Legislative Bulletin......November 29, 2011

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# H.R. 1801 - Risk-Based Security Screening for Members of the Armed Forces Act (Cravaack, R-MN)

<u>Order of Business</u>: The bill is scheduled to be considered on Tuesday, November 29, 2011, under a motion to suspend the rules and pass the legislation.

<u>Summary</u>: H.R. 1801 would direct the Assistant Secretary of Homeland Security to develop and implement a plan to allow members of the Armed Forces, and their families, expedited security screening at airports.

This would apply to uniformed members of the Armed Forces who present official documentation indicating official orders. The effective date of this legislation is 180 days after enactment. The Assistant Secretary shall submit a report to Congress on the implementation of this plan.

<u>Committee Action</u>: H.R. 1801 was introduced on May 10, 2011, and was referred to the House Homeland Security Subcommittee on Transportation Security and Infrastructure Protection. The subcommittee met on May 12, 2011 and favorably reported the legislation by voice vote, without amendment. The full committee met on September 21, 2011 and favorably reported the legislation by voice vote, as amended.

**Administration Position:** No Statement of Administration Policy is available.

<u>Cost to Taxpayers</u>: CBO estimates that fully funding H.R. 1801 would cost less than \$500,000 annually, assuming the availability of appropriated funds. CBO's report can be viewed here.

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

<u>Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?</u>: According to House Report 112-271, H.R. 1801 contains no

intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

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

<u>Benefits/Limited Tariff Benefits</u>?: According to <u>House Report 112-271</u>, H.R. 1801 contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of the rule XXI.

<u>Constitutional Authority</u>: Rep. Cravaack's statement on constitutional authority states that "Congress has the power to enact this legislation pursuant to the following: This bill is enacted pursuant to Article I, Section 8, Clause 1 of the Constitution of the United States and Article I, Section 8, Clause 18 of the Constitution of the United States." The statement can be viewed here.

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## H.R. 2465 – Federal Workers' Compensation Modernization and Improvement Act (Kline, R-MN)

<u>Order of Business</u>: The bill is scheduled to be considered on Tuesday, November 29, 2011, under a motion to suspend the rules and pass the legislation.

**Summary:** H.R. 2465, the Federal Workers' Compensation Modernization and Improvement Act would make several changes to the Federal Employees' Compensation Program. The program was established by the Federal Employees' Compensation Act and covers approximately 3 million federal workers. In 2010, the program provided \$2.86 billion in benefits to approximately 251,000 workers and survivors.

H.R. 2465 would allow physician assistants and advanced practice nurses to certify injuries and disabilities and be reimbursed for providing care to eligible workers.

H.R. 2465 would allow coverage for federal employees injured in a terrorist attack in the United States or abroad. The legislation would also extend the period of time during which a worker is eligible for continuation of pay while awaiting determination on a claim from 45 to 135 days. It would also allow costs for continuation of pay to be subrogated (reimbursed by any responsible, non-federal government party), reducing some costs for the program.

H.R. 2465 would expand the payment for workers suffering an injury that results in serious disfigurement of the face, head, or neck to up to \$50,000 (indexed to inflation in later years) from \$3,500. The legislation would also expand the payment for burial services for workers killed in the performance of their duties to up to \$6,000 (indexed to inflation in later years) from \$800.

H.R. 2465 would allow the Department of Labor to require workers filing a claim under the program to authorize the Department to cross-check the worker's earnings information with the Social Security Administration. This provision would make it easier to detect fraudulent claims and prevent improper payments. The legislation would also require federal agencies to make payments to the program for administrative expenses resulting from the inclusion of their employees in the program.

<u>Committee Action</u>: H.R. 2465 was introduced on July 8, 2011 and referred to the House Committee on Education and the Workforce. The Committee held a markup on July 13, 2011 and the legislation was ordered reported by voice vote.

**Administration Position:** No Statement of Administration Policy is available.

<u>Cost to Taxpayers:</u> CBO estimates that enacting H.R. 2465 would reduce net direct spending by a total of \$22 million over the 2012-2021 period, including \$16 million in off-budget savings. From the <u>CBO cost estimate</u>:

CBO estimates that the provisions increasing the maximum disfigurement award schedule and increasing benefits for funeral expenses would increase direct spending for FECA by about \$10 million over the 2012-2021 period. Those costs would be more than offset by provisions in the bill that would reduce direct spending for FECA. ... In total, gross direct spending would decline by \$54 million over the 2012-2021 period, CBO estimates. Because agencies are ultimately responsible for the costs of FECA, those savings would be offset by lower reimbursements from federal agencies of about \$48 million, CBO estimates. Thus, net savings would total \$6 million over the 2012-2021 period.

**Does the Bill Expand the Size and Scope of the Federal Government?:** No. H.R. 2465 makes limited changes to eligibility and award levels for the Federal Employees Compensation Program, while instituting reforms that will lead to \$6 million in reduced future federal government spending.

<u>Sector Mandates</u>?: No. As <u>CBO</u> states, "H.R. 2465 contains no intergovernmental or private-sector mandates as defined in UMRA."

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

<u>Benefits/Limited Tariff Benefits</u>?: 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.

<u>Constitutional Authority</u>: Rep. Kline's statement of constitutional authority states: "Congress has the power to enact this legislation pursuant to the following: Article I, section 8 of the Constitution of the United States." The statement can be <u>viewed here</u>.

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<sup>\*</sup>Special thanks to RSC Staffer Cyrus Artz who is on a leave of absence to serve his country in Afghanistan. God's speed sir.

#### H.R. 3012 – Fairness for High-Skilled Immigrants Act (Chaffetz, R-UT)

<u>Order of Business:</u> H.R. 3012 is scheduled to be considered on Tuesday, November 29, 2011 under suspension of the rules requiring two-thirds majority vote for passage.

<u>Summary:</u> H.R. 3012 amends the Immigration and Nationality Act by eliminating the per-country limitation for employment-based immigration and increasing the per-country limitation for family-sponsored immigrants from 7% to 15%.

Additional Background: With certain exceptions, current law caps the total number of employment-based and family-sponsored immigrant visas made available to each foreign country at 7% of the total worldwide, annual limits. In general, employment-based visas are capped at 140,000 visas, and family-sponsored visas are capped at 480,000 per year. The Congressional Budget Office (CBO) states that these caps have been reached in recent years and expects this trend to continue.

According to the bill sponsor, per-country limits in the context of employment-based immigration is not sound immigration policy since American companies view all highly skilled immigrants the same regardless of their country of origin. Therefore, while not impacting the existing caps on the total levels of employment-based and family-sponsored visas that can be issued each year, H.R. 3012 eliminates the 7% per country cap on employment-based visas and increases per-country family-sponsored immigrant visas from 7% to 15%.

The bill provides transition rules for fully eliminating the per-country employment-based 7% visa cap within three years as follows:

- ➤ For 1<sup>st</sup> preference employment-based category (aliens with extraordinary ability, outstanding professors, and researchers and certain multinational executives and managers), the cap is eliminated effective upon enactment. There are indications that visa backlogs in this category are not problematic;
- For 2<sup>nd</sup> preference (members of professions holding advanced degrees and aliens of exceptional ability) and 3<sup>rd</sup> preference (skilled workers, professionals with bachelor degrees, and unskilled workers) employment-based categories:
  - 15% of employment-based visas in fiscal year 2012 are reserved for natives of countries other than the top two countries of visas receipts by natives in these categories in fiscal year 2010 (India and China, respectively);
  - In fiscal years 2013 and 2014, 10% of employment-based visas are reserved for countries other than the top two countries of visas receipt in the previous two fiscal years (presumably, India and China);
  - Reserved Visas—aliens from no single country can take more than 25% of the reserved visas; and

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<sup>&</sup>lt;sup>1</sup> 8 U.S.C. section 1151 (d) and section (b).

 Unreserved Visas—aliens from no single country can take more than 85% of the unreserved visas.

Lastly, the State Department is permitted to issue visas regardless of the above transition rules if such rules would result in immigrant visas going unused.

<u>Outside Groups Supporting</u>: Compete America, <sup>2</sup> TechAmerica, <sup>3</sup> Immigration Voice, <sup>4</sup> and the U.S. Chamber of Commerce.

<u>Outside Groups Neutral</u>: Numbers USA and Federation for American Immigration Reform.

Committee Action: Rep. Jason Chaffetz (R-UT) introduced H.R. 3012 on September 22, 2011 which was referred to the Committee on the Judiciary. The Committee marked up the bill on October 27, 2011 and reported the bill out favorably by voice vote with an amendment. Rep. Steve King (R-IA) offered an amendment to remove the increase in family-sponsored per country immigrant caps from 7% to 15%. The amendment failed by a vote of 6-23.

<u>Administration Position</u>: There is no statement of Administrative position with regard to this bill.

<u>Cost to Taxpayers:</u> The Congressional Budget Office (CBO) issued a cost estimate for H.R. 3012 on November 17, 2011. The estimate implementing H.R. 3012 would have no significant budgetary impact.

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

<u>Sector Mandates?</u>: The CBO report states that H.R. 3012 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of State, local, or tribal governments.

<u>Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax</u> <u>Benefits/Limited Tariff Benefits?</u>: The CBO report states that H.R. 3012 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of Rule XXI.

<u>Constitutional Authority</u>: The Constitutional Authority Statement published in the Congressional Record upon introduction of the bill states: "Congress has the power to

<sup>&</sup>lt;sup>2</sup> A coalition of high tech companies and trade groups including Microsoft, Google, Intel, The Business Software Alliance, and the SemiConductor Industry Association).

<sup>&</sup>lt;sup>3</sup> According to the bill sponsor, this group is the U.S. technology industry's largest advocacy organization representing over 1,000 leading innovative companies.

<sup>&</sup>lt;sup>4</sup> A coalition of highly-skilled foreign professionals.

enact this legislation pursuant to the following: This law is enacted pursuant to Article I, Section 8, Clauses 4 and 18 to the U.S. Constitution."

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## H.R. 2192 – National Guard and Reservist Debt Relief Extension Act of 2011 (Cohen, D-TN)

<u>Order of Business</u>: The bill is scheduled to be considered on Tuesday, November 29, 2011 under a motion to suspend the rules requiring two-thirds majority vote for passage.

<u>Summary:</u> H.R. 2192 extends by four years an expiring exemption of the means-test presumption of abuse under chapter 7 bankruptcy law for qualifying members of the National Guard and Reserves. Qualifying members are those reservist members of the Armed Forces and National Guard whom have been called to active duty or to perform a homeland defense activity (after September 11, 2001) for more than 90 days. The current law exemption expires on December 19, 2011.

According to the Judiciary Committee report (House Report 112-256), Bankruptcy law since 2005 has included a "means test" to determine whether individual debtors have the financial ability to use a portion of their monthly income towards the repayment of their creditors. If a debtor is determined to have some ability to repay, the filing of a chapter 7 bankruptcy application is presumed to be "substantial abuse" and the application can be dismissed. The report notes that a chapter 7 bankruptcy application is typically preferred to a chapter 13 bankruptcy petition since "a debtor in a chapter 7 case obtains a discharge relatively quickly and without the repayment conditions [that chapter 13 applications require]."

In 2008, Congress <u>passed S. 3197</u>,<sup>5</sup> the National Guard and Reservists Debt Relief Act of 2008. This bill sought to address the financial hardship of returning military reservists and National Guard members by exempting these servicemen and servicewomen from meant testing requirements to file for chapter 7 bankruptcies until December 19, 2011. Note—on June 23, 2008, the House passed by a voice vote <u>H.R. 4044</u>, a nearly identical bill to S. 3197.

Additional Background: The Committee report explains that 776,413 military reservists have either involuntarily or voluntarily been activated to defend American interests abroad between 2001 and 2010. According to a Government Accountability Office (GAO) report required by the original enacting legislation, only 8% of eligible servicemembers claimed the means test exemption since the exemption has been effective and that "only 32% of the aggregate debt reported by servicemembers could potentially be discharged."

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<sup>&</sup>lt;sup>5</sup> Public Law Number <u>110-448</u>

<u>Committee Action</u>: Representative Steve Cohen (D-TN) introduced H.R. 2192 on June 15, 2011. On September 21, 2011, the Judiciary Committee reported the bill out of Committee by voice vote.

<u>Administration Position</u>: As of press time, no Statement of Administration Policy (SAP) has been released.

<u>Cost to Taxpayers</u>: The Congressional Budget Office (CBO) released a cost estimate for H.R. 2192 on October 5, 2011 which stated that implementing the bill would have no significant impact on the federal budget.

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?: The CBO report states that "H.R. 2192 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments."

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

Benefits/Limited Tariff Benefits?: Yes. According to House Report 112-256, H. R.
2192 does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

<u>Constitutional Authority</u>: The Constitutional Authority Statement accompanying the bill upon introduction states, "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, clause 4 of the United States Constitution."

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