



Legislative Bulletin.....May 23, 2005

Contents:

1. **H.R. 32** - Stop Counterfeiting in Manufactured Goods Act
2. **H.R. 744** - Internet Spyware (I-SPY) Prevention Act of 2005
3. **H.R. 29** - Securely Protect Yourself Against Cyber Trespass Act
4. **H.R. 1499** - Heroes Earned Retirement Opportunities Act
5. **H.R. 849** - To provide for the conveyance of certain public land in Clark County, Nevada, for use as a heliport
6. **H.R. 1101** - To revoke a Public Land Order with respect to certain lands erroneously included in the Cibola National Wildlife Refuge, California
7. **H.R. 606** - Angel Island Immigration Station Restoration and Preservation Act
8. **H.R. 2066** - General Services Administration Modernization Act
9. **H.Res. 280** - Celebrating Asian Pacific American Heritage Month
10. **H.R. 1224** - Business Checking Freedom Act of 2005
11. **H.Con.Res. 149** - Recognizing the 57th anniversary of the independence of the State of Israel
12. **H.Con.Res. 89** - Honoring the life of Sister Dorothy Stang
13. **H.Res. 191** - Urging the Government of Romania to recognize its responsibilities to provide equitable, prompt, and fair restitution to all religious communities for property confiscated by the former Communist government in Romania
14. **H.Res. 273** - Urging the withdrawal of all Syrian forces from Lebanon, support for free and fair democratic elections in Lebanon, and the development of democratic institutions and safeguards to foster sovereign democratic rule in Lebanon
15. **H.Con.Res. 153** - Welcoming His Excellency Hamid Karzai, the President of Afghanistan, on the occasion of his visit to the United States in May 2005 and expressing support for a strong and enduring strategic partnership between the United States and Afghanistan
16. **H.Res. 243** - Recognizing the Coast Guard, the Coast Guard Auxiliary, and the National Safe Boating Council for their efforts to promote National Safe Boating Week
17. **H.R. 2046** - Servicemembers' Health Insurance Protection Act of 2005

Summary of the Bills Under Consideration Today:

Total Number of New Government Programs: 0

Total Cost of Discretionary Authorizations: \$62 million over 5 years

Effect on Revenue: -\$10 million over 5 years

Total Change in Mandatory Spending: \$0

Total New State & Local Government Mandates: 2

Total New Private Sector Mandates: 1

Number of Bills Without Committee Reports: 5

Number of Reported Bills that Don't Cite Specific Clauses of Constitutional Authority: 0

H.R. 32 — Stop Counterfeiting in Manufactured Goods Act — *as introduced* (Knollenberg)

Order of Business: The bill is scheduled for consideration on May 23, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.R. 32 provides for a criminal cause of action for intentionally trafficking or attempting to traffic in counterfeit products including the following: labels, symbols, patches, stickers, wrappers, badges, emblems, medallions, charms, boxes, containers, cans, cases, hangtags, documentation, or packaging of any type or nature knowing that a counterfeit mark has been applied thereto, the use of which is likely to cause confusion, to cause mistake, or to deceive. The bill modifies the definition of a counterfeit mark to reflect the above list of items. H.R. 32 requires the forfeiture of all property obtained, directly or indirectly, from the violation as well as any property used, or intended to be used in relation to the offense, and requires that restitution be paid to the owner of the counterfeited mark.

Additional Information: According to Committee Report 109-068, the provision allowing for a criminal cause of action based upon the trafficking of certain counterfeit items “is intended to overrule the holding in the case *United States v. Giles*, 213 F.3d 1247 (10th Cir. 2000), where the court of appeals overturned a conviction under 18 U.S.C. Sec. 2320, holding that, based on the current language of the statute, no criminal liability could attach to trafficking in labels, patches, medallions, boxes, containers, cases, documentation, packaging and the like bearing registered marks, where the item bearing the registered marks were not attached to the goods.”

Additionally, the report states, “the Federal Bureau of Investigation (‘FBI’), Customs, and Immigration Customs Enforcement Agents (‘ICE’) estimate that sales of counterfeit goods are enriching criminal organizations by up to \$500 billion in sales per year. By midyear for fiscal 2003, the Department of Homeland Security (‘DHS’) had reported 3,117 seizures of counterfeit branded goods including cigarettes, books, apparel, handbags, toys and electronic games with an estimated street value of about \$38 million--up 42 percent from 2002. The fiscal 2003 midyear report the top five offending countries of origin are the People's Republic of China (\$26.7 million), Hong Kong (\$1.9 million), Mexico (\$1.6 million), South Korea, (\$1.4 million) and Malaysia (\$1 million). The International AntiCounterfeiting Coalition, (‘IACC’) estimates that counterfeiting results in more than \$200 billion a year in lost jobs, taxes and sales. Fortune 500 companies spend an average of between \$2 million and \$4 million a year each to fight counterfeiters.”

Committee Action: H.R. 32 was introduced on January 4, 2005, and referred to the Committee on the Judiciary, which considered it, held a mark-up, and reported it to the House on May 3, 2005.

According to Committee Report 109-068, “an amendment in the nature of a substitute to H.R. 32 was adopted by the full Committee to include specific language clarifying that repackaging activities conducted without intent to deceive or confuse are not subject to the criminal prosecution established under this legislation.”

Cost to Taxpayers: CBO estimates that no significant costs would be incurred upon enactment of H.R. 32.

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

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

Constitutional Authority: The Committee cites Article I, section 8, clause 8 of the Constitution.

RSC Staff Contact: Joelle Cannon; joelle.cannon@mail.house.gov, (202) 226-69717

H.R. 744—Internet Spyware (I-SPY) Prevention Act—*as introduced* (Goodlatte)

Order of Business: The bill is scheduled to be considered on Monday, May 23rd, under a motion to suspend the rules and pass the bill.

Note: H.R. 744 is identical to H.R. 4661, which passed the House last year on October 7, 2004. ([Roll no. 503](#))

Summary: H.R. 744 would make it illegal to access a protected computer (defined in the bill) without authorization, or to exceed authorized access to such a computer, by causing a computer program or code to be copied onto the computer and intentionally use that program or code in furtherance of another federal crime. Punishment for violations could include up to five years in prison. It would be illegal (with a smaller punishment—up to two years in prison) to access such a computer with the intent to defraud or injure a person or cause damage to the computer by obtaining or transmitting personal information or by intentionally impairing the security protection of the computer. Civil actions alleging violations of these provisions could NOT be brought in any state court.

H.R. 4661 would authorize \$10 million for each of fiscal years 2005 through 2008 to the Attorney General for prosecutions needed to discourage the use of spyware and the practice commonly called phishing.

The bill would also express the following sense of Congress:

Because of the serious nature of these offenses, and the Internet's unique importance in the daily lives of citizens and in interstate commerce, it is the sense of Congress that the Department of Justice should use the amendments made by this Act, and all other available tools, vigorously to prosecute those who use spyware to commit crimes and those that conduct phishing scams.

Additional Background: The Federal Trade Commission loosely defines “spyware” as software “that aids in gathering information about a person or organization without their knowledge and which may send such information to another entity without the consumer’s consent, or asserts control over a computer without the consumer’s knowledge.”

“Phishing” is the act of creating a replica of an existing Web page to fool a user into submitting personal, financial, or password information. Users are often lured to the fake websites through pop-up ads or spam emails.

Committee Action: On February 10, 2005, the bill was introduced to the House of Representatives and referred to the House Committee on the Judiciary, considered it, held a mark up, and by voice vote ordered the bill reported to the full House on May 18, 2005

Cost to Taxpayers: According to CBO, this legislation would authorize \$40 million over the 2006-2009 period. Additionally, CBO estimates costs incurred upon state and local governments would not exceed the UMRA threshold of \$62 million annually, however, CBO does not provide an actual estimated cost burden placed upon the states.

Does the Bill Expand the Size and Scope of the Federal Government?: No. The Justice Department already has some authority to prosecute spyware and phishing cases under existing law. H.R. 744 would make such authority explicit and specific to these Internet crimes.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: Yes: one intragovernmental mandate (prohibiting state-level civil actions).

Constitutional Authority: There is no committee report available for this measure, however last year, the Judiciary Committee, in House Report 108-698, cited constitutional authority in Article I, Section 8, but does not cite a specific clause. House Rule XIII, Section d(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

RSC Staff Contact: Joelle Cannon, joelle.cannon@mail.house.gov, (202) 226-9717

H.R. 29 — Securely Protect Yourself Against Cyber Trespass Act — *as reported (Bono)*

Order of Business: The bill scheduled for consideration on May 23, 2005, under a motion to suspend the rules and pass the bill.

Last Congress, a similar bill (H.R. 2929) passed the House by a vote of 399-1 on October 5, 2004: (<http://clerk.house.gov/evs/2004/roll495.xml>)

Summary: H.R. 29 would make it illegal for any person who is not the owner or authorized user of a “protected computer” to engage in deceptive acts or practices, including:

- 1) taking unsolicited control of the computer;
- 2) modifying computer settings;
- 3) collecting personally identifiable information;
- 4) inducing the owner or authorized user to disclose personally identifiable information;
- 5) inducing the unsolicited installation of computer software; and
- 6) removing or disabling a security, anti-spyware, or anti-virus technology.

This bill would also make it illegal for a person to:

- 1) transmit to a protected computer any information collection program (“a program that collects personally identifiable information and uses the information to send advertising”), unless the program provides notice before execution of any of the program's collection functions; or
- 2) execute any collection information program installed on a protected computer unless, before execution, the user has consented to the execution (under notice requirements of this Act). Provides an exception for web pages visited within a particular website when the information collected is sent only to the provider of the website accessed.

The bill would not apply to:

- 1) law enforcement actions;
- 2) monitoring undertaken for network security; and
- 3) Good Samaritan actions (actions taken in good faith, and with the user's consent, by a computer software or service provider to remove or disable a program which violates this Act).

The Federal Trade Commission (FTC) would be directed to enforce this bill's provisions relating to spyware, including assessing and collecting civil penalties for unfair or deceptive business practices. It would direct the FTC to report to Congress: (1) annually on enforcement actions taken under this Act; and (2) regarding the use of computer tracking cookies in the delivery or display of advertising to computer owners and users.

This Act would become effective twelve months after enactment and expire on December 31, 2010.

Committee Action: H.R. 29 was introduced on January 4, 2005, and referred to the Committee on Energy and Commerce’s Subcommittee on Commerce, Trade and Consumer Protection. Subcommittee and full Committee consideration and markup was held and the bill was reported out by the full Committee on April 12, 2005, by a vote of 43-0 (H. Rept. [109-32](#)).

Cost to Taxpayers: CBO estimates that implementing the bill would increase spending subject to appropriation by about \$1 million in 2006, and about \$7 million over the 2006-2010 period.

Based on information provided by the FTC, CBO estimates that enacting H.R. 29 would not have a significant effect on revenues and would not affect direct spending.

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

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: Yes, according to CBO, H.R. 29 contains an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA), but CBO estimates that the resulting costs would not be significant and would not exceed the threshold established in UMRA (\$62 million in 2005, adjusted annually for inflation).

According to CBO, H.R. 29 would also impose private-sector mandates as defined in UMRA on persons who use computer programs to collect certain information from another person's computer. Based on information provided by industry and government sources, CBO expects that the direct costs of complying with those mandates would fall below the annual threshold established by UMRA for private-sector mandates (\$123 million in 2005, adjusted annually for inflation).

Constitutional Authority: The Committee Report cited authority for this legislation under in Article I, section 8, clause 3, which grants Congress the power to regulate commerce with foreign nations, among the several States, and with the Indian tribes.

RSC Staff Contact: Derek V. Baker; derek.baker@mail.house.gov; 226-8585

H.R. 1499 — Heroes Earned Retirement Opportunities Act — *as introduced* (Foxx)

Order of Business: The bill is scheduled for consideration on May 23, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1499 would amend the Internal Revenue Code to include combat zone compensation (otherwise excluded from gross income) as earned income for purposes of calculating the tax deduction for contributions to retirement savings plans.

This would allow members of the Armed Forces serving in a combat zone a deduction for contributions to their individual retirement plans even if the compensation on which the contribution is based is excluded from gross income.

Committee Action: H.R. 1499 was introduced on April 6, 2005, and referred to the Committee on Ways and Means. The Committee took no action on the bill.

Cost to Taxpayers: A CBO score of H.R. 1499 is not unavailable, and while the bill does not authorize specific expenditures, it is expected to lower federal revenue due to the new tax deduction. According to the Joint Committee on Taxation, the bill will reduce federal revenues by \$1 million in 2005 and \$10 million over 5 years.

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

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

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

RSC Staff Contact: Derek V. Baker; derek.baker@mail.house.gov; 226-8585

H.R. 849 — To provide for the conveyance of certain public land in Clark County, Nevada, for use as a heliport — *as introduced* (Smith of TX)

Order of Business: The bill is scheduled for consideration on May 23, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.R. 849 would require the Secretary of the Interior to convey a specified parcel of Federal land to Clark County, Nevada, for operation of a commercial heliport facility. The bill would prohibit the disposal of such conveyed land by the County. The bill would establish a conservation fee for, and restricts the flight path of, helicopter tours originating from or concluding at the conveyed land which fly over the Sloan Canyon National Conservation Area. It requires collected fees to be deposited into a special account in the Treasury for use by the Secretary for cultural, wildlife, and wilderness resources management on public lands in Nevada.

It provides that title to the conveyed land shall revert to the United States if the County ceases to use the land for the purpose described in this Act, and makes the County responsible for any reclamation necessary for reversion. Lastly, it directs the Secretary to require the County to pay the administrative costs of conveying the land.

Committee Action: H.R. 849 was introduced on February 16, 2005, and referred to the Committee on Resources' Subcommittee on Forests and Forest Health. The bill was not acted upon.

Cost to Taxpayers: A CBO score is unavailable.

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

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

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

RSC Staff Contact: Derek V. Baker; derek.baker@mail.house.gov; 226-8585

H.R. 1101 — Cibola Wildlife Refuge Boundary Correction (Hunter)

Order of Business: The bill is scheduled for consideration on Monday, May 23, 2005, under a motion to suspend the rules and pass the bill.

Note: The House passed an identical bill (H.R. 417) on March 19, 2003, by a vote of 424-0 <http://clerk.house.gov/evs/2003/roll069.xml> The House passed legislation identical to H.R. 417 (H.R. 3937) in the 107th Congress on June 24, 2002, by a vote of 375-0.

Summary: H.R. 1101 would adjust the boundary of the Cibola National Wildlife Refuge (in Imperial Valley, California) to exclude a 140-acre portion that was mistakenly included in the designation of the Refuge in 1964. The bill would return the jurisdiction of the land to the Bureau of Land Management (BLM). According to BLM, this change would allow the agency to renegotiate a lease with a private concessionaire who currently operates recreational facilities on the affected lands. The mistaken portion is commonly known as “Walter’s Camp,” which consists of a recreational vehicle park, a small marina, and a store. The Bureau of Land Management estimates that Walter’s Camp receives 11,000 visitors per year.

If this legislation is not enacted, the U.S. Fish and Wildlife Service (which manages the Refuge) would be forced to evict the concessionaire, since it is not compatible with the mission of the refuge. Walter’s Camp existed on that land prior to the Refuge designation. The bill would also require the Secretary of Interior to resurvey the boundaries of the Cibola Refuge, post signs marking the boundaries, and publish a map of the refuge.

Committee Action: The bill was referred to the Committee on Resources, but was not considered.

Administration Position: The Administration testified in favor of H.R. 3937 in the 107th Congress (<http://resourcescommittee.house.gov/107cong/fisheries/2002may16/ellis.htm>).

Cost to Taxpayers: CBO estimates that the identical bill from the 108th Congress would have had no significant impact on the federal budget. Since the federal government has not been managing the erroneously included land, removing the land from the boundaries of the refuge would not affect federal expenditures or revenues. Minimal costs from existing appropriations would be associated with the resurvey of the refuge, posting of signs marking the boundaries, and publishing of a new map.

Does the Bill Create New Federal Programs or Rules?: The bill would adjust the boundary of a wildlife refuge to exclude a mistakenly included 140-acre tract.

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

RSC Staff Contact: Sheila Cole, sheila.cole@mail.house.gov, (202) 226-9719.

H.R. 606—Angel Island Immigration Station Restoration and Preservation Act (*Woolsey*)

Order of Business: The bill is scheduled to be considered on Monday, May 23rd, under a motion to suspend the rules and pass the bill.

Note: the House passed a nearly identical bill last Congress, H.R. 4469, by voice vote on September 28, 2004. The Senate never considered the bill.

Summary: H.R. 606 would authorize \$15 million for the Secretary of the Interior to restore the Angel Island Immigration Station Hospital in the San Francisco Bay, in coordination with the Angel Island Immigration Station Foundation and the California Department of Parks and Recreation. Federal funding for this project could not exceed 50% of the total funds from all sources spent to restore the Angel Island Immigration Station (this funding limitation was not included in last year's bill). Any funds remaining after restoring the hospital could only be used to restore the Station itself.

Additional Background: According to its website, Proposition 12, passed by California voters in 2000, has dedicated \$15 million in California funds to restore the Immigration Station. The estimated cost of complete site restoration is currently in the \$30-60 million range. (<http://www.angelisland.org/immigr02.html>)

The Angel Island Immigration Station Foundation is a non-profit organization dedicated to raising funds to educate, preserve, restore, and improve the site. The long-term goal is to develop a premier west coast center for the study of Pacific Rim immigration from the past to the present, and to keep the history of Angel Island Immigration Station alive.

According to the findings, the Angel Island Immigration Station, “also known as the Ellis Island of the West, is a National Historic Landmark. Between 1910 and 1940, the Angel Island Immigration Station processed more than 1,000,000 immigrants and emigrants from around the world. It was built to enforce the Chinese Exclusion Act of 1882 and subsequent immigration laws, which unfairly and severely restricted Asian immigration. ...During their detention at the Angel Island Immigration Station, Chinese detainees carved poems into the walls of the detention barracks. More than 140 poems remain today, representing the unique voices of immigrants awaiting entry to this country.”

Committee Action: On February 2, 2005, the bill was referred to the Resources Committee, which subsequently referred it to its Subcommittee on National Parks on February 15th.

Cost to Taxpayers: The resolution would authorize \$15 million.

Does the Bill Expand the Size and Scope of the Federal Government?: The bill would authorize federal funds for restoration in a state park.

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

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

RSC Staff Contact: Paul S. Teller, paul.teller@mail.house.gov, (202) 226-9718

H.R. 2066—General Services Administration Modernization Act (Davis, Tom)

Order of Business: The bill is scheduled to be considered on Monday, May 23rd, under a motion to suspend the rules and pass the bill.

Summary: H.R. 2066 would create within the General Services Administration (GSA) a new Federal Acquisition Service that would combine the Federal Supply Service, which purchases office equipment and other materials, with the Federal Technology Services, which provides information technology products. In doing so, the bill would abolish the General Supply Fund and the Information Technology Fund in the U.S. Treasury and transfer all assets, liabilities, and obligations to the newly created Acquisition Services Fund.

The Fund would also be credited with all reimbursements, advances, and refunds or recoveries relating to personal property or services procured through the Fund, including:

- the net proceeds of disposal of surplus personal property;
- receipts from carriers and others for loss of, or damage to, personal property; and
- receipts from agencies charged fees pursuant to rates established by the Administrator.

The GSA Administrator could appoint up to five regional executives for the new acquisition service for additional oversight.

If an individual receiving an annuity from the Civil Service Retirement and Disability Fund becomes reemployed in an acquisition-related position, this legislation would prevent such annuity from being discontinued. The legislation would also allow the head of each federal agency, in consultation with the GSA Administrator, to establish retention bonuses for employees holding acquisition-related positions (not to exceed 50% of the basic pay of each employee receiving a bonus).

Additional Background: According to *National Journal*, “Recent allegations of contract mismanagement at the GSA’s regional offices prompted [Rep. Tom] Davis and Senate Homeland Security and Governmental Affairs Chairwoman Susan Collins, R-Maine, to monitor procurement more closely.”

http://nationaljournal.com/members/markups/2005/05/mr_20050505_1.htm

Committee Action: On May 5, 2005, the Government Reform Committee marked up the bill and by voice vote ordered the bill to be reported to the full House.

Administration Position: According to GSA’s congressional relations office, GSA is very supportive of the legislation.

Cost to Taxpayers: According to the Government Reform Committee, CBO told the Committee that the legislation would have no significant impact on the federal budget, though the bill may save taxpayer dollars in the long run. CBO could not calculate such savings.

Does the Bill Expand the Size and Scope of the Federal Government?: No—it would reorganize and consolidate some federal government functions.

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

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

RSC Staff Contact: Paul S. Teller, paul.teller@mail.house.gov, (202) 226-9718

H.Res. 280 — Celebrating Asian Pacific American Heritage Month (Davis, Tom)

Order of Business: The resolution is scheduled to be considered on Monday, May 16th, under a motion to suspend the rules and pass the bill.

Summary: H.Res. 208 resolves that the House of Representatives: “recognizes that the United States draws its strength from its diversity, including contributions made by Asian Americans and Pacific Islanders, recognizes that the Asian American and Pacific Islander community is a thriving and integral part of American society and culture, recognizes the prodigious contributions of Asian Americans and Pacific Islanders to the United States, and supports the goals of Asian Pacific American Heritage Month.

Additional Information: According to the resolution, “at the direction of Congress in 1978, the President proclaimed the week of May 4 through 10, 1979, as Asian Pacific American Heritage Week, to provide the people of the United States with an opportunity to recognize the achievements, contributions, history, and concerns of Asian Pacific Americans. This seven day period designated Asian Pacific Heritage Week intended to mark two historical dates--May 7, 1843, when the first Japanese immigrants arrived in the United States, and May 10, 1869, Golden Spike Day, when, with substantial contributions from Chinese immigrants, the first transcontinental railroad was completed. Additionally, the resolution states, “in 1992, Congress by law designated that the month of May be annually observed as Asian Pacific American Heritage Month.” Finally, “an estimated 14.5 million United States residents trace their ethnic heritage, in full or in part, to Asia and the Pacific Islands, and more than 300,000 Americans of Asian or Pacific Island heritage have bravely and honorably served to defend the United States in times of armed conflict from the Civil War to the present”

Committee Action: On May 17, 2005, the resolution was introduced and referred to the House Government Reform Committee, which took no official action.

Cost to Taxpayers: The resolution authorizes no expenditure.

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

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

RSC Staff Contact: Joelle Cannon; joelle.cannon@mail.house.gov, (202) 226-9717

H.R. 1224 — Business Checking Freedom Act — *as reported* (Kelly)

Order of Business: The bill is scheduled to be considered on Monday, May 23rd, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1224 amends the Federal Reserve Act, the Home Owners' Loan Act, and the Federal Deposit Insurance Act to repeal the current ban on paying interest on corporate checking accounts, except for “non-qualified industrial loan company.” The bill also eliminates the minimum statutory ratios that currently apply to reserve balances, giving the Federal Reserve Board greater flexibility in setting reserve requirements, and permits the payment of interest on reserve balances that depository institutions maintain at Federal Reserve Banks. To offset the revenue loss associated with allowing interest payments on reserve balances, the bill requires that the Federal Reserve pay to the Treasury from its surplus fund an amount equal to the estimated annual revenue loss. The bill also increases the number of allowable transfers from money market deposit accounts to 24 per month, from the current limit of six, enabling banks to move funds between non-interest bearing commercial checking accounts and interest bearing accounts on a daily basis. The legislation also includes provisions clarifying that interest-bearing commercial accounts are subject to reserve requirements, giving the Fed more flexibility in setting cash amounts that member banks are required to set aside in reserve, and ensuring equitable treatment under the bill for other financial institutions, including branches of foreign banks.

H.R. 1224 defines “non-qualified industrial loan company” as, “any industrial loan company, industrial bank, or other institution that is determined by an appropriate State bank supervisor to be controlled, directly or indirectly, by a commercial firm.” Furthermore, “commercial firm” is defined as, “any entity at least 15 percent of the annual gross revenues of which on a consolidated basis, including all affiliates of the entity, were derived from engaging on an on-going basis, in activities that are not financial in nature or incidental to a financial activity during at last three of the prior four calendar quarters.” H.R. 1224 states, an “industrial loan company may not pay interest on any deposit or account of a corporation from which funds may be withdrawn by negotiable instrument for payment to third parties, unless the appropriate State bank supervisor... determines that the entity is not a non-qualified industrial loan company.”

Additional Information: H.R. 1224 is similar to H.R. 758, which passed the House by a voice vote on April 1, 2003, and H.R. 1009, which passed the House by voice vote on April 9, 2002.

Committee Action: On March 10, 2005, the bill was introduced and referred to the House Financial Services Committee, which considered it and reported it to the full House by unanimous consent on April 27, 2005.

Bush Administration Position: The Treasury Department testified on March 5, 2003 that it “supports permitting banks and thrifts to pay interest on business checking accounts. We are also sympathetic to the arguments in favor of permitting the Federal Reserve to pay interest on reserve balances and support the goals of the legislation; however, inasmuch as the potential budget impact of the provision is not included in the President’s Budget, we are not prepared to endorse the proposal at this time.”

Cost to Taxpayers: According to CBO, H.R. 1224 “would have no net effect on annual revenues over the 2006-2009 period because the estimated loss in revenues would be offset by transfers from Federal Reserve surplus funds. Enacting H.R. 12234 would decrease revenues after 2009. CBO estimates that the loss in revenues would total approximately \$1.8 billion over the 2010-2015 period.” Additionally, CBS estimates H.R. 1224 would have no significant effect of federal spending.

Does the Bill Expand the Size and Scope of the Federal Government?: No, the bill repeals current restrictions related to the payment of interest for demand accounts held by banks and reserves held by the Federal Reserve.

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

Constitutional Authority: The Committee cites Article 1, section 8, clause 1 (related to the general welfare of the United States) and clause 3 (related to the power to regulate interstate commerce).

RSC Staff Contact: Joelle Cannon; joelle.cannon@mail.house.gov, (202) 226-9717

H.Con.Res. 149—Recognizing the 57th anniversary of the independence of the State of Israel (Wilson of South Carolina)

Order of Business: The resolution is scheduled for consideration on May 23rd, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.Con.Res. 149 would resolve that Congress:

- “recognizes the independence of the State of Israel as a significant event in providing refuge and a national homeland for the Jewish people;
- “praises the efforts of President George W. Bush and Prime Minister Ariel Sharon to create the conditions for peace in the Middle East;

- “commends the bipartisan commitment of all United States administrations and United States Congresses since 1948 to stand by Israel and work for its security and well-being; and
- “extends warm congratulations and best wishes to the people of Israel as they celebrate the 57th anniversary of Israel's independence.

Additional Information: On May 14, 1948, the State of Israel was established as a sovereign and independent nation, and the United States was “one of the first nations to recognize Israel, only 11 minutes after its creation.” Additionally, the resolution states, “Israel provided a refuge to Jews who survived the horrors of the Holocaust and the evils committed by the Nazis which were unprecedented in human history, and Israel continues to serve as a shining model of democratic values by regularly holding free and fair elections, promoting the free exchange of ideas, and vigorously exercising in its Parliament, the Knesset, a democratic government that is fully representative of its citizens.”

Israel's Independence Day on the Jewish calendar coincides this year with May 12, 2005.

Committee Action: H.Con.Res. 149 was introduced on May 11, 2005, and referred to the House Committee on International Relations. On May 18, 2005, the Subcommittee on Middle East and Central Asia marked up the resolution and by unanimous consent forwarded to it the full Committee, which, later that day, marked it up and ordered it reported to the full House by unanimous consent.

Cost to Taxpayers: The resolution would authorize no expenditure.

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

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

RSC Staff Contact: Paul S. Teller, paul.teller@mail.house.gov, (202) 226-9718

H.Con.Res. 89 — Honoring the life of Sister Dorothy Stang (*Ryan of Ohio*)

Order of Business: The concurrent resolution is scheduled to be considered on Monday, May 23, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.Con.Res. 89 states that Sister Dorothy “lived her life according to the mission of the Sisters of Notre Dame: making known God’s goodness and love of the poor through a Gospel way of life, community, and prayer, while continuing a strong educational tradition and taking a stand with the poor people especially women and children, in the most abandoned places, and committing her one and only life to work with others to create justice and peace,” and therefore resolves, “That the Congress hereby honors the life and work of Sister Dorothy Stang.”

Additional Background: According to the resolution's findings, Sister of Notre Dame de Namur Dorothy Stang, moved to the Amazon 22 years ago to help poor farmers build independent futures for their families, and was murdered on Saturday, February 12, 2005, at the age of 73, in Brazil's Amazon rain forest. She was born in Dayton, Ohio and was both a citizen of Brazil and the U.S. and worked with the Pastoral Land Commission, an organization of the Catholic Church that fights for the rights of rural workers and peasants, and defends land reforms in Brazil. From 1951 to 1966, Sister Dorothy taught elementary classes in Illinois and Arizona, and began her ministry in Brazil in 1966. Her murder came less than a week after meeting with the human rights officials of Brazil about threats to local farmers from some loggers and landowners. (For more information see: <http://www.sndden.org/news/stang.htm>)

Committee Action: On March 9, 2005, the resolution was introduced and was referred to the House Committee on International Relations, which considered the resolution and reported it to the full House by unanimous consent on May 18th.

Cost to Taxpayers: The resolution has no cost.

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

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

RSC Staff Contact: Sheila Cole, sheila.cole@mail.house.gov, (202) 226-9719.

H.Res. 191 — Urging the Government of Romania to recognize its responsibilities to provide equitable, prompt, and fair restitution to all religious communities for property confiscated by the former Communist government in Romania — *as introduced (Lantos)*

Order of Business: The resolution is scheduled to be considered on Monday, May 23, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.Con.Res. 89 resolves, "That the House of Representatives:

- 1) "notes with concern the unwillingness of past governments of Romania to recognize the responsibility to provide equitable, prompt, and fair restitution of religious property that was confiscated by the former Communist government of Romania;"
- 2) calls on the Government of Romania:
 - to respect the constitutional rights of existence and practice of all religious communities;

- to provide fair, prompt, and equitable restitution to all religious communities under Romanian law and in accordance with the Constitution of Romania and all applicable international agreements to which Romania is a party; and
 - to provide restitution for the property rights of all agricultural and forestry lands belonging to religious communities;
- 3) calls upon the Government of Romania to follow certain protocol regarding Romanian Greek Catholic churches and to follow certain protocol and compensation for religious buildings and properties confiscated in the 1940's.

Additional Information: During the rule of the Communist government in Romania after World War II, 2,140 schools, hospitals, orphanages, and other charitable and civic institutions were illegally confiscated under communism and actual possession and use of such properties has been denied in all but 30 cases. According to the resolution's findings, a central element of persecution by the Communist government in Romania was the uncompensated confiscation of real and personal property from religious communities and from leaders of religious communities, and the arrest and persecution of religious leaders. The resolution notes that Article 18 of the Universal Declaration of Human Rights provides that "[e]veryone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance."

Committee Action: On April 6, 2005, the resolution was introduced and was referred to the House Committee on International Relations, which considered the resolution and reported it to the full House by unanimous consent on May 18th.

Cost to Taxpayers: The resolution has no cost.

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

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

RSC Staff Contact: Sheila Cole, sheila.cole@mail.house.gov, (202) 226-9719.

H.Res. 273 — Urging the withdrawal of all Syrian forces from Lebanon, support for free and fair democratic elections in Lebanon, and the development of democratic institutions and safeguards to foster sovereign democratic rule in Lebanon (McCotter)

Order of Business: The resolution is scheduled to be considered on Monday, May 23, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.Con.Res. 89, *as amended*, resolves, "That it is the sense of the House of Representatives that:

- “Syria should complete its withdrawal of all remaining intelligence and security forces from the Lebanese Republic in accordance with United Nations Security Council Resolution 1559 (2004);
- “Lebanon should allow unfettered access to international monitors present for the purpose of verifying compliance with United Nations Security Council Resolution 1559 (2004);
- “Lebanon should hold free, fair, and transparent elections to begin on May 29, 2005, in accordance with all international standards and agreements;
- “the United States should aid the people of Lebanon in their efforts to restore the separation of powers, the rule of law, and a proper respect for fundamental freedoms of every citizen; and
- “it should be the policy of the United States Government to—
 - support free and fair elections in Lebanon by encouraging international election assistance and observers;
 - support a national dialogue that transcends sectarian divisions and urge the development of democratic institutions and safeguards to foster sovereign democratic rule in Lebanon; and
 - call for the immediate release of all political prisoners and detainees held in Lebanese and Syrian prisons.”

Committee Action: On May 11, 2005, the resolution was introduced and was referred to the House Committee on International Relations, which considered the resolution and reported it to the full House, with an amendment, by unanimous consent on May 18th.

Cost to Taxpayers: The resolution would authorize no expenditure.

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

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

RSC Staff Contact: Sheila Cole, sheila.cole@mail.house.gov, (202) 226-9719.

H.Con.Res. 153 — Welcoming His Excellency Hamid Karzai, the President of Afghanistan, on the occasion of his visit to the United States in May 2005 and expressing support for a strong and enduring strategic partnership between the United States and Afghanistan (Ros-Lehtinen)

Order of Business: The concurrent resolution is scheduled to be considered on Monday, May 23, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.Con.Res. 153 resolves that:

“Congress welcomes the first democratically-elected President of Afghanistan, His Excellency Hamid Karzai, as an honored guest and valued friend upon his visit to the United States in May 2005; and it is the sense of Congress that—

- “ a democratic, stable, and prosperous Afghanistan is a vital security interest of the United States; and
- “ a strong and enduring strategic partnership between the United States and Afghanistan should continue to be a primary objective of both countries to advance a shared vision of peace, freedom, security, and broad-based economic development between the two countries and throughout the world.”

Additional Information: According to the resolution’s findings, “Afghanistan, a great nation located at the crossroads of many civilizations, has suffered the ravages of war, foreign intervention, occupation, and oppression. The Afghan people courageously resisted the decade-long occupation of their country by the former Soviet Union, forcing a Soviet withdrawal in 1989 and thereby contributing to the end of the Cold War.” The findings note that following the terrorist attacks of September 11, 2001, the U.S. launched Operation Enduring Freedom, “liberating the Afghan people from tyranny, transforming Afghanistan from a haven for terrorists into a strategic partner in the struggle against international terrorism, and helping Afghans build a democratic government.” On January 4, 2004, the Afghan Constitution was enacted and in October 2004, more than 10.5 million Afghan men and women voted in national presidential elections and elected Hamid Karzai, formerly the interim President, to a five-year term as Afghanistan’s first democratically-elected President in the country’s history. This fall, September 18, 2005, elections are scheduled for nationwide parliament.

Committee Action: On May 16, 2005, the resolution was introduced and was referred to the House Committee on International Relations, which considered the resolution and reported it to the full House by unanimous consent on May 18th.

Cost to Taxpayers: The resolution has no cost.

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

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

RSC Staff Contact: Sheila Cole, sheila.cole@mail.house.gov, (202) 226-9719.

H.Res. 243 — Recognizing the Coast Guard, the Coast Guard Auxiliary, and the National Safe Boating Council for their efforts to promote National Safe Boating Week (*Cooper*)

Order of Business: The resolution is scheduled to be considered on Monday, May 23, 2005, under a motion to suspend the rules and pass the bill.

Summary: H.Res. 243 resolves that the House of Representatives—

“(1) supports initiatives for recreational boating safety education and accident prevention to minimize the number of annual recreational boating fatalities;

“(2) recognizes the Coast Guard, the Coast Guard Auxiliary, and the National Safe Boating Council for their efforts each year during May to highlight the importance of safe recreational boating; and

“(3) supports the goals of National Safe Boating Week.”

Additional Information: The National Safe Boating Council, with the support of the Coast Guard and the Coast Guard Auxiliary, has designated this week, as National Safe Boating Week. As of press time, it could not be determined what the “goals” of the week are. There are an estimated 78 million recreational boaters in the United States and nearly 13 million recreational vessels registered, according to the resolution’s findings. The number of recreational boating fatalities has declined by more than half since 1970, though in 2003, recreational boating accidents claimed the lives of 703 Americans, more than half of whose lives could have been saved with the proper use of a personal flotation device. The week seeks to emphasize that accident prevention can reduce recreational boating fatalities still further, and in particular deaths by drowning, which remain the leading cause of recreational boating fatalities.

Committee Action: On April 27, 2005, the resolution was introduced and was referred to the House Committee on Transportation, which considered the resolution and reported it to the full House by voice vote on May 18th.

Cost to Taxpayers: The resolution has no cost.

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

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

RSC Staff Contact: Sheila Cole, sheila.cole@mail.house.gov, (202) 226-9719.

H.R. 2046 — Servicemembers’ Health Insurance Protection Act of 2005— *as reported (Buyer)*

Order of Business: The bill is scheduled to be considered on Monday, May 23rd, under a motion to suspend the rules and pass the bill.

Summary: H.R.2046 amends the Servicemembers Civil Relief Act, and “would limit premium increases on health insurance for reservists who return to their civilian jobs after serving on active duty and ensure that reservists whose activation is cancelled before they report for duty can reinstate their health care coverage” It also would allow disabled

servicemembers to qualify for a housing grant provided by the Department of Veterans Affairs (VA) before being discharged from active duty. Finally, the bill would modify a requirement in the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror, and Tsunami Relief Act, 2005 (Public Law 109-13) regarding elections of servicemembers to reduce or decline insurance.” According to CBO

The VA currently administers two grant programs (with direct spending authority) to assist severely disabled veterans in acquiring housing that is adapted to their disabilities, or in modifying their existing housing. The maximum amounts of these two grants are \$50,000 and \$10,000, respectfully. Section 4 would allow members of the armed forces who become severely disabled to receive these grants while still on active duty.

Committee Action: On May 3, 2005, the bill was introduced and referred to the House Committee on Veterans’ Affairs, which considered it, amended it, and reported it to the full House by voice vote on May 11, 2005.

Cost to Taxpayers: The VA currently administers two grant programs (with direct spending authority) to assist severely disabled veterans in acquiring housing that is adapted to their disabilities, or in modifying their existing housing. Because the eligibility requirements for these grants are very restrictive, CBO believes that very few servicemembers would qualify, and that these servicemembers would be separating from the military within 12 months of the time they become eligible for these grants. Thus, this section would simply shift their eligibility forward by six months, on average. On that basis, CBO estimates enacting this bill would increase direct spending for these grants by less than \$500,000 over the 2006-2015 period.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: H.R. 2046 contains both intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). Current law imposes a mandate on public and private-sector entities that provide health insurance by requiring them to allow servicemembers and reservists on active duty to continue policies or reinstate those policies without delay when they return from service. Section 2 would prohibit those entities that provide insurance from raising premiums for servicemembers when they return from active-duty service and choose to reinstate or continue previously held policies.

Section 3 of this bill would expand current law to require that certain reservists whose notice for active duty is later cancelled are also eligible to continue or reinstate health policies without delay. That expansion would increase the cost for both public and private-sector providers to comply with an existing mandate.

The total direct cost for providers to comply with those mandates, thus would be minimal and well below the annual thresholds established by UMRA (\$62 million in 2005 and \$123 million in 2005, respectively, adjusted annually for inflation).

Constitutional Authority: The Committee on Veterans’ Affairs (in Report No. 109-88) finds authority under Article I, Section 8 (Powers of Congress to “provide for the common Defense and general Welfare of the United States.”

RSC Staff Contact: Joelle Cannon; joelle.cannon@mail.house.gov, (202) 226-9717

###