

Friday, October 3, 2008

House Meets At...	Votes Predicted At...
9:00 a.m. For Legislative Business Five "One-Minutes" Per Side	Last Vote: 3:00 p.m.

**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

- **H. Res. 1525 – Providing for Consideration of the Senate amendments to H.R. 1424 – Emergency Economic Stabilization Act of 2008; the Energy Improvement and Extension Act of 2008 & the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 (Rep. Slaughter - Rules)**: The closed rule makes in order a motion by the Chairman of the Committee on Financial Services to concur in the Senate amendments. The rule provides for 90 minutes of general debate on the motion; 60 minutes equally divided and controlled by the Chairman and Ranking Minority Member of the Committee on Financial Services and 30 minutes equally divided and controlled by the Chairman and Ranking Minority Member of the Committee on Ways & Means. Debate on the rule will be managed by Rep. Slaughter, and consideration will proceed as follows:
  - One hour of debate on the rule.
  - Possible vote on a Democratic Motion ordering the previous question. **Democrats are urged to vote yes.**
  - Vote on adoption of the rule. **Democrats are urged to vote yes.**
- **Senate amendments to H.R. 1424 – Emergency Economic Stabilization Act of 2008; the Energy Improvement and Extension Act of 2008 & the Tax Extenders and Alternative Minimum Tax Relief Act of 2008 (Rep. Frank – Financial Services and Ways & Means)**: Pursuant to the rule, debate on amendments will be managed by Financial Services Committee Chairman Rep. Barney Frank and Ways & Means Committee Chairman Rep. Charlie Rangel, or their designees, and will proceed as follows:
  - Ninety minutes of debate on the amendments.
  - Vote on concurring in the Senate amendments.

- **H. Res. 1526 – Providing for consideration of motions to suspend the rules and Waiving a requirement of clause 6(a) of rule XIII with respect to consideration of certain resolutions reported from the Committee on Rules (Rep. Sutton -Rules):** The closed rule waives the two-thirds vote requirement to consider a rule on the same day it is reported from the Committee on Rules through today, October 3, 2008. The rule provides for consideration of motions to suspend the rules. Debate on the rule will be managed by Rep. Sutton, and consideration will proceed as follows:
  - One hour of debate on the rule.
  - Possible vote on a Democratic Motion ordering the previous question. **Democrats are urged to vote yes.**
  - Vote on adoption of the rule. **Democrats are urged to vote yes.**
  
- **Suspension Bill:** Today, the House will consider one bill 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. **H.R. 6867** - The Unemployment Compensation Extension Act of 2008 (Rep. McDermott – Ways and Means)
  
- **Postponed Suspension Vote:**
  1. **S. 3197** - National Guard and Reservists Debt Relief Act of 2008 (Sen. Durbin - Judiciary)

### **Bill Summary & Key Issues**

#### **Senate amendments 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

<ul style="list-style-type: none"> <li>• <b>Individual Extenders</b> <ol style="list-style-type: none"> <li>1. State and local sales tax deduction</li> <li>2. Qualified tuition deduction</li> <li>3. Teacher expense deduction</li> </ol> </li> </ul>	\$11.5b
<ul style="list-style-type: none"> <li>• <b>Business Extenders</b> <ol style="list-style-type: none"> <li>1. R&amp;D</li> <li>2. 15-year leasehold and restaurant improvements</li> <li>3. Active financing exclusion</li> <li>4. Wool trust fund</li> </ol> </li> </ul>	\$37b
<ul style="list-style-type: none"> <li>• <b>Other Provisions</b> <ol style="list-style-type: none"> <li>1. Child tax credit</li> <li>2. Mental health parity</li> <li>3. Secure rural schools</li> </ol> </li> </ul>	\$11b
<ul style="list-style-type: none"> <li>• <b>Disaster Relief</b> <ol style="list-style-type: none"> <li>1. Midwest disaster package</li> <li>2. National disaster package</li> </ol> </li> </ul>	\$8.8b
<ul style="list-style-type: none"> <li>• <b>AMT, individual, business &amp; disaster Offsets:</b> <ol style="list-style-type: none"> <li>1. Deferred compensation:</li> </ol> </li> </ul>	\$25b
<ul style="list-style-type: none"> <li>• <b>Renewables</b> <ol style="list-style-type: none"> <li>1. Production tax credit</li> <li>2. Business &amp; residential investment credits (solar, fuel cells, etc.)</li> <li>3. Biodiesel and renewable diesel</li> <li>4. Clean Renewable Energy Bonds</li> </ol> </li> </ul>	\$9.8b
<ul style="list-style-type: none"> <li>• <b>Vehicles</b> <ol style="list-style-type: none"> <li>1. Plug-in vehicle credit</li> <li>2. Auxiliary power units</li> <li>3. Alternative refueling stations</li> </ol> </li> </ul>	\$1b
<ul style="list-style-type: none"> <li>• <b>Conservation/Efficiency</b> <ol style="list-style-type: none"> <li>1. Efficient buildings</li> <li>2. Smart meters</li> <li>3. Efficient appliances</li> <li>4. Conservation Bonds</li> </ol> </li> </ul>	\$3.5b
<ul style="list-style-type: none"> <li>• <b>Carbon Mitigation/Fuels</b> <ol style="list-style-type: none"> <li>1. Clean coal investment credits</li> <li>2. Black Lung restructuring</li> <li>3. CO<sub>2</sub> sequestration credit</li> <li>4. Refinery expensing</li> </ol> </li> </ul>	\$2.6b
<ul style="list-style-type: none"> <li>• <b>Energy Offsets:</b> <ol style="list-style-type: none"> <li>1. Freeze Section 199 for all oil and gas activity</li> <li>2. FUTA surtax extension</li> <li>3. FOGEI/FORI</li> </ol> </li> </ul>	\$4.9b \$1.5b \$2.2b

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|-----------------------------------|--------|
| 4. Basis Reporting                | \$6.7b |
| 5. Oil Spill Liability Trust Fund | \$1.7b |

### **Quote of the Day**

“Finis origine pendet.”

- Latin saying meaning: “The end depends upon the beginning.”

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