general to protect against waste, fraud, and abuse.

VI. Temporary Increase in Deposit and Credit Union Share Insurance Coverage

The provision increases the maximum amount of FDIC deposit insurance coverage from \$100,000 to \$250,000 per account, and provides the same increase for credit union deposits covered by the Share Insurance Fund at the National Credit Union Administration (the Federal regulator of credit unions). The changes are effective upon enactment and expire on December 31, 2009.

The increase will not affect the types of accounts covered by federal insurance and will not affect FDIC or NCUA's inflation adjustments to coverage under existing law. The coverage increase will not affect FDIC's current plan to restore the insurance fund to required levels, but any losses incurred during the period will be recouped through premium assessments in future plans. Existing caps on Treasury borrowing by the insurance funds are temporarily lifted.

VII. Energy, Individual & Business Extenders, AMT, and Disaster Tax Provisions

- **AMT:** \$64b
 - 1. Patch
 - 2. ISO-AMT

- **Individual Extenders** \$11.5b
 - 1. State and local sales tax deduction
 - 2. Qualified tuition deduction
 - 3. Teacher expense deduction

- **Business Extenders** \$37b
 - 1. R&D
 - 2. 15-year leasehold and restaurant improvements
 - 3. Active financing exclusion
 - 4. Wool trust fund

- **Other Provisions** \$11b
 - 1. Child tax credit
 - 2. Mental health parity
 - 3. Secure rural schools

- **Disaster Relief** \$8.8b
 - 1. Midwest disaster package
 - 2. National disaster package

- **AMT, individual, business & disaster Offsets:**
 - 1. Deferred compensation: \$25b

- **Renewables** \$9.8b
 1. Production tax credit
 2. Business & residential investment credits (solar, fuel cells, etc.)
 3. Biodiesel and renewable diesel
 4. Clean Renewable Energy Bonds

- **Vehicles** \$1b
 1. Plug-in vehicle credit
 2. Auxiliary power units
 3. Alternative refueling stations

- **Conservation/Efficiency** \$3.5b
 1. Efficient buildings
 2. Smart meters
 3. Efficient appliances
 4. Conservation Bonds

- **Carbon Mitigation/Fuels** \$2.6b
 1. Clean coal investment credits
 2. Black Lung restructuring
 3. CO₂ sequestration credit
 4. Refinery expensing

- **Energy Offsets:**
 1. Freeze Section 199 for all oil and gas activity \$4.9b
 2. FUTA surtax extension \$1.5b
 3. FOGEI/FORI \$2.2b
 4. Basis Reporting \$6.7b
 5. Oil Spill Liability Trust Fund \$1.7b

Quote of the Day

“The best way out is always through.”

- Robert Frost