



Legislative Bulletin.....September 25, 2008

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Summary of the Bills Under Consideration Today:

Total Number of New Government Programs: 4

Total Cost of Discretionary Authorizations: \$298 million over the FY 2009 through FY 2013 period

Effect on Revenue: \$0

Total Change in Mandatory Spending: \$0

Total New State & Local Government Mandates: 0

Total New Private Sector Mandates: 0

Number of Bills Without Committee Reports: 6

Number of Reported Bills that Don't Cite Specific Clauses of Constitutional Authority: 1

H.R. 928—Improving Government Accountability Act (*McCaskill, D-MO*)

Order of Business: The bill is scheduled to be considered on Thursday, September 25, 2008, under a motion to suspend the rules and pass the bill.

Summary: H.R. 928 would prohibit the removal of any Inspectors General (IGs) without Congressional notification, authorize IGs to submit budget requests independently of the executive branch, establish the Inspectors General Council, and establish new payment levels for IGs. The specific provisions of the bill are as follows:

Removal of IGs:

- Specifies that if an IG appointed by the President is removed from office or is transferred to another position or location within an agency, the President must notify both Houses of Congress with the reasons for the removal at least 30 days prior.
- Specifies that if an IG is removed from a Legislative Branch agency (the Library of Congress, the Capitol Police, the Government Printing Office), the administrator of such agency must notify both Houses of Congress with the reasons for the removal at least 30 days prior.

Compensation for IGs:

- Prohibits IGs from receiving any cash awards or bonuses and increases the annual rate of basic pay for presidentially appointed IGs from level IV of the Executive Schedule (\$145,400 in 2007) to level III plus three percent (\$159,238).
- Requires that IGs appointed by their agency heads in designated federal entities are paid at a level comparable to other senior staff members of the agency.

Inspectors General Council:

- Establishes the Inspectors General Council within the executive branch. The Council is made up of every IG and supplants the President's Council on Integrity and Efficiency (PCIE), which oversees presidentially appointed IGs, and the Executive Council on Integrity and Efficiency (ECIC) which oversees IGs appointed by agency heads.
- Requires that the Council elect a chair from among the IGs to serve for a period of two years. The chair will be responsible for appointing a vice chair, convening meetings, carrying out the duties of the Council, and making payments to carry out the Council's duties.
- Requires the Council to continually review federal programs vulnerable to waste, fraud, and abuse, conduct inter-agency audits and investigations, maintain a website,

establish one or more academies to train auditors and investigators, and submit reports to Congress per the chair's request.

- Establishes the Integrity Committee within the Council, headed by the IG of the FBI, for the purpose of investigating allegations of wrongdoing that are made against IGs and senior-level staff.

Expanded IG Authority and Other Provisions:

- Authorizes IGs to submit their own appropriation estimate and budget request to the Office of Management and Budget (OMB) and directly to Congress. The budget requests will be separate from and in addition to the individual agency's request (currently IG budgets are requested by each agency).
- Expands the IGs power to subpoena to included electronic information as well as any "tangible thing" (hard drives and computers).
- Requires the President's budget to show each separate IG request and include a statement comparing the IG's requests to the requests of their respective agency.
- Authorizes the Treasury Inspector General for Tax Administration's agents to provide armed escorts to protect the physical security of IRS employees.
- Requires the GAO to submit a report examining the adequacy of mechanisms to ensure accountability of the Offices of Inspector General within one year the date of enactment.

Additional Background: The Inspector General Act of 1978 established a series of independent Inspectors General (IGs) that answer to the President and operate within executive departments and agencies. IGs function as supervisory bodies within the agency, conducting audits and investigations to prevent government waste, fraud, and abuse. Since their creation, IGs have conducted investigations and audits that have led to countless prosecutions, debarments, and suspensions. According to [House Report 110-354](#), audits and investigations conducted by IGs resulted in \$9.9 billion in potential savings and \$6.8 billion in investigative recoveries in 2006 alone.

There are currently 58 Offices of Inspector General (OIGs) operating under the authorization of the IG bill. Each IG is appointed to his or her position either by President, with confirmation in the Senate, or by the respective agency. Currently, 29 IGs are presidential appointees and 29 have been appointed by their agency. In 1992, [Executive Order 12805](#) was signed to coordinate and enhance the efforts of individual IGs by establishing the President's Council on Integrity and Efficiency ([PCIE](#)) and the Executive Council on Integrity and Efficiency ([ECIE](#)). The PCIE is made up of presidentially appointed IGs, while the ECIE consists of all agency-appointed IGs. Under the terms of the Executive Order, a PCIE IG may only be removed from office by the President, while an ECIE IG may be

removed by the head of the presiding agency. In either case, the President or the agency head must give Congress notice and an explanation before an IG may be removed.

According to [House Report 110-354](#), a number of recent events have called into question the independence and accountability of IGs and have led to this legislation. Incidents that have called into question IGs position as a neutral supervisor include:

- Department of State Inspector General Howard Krongard allegedly interfered with numerous department investigations. The House Report suggests that “Krongard’s strong affinity with State Department leadership, support for the current administration, and partisan political ties have led him to halt investigations, censor reports, and refuse to cooperate with law enforcement agencies.” To read more, [click here](#).
- Current NASA Inspector General Robert Cobb allegedly intimidated and punished his own staff for investigating allegations of theft and safety violations.
- Department of Commerce Inspector General Johnnie Frazier, who retired in June 2007, was under investigation for taking vacations with taxpayer dollars. To read more, [click here](#).
- Legal Services Corporation (LSC) Inspector General Kirt West was considered for dismissal after conducting investigations into the LSC traveling expenses.

H.R. 928, was considered and passed in the House by a vote of [404-11](#) on October 3, 2007. The Bush Administration initially opposed that legislation and threatened to veto the bill. The Administration cited a number of provisions it opposed in H.R. 928, including a section that barred the President from removing an IG without cause. That section is not included in this version of H.R. 928.

The Administration also stated that allowing IGs to submit their own budget requests directly to Congress would supersede a longstanding process that gives the executive branch full control of its budget request. Like the House passed version of the bill, H.R. 928 would allow IGs to submit their own budget requests to Congress. There is no official indication of the Administrations’ position on H.R. 928 at this time.

Committee Action: H.R. 928 was introduced on February 28, 2007, and referred to the Committee on Oversight and Government Reform, Subcommittee on Government Management, Organization, and Procurement on March 23, 2007. On August 2, 2007, a mark-up was held and the bill was reported, in the nature of a substitute, by voice vote.

Cost to Taxpayers: According to CBO, implementing H.R. 928 would cost \$13 million in FY 2008 and \$83 million of the FY 2009—FY 2013 period (subject to appropriation).

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.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits? The Oversight and Government Reform Committee, in [House Report 110-354](#), asserts that, “H.R. 928 contains no earmarks, limited tax benefits, or limited tariff benefits.”

Constitutional Authority: The Oversight and Government Reform Committee, in [House Report 110-354](#) cites constitutional authority in Article I, Section 8, Clause 18 (the congressional power to make all laws necessary and proper for executing the foregoing powers), but fails to cite a foregoing power to which this clause refers.

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S. 1046—Senior Professional Performance Act (Voinovich, R-OH)

Order of Business: S. 1046 is scheduled to be considered on Thursday, September 25, 2008, under a motion to suspend the rules and pass the bill.

Summary: S. 1046 would raise the pay ceiling for federal employees classified as senior-level (SL) or scientific and professional personnel (ST) to match the maximum pay level allowed for member of the Senior Executive Service (SES). According to CBO, raising the pay cap for these employees would cost \$7 million over five years.

Additional Information: In 2002, Congress authorized executive level agencies that paid members of the Senior Executive Service (SES) based on performance to raise the maximum amount of pay for an SES member from level I of the Executive Schedule to the annual pay level of the Vice President. The Director of the Office of Management and Budget is required to review and certify an agency’s performance appraisal system before that agency may raise the maximum pay for SES members. S. 1046 would allow agencies to give performance based pay to classified as senior-level (SL) or scientific and professional personnel (ST) at the same level.

[Senate Report 110-328](#) notes that “While SL and ST positions are different in some respects from the SES, whose members provide the executive management of the federal government these other senior positions are also recognized as providing essential specialized skills that are needed to address the federal government’s 21st Century challenges. The ST system is for specially qualified non-executive personnel who conduct research and development functions in the physical, biological, medical, or engineering sciences, or a closely-related field.”

Committee Action: S. 1046 was introduced on May 13, 2008, and referred the Committee on the Judiciary, which took no official action.

Cost to Taxpayers: According to CBO, raising the pay cap for these employees would cost \$7 million over five 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.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits? [Senate Report 110-328](#) does not cite compliance with clause 9 of rule XXI.

Constitutional Authority: [Senate Report 110-328](#) does not cite constitutional authority. House Rule XIII, Section 3(d)(1), requires that all committee reports contain a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution. *[emphasis added]*

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H.R. 6045—Bulletproof Vest Partnership Grant Act of 2008 *(Visclosky, D-IN)*

Order of Business: H.R. 6065 is scheduled to be considered on Thursday, September 25, 2008, under a motion to suspend the rules and pass the bill.

Summary: H.R. 6065 would reauthorize the Bulletproof Vest Partnership Grant Program at current funding levels, through fiscal year 2012.

Additional Information: According to the Department of Justice's Office of Justice Programs the Bulletproof Vest Partnership Grant Act of 1998 authorized the Bulletproof Vest Partnership (BVP) to provide federal grants for armored vests to state and local law enforcement. Since 1999, over 11,900 distinct police jurisdictions have participated in the BVP Program, with \$173 million in federal funds committed to support the purchase of an estimated 450,000 vests. The BVP Program is administered by the Office of Justice Programs Bureau of Justice Assistance (BJA).

Committee Action: H.R. 6065 was introduced on May 13, 2008, and referred the Committee on the Judiciary, which took no official action.

Cost to Taxpayers: A CBO score for H.R. 6065 is not currently available.

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.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?

A Committee report designating compliance with clause 9 of rule XXI is unavailable.

Constitutional Authority: A Committee report citing Constitutional authority is unavailable. House Rule XIII, Section 3(d)(1), requires that all committee reports contain a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution. *[emphasis added]*

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**H. Con. Res. 214—Posthumous pardon to John Arthur “Jack” Johnson
(King, R-NY)**

Order of Business: H. Con. Res. 214 is scheduled to be considered on Thursday, September 25, 2008, under a motion to suspend the rules and pass the resolution.

Summary: H. Con. Res. 214 would express the sense of Congress that:

- “John Arthur ‘Jack’ Johnson paved the way for African American athletes to participate and succeed in racially integrated professional sports in the United States;
- “Jack Johnson was wronged by a racially motivated conviction prompted by his success in the boxing ring and his relationships with White women;
- “The criminal conviction of Jack Johnson unjustly ruined his career and destroyed his reputation; and
- “The President should grant a posthumous pardon to Jack Johnson to expunge from the annals of American criminal justice a racially motivated abuse of the prosecutorial authority of the Federal Government, and to recognize Jack Johnson's athletic and cultural contributions to society.”

The resolution lists a number of findings, including:

- “John Arthur ‘Jack’ Johnson was a flamboyant, defiant, and controversial figure in American history who challenged racial biases;
- “Jack Johnson was born in Galveston, Texas, in 1878 to parents who were former slaves;
- “Jack Johnson was a professional boxer who traveled throughout the United States and the world, fighting both Black and White heavyweight boxers;
- “In 1908, after being denied the opportunity to fight two White boxing champions on purely racial grounds, Jack Johnson was granted an opportunity by an Australian promoter to fight Tommy Burns, the reigning world heavyweight champion;
- “In Reno, Nevada, in 1910, in what was referred to by many as the ‘Battle of the Century’, a White former heavyweight champion named James ‘Jim’ Jeffries came back from retirement to fight, and lose to, Jack Johnson;

- “The defeat of Jeffries by Jack Johnson sparked rioting and aggression toward African Americans and led to racially motivated murders of African Americans nationwide;
- “The resentment felt toward Jack Johnson by many Whites was compounded by his relationships with White women;
- “Between 1901 and 1910, 754 African Americans were lynched, some simply for being ‘too familiar’ with White women;
- “In October 1912, Jack Johnson became involved with a White woman, Lucille Cameron, whose mother disapproved of the relationship, claimed that Johnson had abducted her daughter, and sought action from the Department of Justice;
- “Jack Johnson was arrested by United States marshals on October 18, 1912, for transporting Lucille Cameron across State lines for an ‘immoral purpose’ in violation of the Mann Act, but Cameron refused to cooperate with authorities, the charges were dropped, and Cameron later married the champion;
- “Federal authorities continued to pursue Jack Johnson and summoned Belle Schreiber, a White woman, to testify that Johnson had transported her across State lines for the purposes of ‘prostitution and debauchery’;
- “In 1913, Jack Johnson was convicted of violating the Mann Act and was sentenced to 1 year and 1 day in Federal prison, but fled the country to Canada and then to various European and South American countries;
- “Jack Johnson lost the heavyweight championship title to Jess Willard in Cuba in 1915;
- “Jack Johnson returned to the United States in July 1920, surrendered to the authorities, and served nearly 1 year in the United States Penitentiary at Leavenworth, Kansas;
- “Jack Johnson fought boxing matches after his release from prison, but never regained the heavyweight championship title;
- “Jack Johnson supported this Nation during World War II by encouraging citizens to buy war bonds and by participating in exhibition boxing matches to promote the sale of war bonds;
- “Jack Johnson died in an automobile accident in 1946; and
- “1954, Jack Johnson was inducted into the Boxing Hall of Fame.”

Committee Action: H. Con. Res. 214 was introduced on September 18, 2008, and referred to the Committee on the Judiciary, which took no official action.

Cost to Taxpayers: The resolution does not authorize expenditures.

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.

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H.R. 4120—Effective Child Pornography Prosecution Act of 2007 *(Boyda, D-KS)*

Order of Business: The bill is scheduled to be considered on Thursday, September 25, 2008, under a motion to suspend the rules and pass the bill.

Summary: H.R. 4120 would make technical changes to title 18 of U.S. Code to provide for more effective prosecution of cases involving child pornography. Specifically, the bill would clarify the ban on child pornography by outlawing the use of “any means or facility of interstate or foreign commerce” to transport child pornography. The bill would also make illegal to “knowingly access with intent to view,” child pornography on the internet.

The bill lists the following findings:

- “Child pornography is estimated to be a multibillion dollar industry of global proportions, facilitated by the growth of the Internet;
- “Recent data has shown that 83 percent of child pornography possessors had images of children younger than 12 years old, 39 percent had images of children younger than 6 years old, and 19 percent had images of children younger than 3 years old;
- “Child pornography is a permanent record of a child's abuse and the distribution of child pornography images revictimizes the child each time the image is viewed;
- “Child pornography is readily available through virtually every Internet technology, including Web sites, email, instant messaging, Internet Relay Chat, newsgroups, bulletin boards, and peer-to-peer;
- “The technological ease, lack of expense, and anonymity in obtaining and distributing child pornography over the Internet has resulted in an explosion in the multijurisdictional distribution of child pornography;
- “The Internet is well recognized as a method of distributing goods and services across State lines;
- “The transmission of child pornography using the Internet constitutes transportation in interstate commerce.”

Committee Action: H.R. 4120 was introduced on November 8, 2007 and was referred to the Committee on the Judiciary where no official action was taken.

Cost to Taxpayers: There is no CBO cost estimate for H.R. 4120.

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.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: Though the bill contains no earmarks, and there’s no accompanying committee report, the earmarks rule (House Rule XXI, Clause 9(a)) does not apply, by definition, to legislation considered under suspension of the rules.

Constitutional Authority: A committee report citing constitutional authority was not available at press time.

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H.R. 1777—Need-Based Educational Aid Act of 2007 *(Delahunt, D-MA)*

Order of Business: The bill is scheduled to be considered on Thursday, September 25, 2008, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1777 would permanently exempt colleges and universities from antitrust laws that obstruct institutions of higher learning from establishing common standards and practices for awarding non-federal, institutional financial aid. The current exemption, which was passed by Congress in 2001, will expire on September 30, 2008.

H.R. 1777 was first considered in the House on April 30, 2008, and passed by voice vote. H.R. 1777 will be considered today with some sort of Senate amendment. Though the text of the amended bill is not available, it is likely that the Senate amendment would place a limit on the length of the exemption, which is permanent in the House-pass version.

Additional Background: According to [House Report 110-577](#), certain Ivy League colleges and universities made an agreement in the 1950s to establish common practices for awarding institutional (non-federal) aid to students with financial needs. These schools continued to coordinate their internal financial aid programs through 1989, when the Justice Department filed an antitrust suit against nine Ivy League colleges and universities that engaged in the practice. In response to the suit, Congress passed a temporary antitrust exemption (known as Section 568) that allowed colleges to establish common standards for awarding need-based, non-federal financial aid. The purpose of the provision is to enhance access to colleges and universities by allowing schools to coordinate practices for distributing non-federal aid in a manner that helps the largest number of financially disadvantaged students. In 2007, colleges and universities provided students with \$26 billion in non-federal institutional aid, compared to the \$15 billion in aid that came from federal grant programs.

Committee Action: H.R. 1777 was introduced on March 29, 2007, and referred to the Committee on the Judiciary, which held a mark-up on April 2, 2008, and reported the bill by voice vote.

Cost to Taxpayers: According to CBO, H.R. 1777 would not affect spending or revenues.

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.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits? According to the Committee on the Judiciary, in [House Report 110-577](#), H.R. 1777 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(d), 9(e), or 9(f) of Rule XXI.

Constitutional Authority: According to [House Report 110-577](#), the Committee on the Judiciary cites constitution authority in Article I, Section 8, Clause 3 (the “commerce clause”).

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H.R. 1157— Breast Cancer and Environmental Research Act of 2007 (Lowey, D-NY)

Order of Business: The bill is scheduled to be considered on Thursday, September 25, 2008, under a motion to suspend the rules and pass the bill.

Summary: H.R. 1157 would require the Secretary of Health and Human Services, acting through the Director of NIH, to make grants to public or non-profit entities to develop and operate a collaborative center for research on environmental factors that may be related to breast cancer. The bill would establish the Breast Cancer and Environmental Research Panel to develop a comprehensive strategy for the collaborative centers. The bill would authorize \$40 million annually over the FY 2009 through FY 2013 period to carryout the grant program.

Committee Action: H.R. 1157 was introduced on February 16, 2007 and was referred to the Energy and Commerce, which held a mark-up and reported the bill on September 23, 2008.

Cost to Taxpayers: A CBO score for H.R. 1157 was not available, but the bill would authorize \$40 million in FY 2009 and \$200 million over the FY 2009 through FY 2013 period.

Does the Bill Expand the Size and Scope of the Federal Government? Yes, the bill would create a new grant program to establish collaborative centers for research on environmental factors that may be related to breast cancer.

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

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: Though the bill contains no earmarks, and there’s no accompanying committee report, the earmarks rule (House Rule XXI, Clause 9(a)) does not apply, by definition, to legislation considered under suspension of the rules.

Constitutional Authority: A committee report citing constitutional authority was not available at press time.

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H.R. 6568—Tom Lantos Pulmonary Hypertension Research and Education Act of 2008 (Brady, R-TX)

Order of Business: The bill is scheduled to be considered on Thursday, September 25, 2008, under a motion to suspend the rules and pass the bill.

Summary: H.R. 6568 would require the Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, to carry out an educational campaign to increase public awareness of pulmonary hypertension. The bill would authorize the Secretary to distribute print, video, and Web-based materials to carry out the requirement. H.R. 6568 would authorize \$2.5 million annually, through 2011, to fund the educational program.

The legislation would also require the Secretary to carry out an informational campaign to increase awareness of pulmonary hypertension among health care providers. H.R. 6568 would authorize \$2.5 million annually, through 2011, to fund the educational program for health care providers.

Finally, H.R. 6568 would require GAO to conduct a study of on the coverage standards that, apply to patients with pulmonary hypertension under as Medicare and Medicaid.

Committee Action: H.R. 6568 was introduced on July 22, 2008 and was referred to the Energy and Commerce, which held a mark-up and reported the bill by voice vote on September 23, 2008.

Cost to Taxpayers: A CBO score for H.R. 6568 was not available, but the bill would authorize \$5 in FY 2009 and \$15 million over the FY 2009 through FY 2011 period.

Does the Bill Expand the Size and Scope of the Federal Government? Yes, it would create two new educational campaigns to increase public and professional awareness of pulmonary hypertension.

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

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: Though the bill contains no earmarks, and there's no accompanying committee report, the earmarks rule (House Rule XXI, Clause 9(a)) does not apply, by definition, to legislation considered under suspension of the rules.

Constitutional Authority: A committee report citing constitutional authority was not available at press time.

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H.R. 3232—Travel Promotion Act of 2007 (*Delahunt, D-MA*)

Order of Business: The bill is scheduled to be considered on Thursday, September 25, 2008, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3232 would establish the Corporation for Travel Promotion as a non-profit corporation to promote tourism in the U.S. and provide information regarding entry into the U.S. by foreign tourists. The Corporation would not be an agency or establishment of the United States Government and would be subject to the provisions of the District of Columbia Nonprofit Corporation Act. The Corporation would be overseen by a board of directors of 14 members, appointed by the Secretary of Commerce after consultation with the Secretaries of Homeland Security, State, and Education.

The board would be required to establish annual objectives for the Corporation. The Corporation would establish a tourism marketing plan for each fiscal year, an annual budget, and submit an annual report to Congress and the Secretary of Treasury. The board would be responsible for providing information to foreign tourists, business people, students, scholars, scientists and others interested in traveling to the U.S., identifying and addressing perceptions in other countries regarding U.S. entry policies, and maximizing the economic and diplomatic benefits of travel to the U.S.

H.R. 3232 would authorize the Corporation to borrow up to \$10 million from the treasury in its first fiscal year of operation. The Corporation would be required to pay the loan back by 2012.

In future years the Corporation would be funded through new fees on foreigners using electronic traveler authorization systems that collect basic biographical information in order to determine the eligibility of an alien to travel to the U.S. The treasury would be authorized to transfer up to \$100 million collected from traveler authorization fees to the Corporation annually.

Additional Background: According to findings listed in the bill's text, "the tightening of the entry process to the United States after September 11, 2001, is partly responsible for the number of international travelers to the United States in the six years from 2001 to 2006, as recorded by the Department of Commerce, being 56,000,000, or 17 percent, lower than the expected number of international travelers during that period, based on the trend from the previous six years." The Department of Commerce has estimated that these 56 million expected travelers would have spent \$98 billion in the United States. Therefore, the bill states that it is in the nation's best interest to establish a mechanism to coordinate efforts to

communicate information about our country's entry policies to potential travelers in the hope that it will encourage them to visit the U.S.

Though the legislation is supported by 244 cosponsors, the White House and the Department of Commerce have openly voiced their objection to the bill. On September 24, 2008, the Secretary of Commerce sent a letter to Congressional leadership outlining his opposition to the bill. In the letter Secretary Gutierrez states:

This is not the time to create a new entity that may be perceived as a Government-Sponsored Enterprise, with access to up to \$100 million in government revenues for each of fiscal years 2010-2018. These revenues would come from the imposition of new fees on the very travelers that this legislation is seeking to attract to the United States. The U.S. travel and tourism industry does not need millions of dollars in new government handouts. Indeed, international visitation and U.S. tourism receipts are both at record-breaking levels. In 2007, the United States set new records with 56 million international visitors who spent a record \$122 billion. For the first six months of 2008, international visitors have increased 11 percent over the same period in 2007 and their spending is up 23 percent, putting us on track for another record year.

This legislation would authorize a fee on travelers to the United States and would give it to the travel and tourism industry to promote itself. When the government levies fees on foreign tourists to visit our country, the monies should be used for an inherently governmental purpose - such as securing the border from terrorists and effectively administering border security programs - not to subsidize the US. travel and tourism industry.

Committee Action: H.R. 3232 was introduced on July 31, 2007, and was referred to the Energy and Commerce, which held a mark-up and reported the bill, as amended, by voice vote on September 23, 2008.

Cost to Taxpayers: A CBO score for H.R. 3232 was not available.

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.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax

Benefits/Limited Tariff Benefits?: Though the bill contains no earmarks, and there's no accompanying committee report, the earmarks rule (House Rule XXI, Clause 9(a)) does not apply, by definition, to legislation considered under suspension of the rules.

Constitutional Authority: A committee report citing constitutional authority was not available at press time.

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H.R. 3402—Calling Card Consumer Protection Act (*Engel, D-MA*)

Order of Business: The bill is scheduled to be considered on Thursday, September 25, 2008, under a motion to suspend the rules and pass the bill.

Summary: H.R. 3402 would require any prepaid telephone calling service provider or prepaid telephone calling card distributors to clearly and conspicuously disclose certain information, including:

- The total value in dollars or the number of calling minutes available.
- A description of any terms and conditions pertaining to the use of the prepaid service.
- The name of the prepaid telephone calling service provider
- The prepaid telephone calling service provider's customer service telephone number and hours of service.

The bill would require the service provide to disclose the information in a “clear and conspicuous” location. In the case of a calling card, the bill would require the information be printed on the card. The bill would also require the information to be printed on any advertising for the prepaid telephone calling card or service. The bill would require the Federal Trade Commission (FTC) to issue and enforce new regulations to carry out the bill's requirements.

Additional Background: Findings in the bill state that “the prepaid telephone calling card industry in the United States is plagued by fraudulent and deceptive business practices” and that “the necessary protections relating to prepaid telephone calling cards must ensure that all advertising is truthful, accurate, and reasonably discloses the terms and conditions of prepaid telephone calling cards and prepaid telephone calling services.” However, many in the telecommunications industry object to the bill on the grounds that its requirements, especially the requirement to print a large amount of information on a small calling card, are overly burdensome and onerous. The bill has also been criticized for giving the FTC the power to enforce these requirements despite the fact that these companies are already regulated by the FCC.

In a letter to House Leadership, USTelecom stated its opposition to the bill:

The bill's laudable objective of providing consumers with “clear and conspicuous” information disclosure about these calling cards is undermined by the long and prescriptive list of disclosures that, under the approach being contemplated, must appear on the cards themselves. Even if all these disclosures could be fit onto a 2-by-3 inch calling card, as the bill requires, they would have to appear in a type size so small that the average consumer would derive little real benefit at all. Moreover, while it is clear from the two recent congressional hearings on this subject that the business practices of our membership in this area are not in question, the bill could

subject telecom providers to duplicative and inconsistent regulation and enforcement from two different federal agencies and a multitude of state and local authorities.

Possible Conservative Concerns: Some conservatives may be concerned that H.R. 3402 would create new regulations that require calling service providers or prepaid telephone calling card distributors to provide a litany of printed information on all calling cards and calling card advertisements. Some conservatives may be concerned that these requirements may be costly to calling service providers (who would inevitably pass the cost onto consumers) and confusing for customers.

Committee Action: H.R. 3402 was introduced on August 3, 2007, and was referred to the Energy and Commerce, which held a mark-up and reported the bill, as amended, by voice vote on September 23, 2008.

Cost to Taxpayers: A CBO score for H.R. 3402 was not available.

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.

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: Though the bill contains no earmarks, and there's no accompanying committee report, the earmarks rule (House Rule XXI, Clause 9(a)) does not apply, by definition, to legislation considered under suspension of the rules.

Constitutional Authority: A committee report citing constitutional authority was not available at press time.

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