



**Legislative Bulletin.....July 17, 2012**

**Contents:**

- S. 2039** - A bill to allow a State or local government to construct levees on certain properties otherwise designated as open space lands
- S. 1959** - Haqqani Network Terrorist Designation Act of 2011, as amended
- H.R. 6018** - To authorize appropriations for the Department of State for fiscal year 2013, and for other purposes, as amended
- S. 2165** - United States-Israel Enhanced Security Cooperation Act of 2012
- S. 2009** - Insular Areas Act of 2011
- H.R. 5872**—Budget and Accounting Transparency Act

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**S. 2039 – A bill to allow a State or local government to construct levees on certain properties otherwise designated as open space lands (Sen. Hoevan, R-ND)**

**Order of Business:** S. 2039 is scheduled to be considered on Tuesday, July 17, 2012, under a motion to suspend the rules and pass the bill.

**Summary:** S. 2039 would grant the Administrator of the Federal Emergency Management Agency (FEMA) the authority to approve the construction of a permanent flood risk reduction levee by a state, local, or tribal government on covered hazard mitigation land if the Administrator and the Chief of Engineers determine, through a process established by the Administrator and Chief of Engineers and funded entirely by the State, local, or tribal government seeking to construct the proposed levee, that:

- construction of the proposed permanent flood risk reduction levee would more effectively mitigate against flooding risk than an open floodplain or other flood risk reduction measures;
- the proposed permanent flood risk reduction levee complies with Federal, State, and local requirements, including mitigation of adverse impacts and implementation of floodplain management requirements, which shall include an evaluation of whether the construction, operation, and maintenance of the proposed levee would continue to meet best available industry standards and practices, would be the most cost-effective measure to protect against the assessed flood risk and minimizes future costs to the federal government;
- the State, local, or tribal government seeking to construct the proposed levee has provided an adequate maintenance plan that documents the procedures the State, local, or tribal government will use to ensure that the stability, height, and overall integrity of the proposed levee and the structure and systems of the proposed levee are maintained, including:

- specifying the maintenance activities to be performed;
- specifying the frequency with which maintenance activities will be performed;
- specifying the person responsible for performing each maintenance activity (by name or title);
- detailing the plan for financing the maintenance of the levee; and
- documenting the ability of the State, local, or tribal government to finance the maintenance of the levee.

Lastly, the state or local government also must submit to FEMA and the corps an annual certification indicating whether it is in compliance with its maintenance plan, which the corps would review.

**Background:** FEMA provides hazard mitigation assistance in connection with flooding only if the project in question meets certain criteria under the Hazard Mitigation Grant Program within the Robert T. Stafford Disaster Relief and Emergency Assistance Act. The Act disallows new structures from being built on the property, except restrooms or other open space facilities. Part of the eligibility criteria is for the lands to be dedicated to open space, recreation, or wetlands management purposes. The legislation by-passes these restrictions by allowing FEMA to approve construction of a permanent flood risk-reduction levee on North Dakota land that was acquired and deed-restricted for open-space use only under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

**Committee Action:** S. 2039 was introduced and passed with an amendment by unanimous consent on January 26, 2012 in the Senate. On January 30, 2012 the bill was referred to the House subcommittee on Water Resources and Environment.

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

**Cost to Taxpayers:** No CBO report was provided.

**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 earmarks rule (House Rule XXI, Clause 9(a)) does not apply, by definition, to legislation considered under suspension of the rules.

**Constitutional Authority:** No constitutional authority statement was provided.

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**S. 1959 – Haqqani Network Terrorist Designation Act of 2011  
(Sen. Burr, R-NC)**

**Order of Business:** The bill is scheduled to be considered on Tuesday, July 17, 2012, under a motion to suspend the rules requiring two thirds majority vote for passage.

**Summary:** The bill requires the Secretary of State to submit a detailed report (in unclassified form, but may include a classified annex) to the appropriate committees of Congress within 30 days of enactment including:

- “...whether the Haqqani Network meets the criteria for designation as a foreign terrorist organization as set forth in section 219 of the Immigration and Nationality Act (8 U.S.C. 1189); and
- “If the Secretary determines that the Haqqani Network does not meet the criteria set forth under such section 219, a detailed justification as to which criteria have not been met.”

The bill defines the term “appropriate committees of Congress” to mean:

- “the Committee on Armed Services, Foreign Relations, and the Select Committee on Intelligence in the Senate; and
- “the Committee on Armed Services, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives.”

It also declares, “Nothing in this Act may be construed to infringe upon the sovereignty of Pakistan to combat militant or terrorist groups operating inside the boundaries of Pakistan.”

**Additional Information:** S. 1959 includes the following congressional findings under the section title, “Report on Designation of the Haqqani Network as a Foreign Terrorist Organization.”

- (1) “A report of the Congressional Research Service on relations between the United States and Pakistan states that ‘[t]he terrorist network led by Jalaluddin Haqqani and his son Sirajuddin, based in the FATA, is commonly identified as the most dangerous of Afghan insurgent groups battling U.S.-led forces in eastern Afghanistan’.”
- (2) “The report further states that, in mid-2011, the Haqqanis undertook several high-visibility attacks in Afghanistan. First, a late June assault on the Intercontinental Hotel in Kabul by 8 Haqqani gunmen and suicide bombers left 18 people dead. Then, on September 10, a truck bomb attack on a United States military base by Haqqani fighters in the Wardak province injured 77 United States troops and killed 5 Afghans. A September 13 attack on the United States Embassy compound in Kabul involved an assault that sparked a 20-hour-long gun battle and left 16 Afghans dead, 5 police officers and at least 6 children among them.
- (3) “The report further states that ‘U.S. and Afghan officials concluded the Embassy attackers were members of the Haqqani network’.”
- (4) “In September 22, 2011, testimony before the Committee on Armed Services of the Senate, Chairman of the Joint Chiefs of Staff Admiral Mullen stated that ‘[t]he Haqqani network, for one, acts as a veritable arm of Pakistan's Inter-Services Intelligence agency. With ISI support, Haqqani operatives plan and conducted that [September 13] truck bomb attack, as well as the assault on our embassy. We also have credible evidence they were behind the June 28th attack on the Intercontinental Hotel in Kabul and a host of other smaller but effective operations’.”

- (5) “In October 27, 2011, testimony before the Committee on Foreign Affairs of the House of Representatives, Secretary of State Hillary Clinton stated that `we are taking action to target the Haqqani leadership on both sides of the border. We're increasing international efforts to squeeze them operationally and financially. We are already working with the Pakistanis to target those who are behind a lot of the attacks against Afghans and Americans. And I made it very clear to the Pakistanis that the attack on our embassy was an outrage and the attack on our forward operating base that injured 77 of our soldiers was a similar outrage.”
- (6) “At the same hearing, Secretary of State Clinton further stated that `I think everyone agrees that the Haqqani Network has safe havens inside Pakistan; that those safe havens give them a place to plan and direct operations that kill Afghans and Americans.’”
- (7) “On November 1, 2011, the United States Government added Haji Mali Kahn to a list of specially designated global terrorists under Executive Order 13224. The Department of State described Khan as `a Haqqani Network commander' who has `overseen hundreds of fighters, and has instructed his subordinates to conduct terrorist acts.' The designation continued, `Mali Khan has provided support and logistics to the Haqqani Network, and has been involved in the planning and execution of attacks in Afghanistan against civilians, coalition forces, and Afghan police'. According to Jason Blazakis, the chief of the Terrorist Designations Unit of the Department of State, Khan also has links to al-Qaeda.”
- (8) “Five other top Haqqani Network leaders have been placed on the list of specially designated global terrorists under Executive Order 13224 since 2008, and three of them have been so placed in the last year. Sirajuddin Haqqani, the overall leader of the Haqqani Network as well as the leader of the Taliban's Mira shah Regional Military Shura, was designated by the Secretary of State as a terrorist in March 2008, and in March 2009, the Secretary of State put out a bounty of \$5,000,000 for information leading to his capture. The other four individuals so designated are Nasiruddin Haqqani, Khalil al Rahman Haqqani, Badruddin Haqqani, and Mullah Sangeen Zadran.”

**Committee Action:** Senator Richard Burr (R-NC) introduced S. 1959 on December 11, 2011 where the Senate Foreign Relations Committee took no further action. On December 17, 2011, the Senate passed the bill with an amendment by Unanimous Consent. No House Judiciary Committee action has been taken on the bill.

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

**Cost to Taxpayers:** A CBO report detailing the cost to taxpayers 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.

**Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?:** The legislation does not contain earmarks, limited tax benefits, or limited tariff benefits.

**Constitutional Authority:** No Constitutional Authority Statement has been included with the bill. However, a similar House companion bill (H.R. 6036) declares that, “Congress has the power to enact this legislation pursuant to the following: The bill relates to matters concerning the foreign

policy and national security of the United States. Article I, section 8 of the Constitution of the United States provides, in pertinent part, that "Congress shall have power ... to pay the debts and provide for the common defense and general welfare of the United States"; ". . . to raise and support armies. . ."; "To provide and maintain a Navy"; "To make Rules for the Government and Regulation of the land and naval Forces"; and "To make all laws which shall be necessary and proper for carrying into Execution the foregoing Powers and all other Powers vested in this Constitution in the Government of the United States, or in any Department or Officer thereof."

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## **H.R. 6018 - To authorize appropriations for the Department of State for fiscal year 2013, and for other purposes, as amended (Ros-Lehtinen, R-FL)**

**Order of Business:** The legislation is scheduled to be considered on July 17, 2012, under a motion to suspend the rules and pass the legislation.

**Summary:** H.R. 6018 authorizes activities for the Department of State for fiscal year 2013.

### **Title I: Authorization of Appropriations**

The legislation authorizes for appropriation approximately \$15,408,000,000. Details are below:

Diplomatic and Consular Programs .....	\$8,983,778,000
Capital Investment Fund .....	\$59,380,000
Embassy Security, Construction, and Maintenance .....	\$1,570,000,000
Education and Cultural Exchange Programs.....	\$598,800,000
Representation Allowances .....	\$7,300,000
Protection of Foreign Missions and Officials .....	\$27,000,000
Emergencies in the Diplomatic and Consular Service .....	\$9,300,000
Repatriation Loans .....	\$1,447,000
Payment to the Americans Institute in Taiwan .....	\$21,108,000
Office of the Inspector General .....	\$129,086,000
Contributions to International Organizations .....	\$1,551,000,000
Contributions for International Peace Keeping Activities .....	\$1,828,182,000
International Boundary and Water Commission, United States and Mexico .....	\$76,175,000
International Boundary and Water Commission, United States and Canada.....	\$2,279,000
International Joint Commission .....	\$7,012,000
International Fisheries Commission.....	\$36,300,000
Border Environment Cooperation Commission .....	\$2,396,000
Peace Crops .....	\$375,000,000
National Endowment for Democracy.....	\$122,764,000

### **Title II – Department of States Authorities and Activities**

The legislation authorizes Special Agents of the State Department to conduct investigations concerning identity theft, and to conduct investigations concerning federal offenses committed within the special maritime and territorial jurisdiction of the United States.

The legislation extends, through 2015, a clause that grants the Secretary of State increased discretion in conducting investigations of serious incidents (involving serious injury, loss of life, or significant destruction of property to the U.S. government).

H.R. 6018 includes the text of H.R. 4077, the Department of State Rewards Program Update and Technical Corrections Act of 2012. The legislation allows the Department of State to offer rewards for the arrest or conviction of participants in transnational organized crime, crimes against humanity, genocide, etc.

The legislation authorizes the Secretary to establish a Coordinator for Cyber Issues, that shall be appointed by the President and confirmed by the Senate. The Coordinator shall be responsible for cyberspace and cybersecurity issues and will be the principal advisor to the Secretary on international cyberspace and cybersecurity issues. Within 180 days after enactment, the Secretary shall issue a report to Congress that details a description of the State Department's internal cybersecurity efforts, as well as their work with other countries and international organizations to strengthen cooperative efforts to combat cybercrime and enhance information security. The Secretary is also directed to, within 90 days, determine if a country is a country of cybersecurity concern. This list of countries of cybersecurity concern shall be submitted to Congress.

H.R. 6018 authorizes the Secretary to establish the Center for Strategic Counterterrorism Communications. The Center may coordinate, orient, and inform government-wide public communications activities directed at audiences abroad and targeted against violent extremists and terrorist organizations, especially al-Qa'ida and its affiliates and adherents.

The legislation extends the Secretary's authority to establish and collect a surcharge on passports. This authority is extended through 2015. This fee expired at the end of fiscal year 2010, and the legislation extends it though fiscal year 2015.

H.R. 6018 amends the border crossing card fee for minors from \$13, to "a fee equal to one-half the fee that would otherwise apply for processing a machine readable combined border crossing identification card and nonimmigrant visa." According to the Committee, this fee is charged to Mexican children (under the age of 15), and the costs of machine-readable visas are now around \$140. This provision would arguably allow the Department to recoup a greater portion of the actual costs incurred.

### **Title III – Organization and Personnel Authorities**

The legislation allows the Secretary of State to suspend a member of the Foreign Service, without pay, when the member's security clearance is suspended or when there is cause to believe that the member has committed a crime. Any suspended member may file a grievance under chapter 11. The grievance will be reviewed by the Foreign Service Grievance Board. The Committee states that, at present, no administrative action can be taken before such an employee has been convicted.

The legislation repeals existing recertification requirements for senior Foreign Service staff. According to the Committee, the requirements did not serve a useful purpose, and added additional bureaucratic costs.

H.R. 6018 sets the maximum amount of compensatory time off at 104 hours during any leave year. This is equivalent to 13 eight-hour work days.

The legislation extends the Secretary’s authority (through fiscal year 2013) to hire retired State Department annuitants for high-risk posts.

#### **Title IV – United States International Broadcasting**

The legislation makes the below authorizations for international broadcasting:

International Broadcasting Operations .....	\$744,500,000
Broadcasting Capital Improvements .....	\$7,030,000

The legislation also extends, through fiscal year 2015, the ability of the Broadcasting Board of Governors (BBG) to employ personal services contractors.

#### **Title V – Arms Export Control Act Amendments and Related Provisions**

The legislation increases the authorization to transfer excess defense articles from \$425,000,000 to \$450,000,000. The legislation makes amendments to the Foreign Assistance Act to clarify that the annual military assistance report should include information regarding unlicensed exports of defense articles. The legislation also states that this report is due annually between January 31, and March 1, as opposed to on January 31.

The legislation also increases the congressional notification thresholds within the Arms Export Control Act (AECA). This allows the State Department the ability to use the fees they collect from arms manufacturers and exporters, without going through the Congressional appropriations process. The legislation also requires that the annual justification for proposed arm sales include a description of how the transfer advances U.S. strategies for regional cooperation.

The legislation expands the list of statutes that are in violation of the AECA. The legislation sets the maximum criminal penalty at \$1,000,000; or imprisonment for up to 20 years, for each violation. The Committee states these violations conform to the standards established under the International Emergency Economic Powers Act.

H.R. 6018 also amends the AECA to expand the prohibition on transactions with state sponsors of terrorism to nationals of those countries that have substantive contacts with that country. The legislation also clarifies the definition of “national,” and cites its definition in the code of federal regulations.

The legislation also adds an exemption to the AECA prohibition on transactions. The legislation allows certain federal law enforcement activities to engage in transactions. The Committee states the purpose of this must be for prosecuting persons suspected of supporting countries that are states sponsors of terrorism.

The legislation also allows the President to establish special licensing procedures for the export of replacement components, parts, equipment, software, etc, that are not designed as major defense equipment to U.S. allies (NATO members).

H.R. 6018 grants the President the authority to remove certain commercial satellites and related components and technology from the U.S. Munitions List. The President may exercise this authority only if the President sends a determination to Congress stating the transfer does not pose an unacceptable national security risk. This determination will include risk-mitigating controls, procedures, and safeguards that the President will put into place to reduce this risk. This particular language is similar to H.R. 3288. Satellites are prohibited from being transferred to the following:

- The People's Republic of China;
- Cuba;
- Iran;
- North Korea;
- Sudan; and
- Syria.

**Conservative Concerns:** Some conservatives have expressed concerns that the legislation authorizes over \$15 billion and is under suspension of the rules and therefore only subject to 20 minutes of debate per side and is not open to amendment.

Because authorizing language is not allowed to be attached to appropriations bills, these authorizing bills are the only chance for members to condition funding to organizations such as the United Nations.

While the legislation's overall authorization levels are set to be a decrease from current appropriations, some offices have expressed their interest in being able to amend the language and increase potential savings to the taxpayer.

**Committee Action:** H.R. 6018 was introduced on June 26, 2012, and was referred to the House Foreign Affairs Committee. The committee held a markup on June 27, 2012, and agreed to the legislation by unanimous consent.

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

**Cost to Taxpayers:** CBO estimates that H.R. 6018 would authorize spending, subject to appropriation, of \$16.224 billion over the 2013-2017 period.

According to the Committee, current spending levels are approximately \$18.12 billion, therefore this legislation would result in decreased authorizations, subject to appropriation, of approximately \$1.9 billion.

**Does the Bill Expand the Size and Scope of the Federal Government?:** The legislation authorizes the Secretary to establish a Coordinator for Cyber Issues, as well as the Center for Strategic Counterterrorism Communications. According to the Committee, current spending levels are approximately \$18.12 billion, therefore this legislation would result in decreased authorizations, subject to appropriation, of approximately \$1.9 billion.



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

**Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?:** The legislation does not contain earmarks, limited tax benefits or limited tariff benefits.

**Constitutional Authority:** Rep. Ros-Lehtinen 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 [viewed here](#).

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## **S. 2165 - United States-Israel Enhanced Security Cooperation Act of 2012 (*Sen. Boxer, D-CA*)**

**Order of Business:** The legislation is scheduled to be considered on July 17, 2012, under a motion to suspend the rules and pass the legislation.

**Summary:** S. 2165 states that it is U.S. policy:

- “To reaffirm our unwavering commitment to the security of the State of Israel as a Jewish state. As President Barack Obama stated on December 16, 2011, ‘America’s commitment and my commitment to Israel and Israel’s security is unshakeable.’ And as President George W. Bush stated before the Israeli Knesset on May 15, 2008, on the 60th anniversary of the founding of the State of Israel, “The alliance between our governments is unbreakable, yet the source of our friendship runs deeper than any treaty.”;
- “To help the Government of Israel preserve its qualitative military edge amid rapid and uncertain regional political transformation;
- “To veto any one-sided anti-Israel resolutions at the United Nations Security Council.
- “To support Israel’s inherent right to self-defense;
- “To pursue avenues to expand cooperation with the Government of Israel both in defense and across the spectrum of civilian sectors, including high technology, agriculture, medicine, health, pharmaceuticals, and energy;
- “To assist the Government of Israel with its ongoing efforts to forge a peaceful, negotiated settlement of the Israeli-Palestinian conflict that results in two states living side-by-side in peace and security, and to encourage Israel’s neighbors to recognize Israel’s right to exist as a Jewish state;
- “To encourage further development of advanced technology programs between the United States and Israel given current trends and instability in the region.”

It is the sense of Congress that the United States Government should take the following actions to assist in the defense of Israel:

- “Seek to enhance the capabilities of the Governments of the United States and Israel to address emerging common threats, increase security cooperation, and expand joint military exercises;
- “Provide the Government of Israel such support as may be necessary to increase development and production of joint missile defense systems, particularly such systems that defend against the urgent threat posed to Israel and United States forces in the region;
- “Provide the Government of Israel assistance specifically for the production and procurement of the Iron Dome defense system for purposes of intercepting short-range missiles, rockets, and projectiles launched against Israel;
- “Provide the Government of Israel defense articles and defense services through such mechanisms as appropriate, to include air refueling tankers, missile defense capabilities, and specialized munitions;
- “Provide the Government of Israel additional excess defense articles, as appropriate, in the wake of the withdrawal of United States forces from Iraq;
- “Examine ways to strengthen existing and ongoing efforts, including the Gaza Counter Arms Smuggling Initiative, aimed at preventing weapons smuggling into Gaza pursuant to the 2009 agreement following the Israeli withdrawal from Gaza, as well as measures to protect against weapons smuggling and terrorist threats from the Sinai Peninsula;
- “Offer the Air Force of Israel additional training and exercise opportunities in the United States to compensate for Israel's limited air space;
- “Work to encourage an expanded role for Israel with the North Atlantic Treaty Organization (NATO), including an enhanced presence at NATO headquarters and exercises; and
- “Expand already-close intelligence cooperation, including satellite intelligence, with Israel.”

The legislation also extends the authority of the Department of Defense to transfer certain obsolete or surplus items to Israel. S. 2179 also extends, through fiscal year 2015, the authority to issue certain loan guarantees to Israel.

Within 180 days of enactment, the President shall submit a report to Congress on the status of Israel’s qualitative military edge in light of current trends and instability in the region. Also, within 180 days of enactment, the President shall submit several reports to Congress on each of the following matters:

- Taking into account the Government of Israel's urgent requirement for F-35 aircraft, actions to improve the process relating to its purchase of F-35 aircraft, particularly with respect to cost efficiency and timely delivery.
- Efforts to expand cooperation between the United States and Israel in homeland security, counter-terrorism, maritime security, energy, cyber-security, and other related areas.
- Actions to integrate Israel into the defense of the Eastern Mediterranean.

**Similar Legislation:** The House of Representatives passed H.R. 4133 by a [roll call vote of 411-2, 9 present](#). The RSC Legislative Bulletin for H.R. 4133 can be [found here](#).

**Committee Action:** S. 2179 was introduced on March 6, 2012, and was referred to the Senate Foreign Relations Committee, which held a markup and approved the legislation. On June 29, 2012, the legislation passed the Senate by voice vote, and it was then held at the desk.

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

**Cost to Taxpayers:** A CBO score detailing the cost to taxpayers 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.

**Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?:** The legislation does not contain earmarks, limited tax benefits or limited tariff benefits.

**Constitutional Authority:** Senate Rules do not require a statement of constitutional authority to accompany legislation upon introduction.

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## **S. 2009 - Insular Areas Act of 2011 (*Sen. Bingaman, D-NM*)**

**Order of Business:** The legislation is scheduled to be considered on July 17, 2012, under a motion to suspend the rules and pass the legislation.

**Summary:** S. 2009 directs the Secretary of Energy to periodically (but at least every 4 years) conduct:

- “A visual study of the concrete exterior of the Cactus Crater containment structure on Runit Island; and
- “A radiochemical analysis of the groundwater surrounding and in the Cactus Crater containment structure on Runit Island.

The Secretary is directed to submit a report to Congress that contains a description of the results of the visual survey, as well as the results of the radiochemical analysis. The report will also include a determination of whether the surveys and analyses indicate any significant change in the health risks to the people of Enewetak from the contaminants within the Cactus Crater containment structure.

The legislation directs the Secretary of the Interior to make available to the Department of Energy, Marshall Islands Program, funding necessary to conduct the radiochemical analysis of groundwater.

S. 2009 also delays the increase in the minimum wage rate in American Samoa. The increase is delayed for 2012, 2013, and 2014. The legislation also delays the Government Accountability Office (GAO) report on the impact of minimum wage increases until April 1, 2014.

**Democrat Inconsistency Alert:** Congressional Democrats have allowed the unemployment rate to double since their 2007 mandated increase. They are bringing forth this legislation to help with the unemployment rate in American Samoa, yet have done nothing to help the millions of other

Americans unemployed due to this law. Since the minimum wage increase has taken affect in American Samoa and the Commonwealth of the Northern Mariana Islands thousands of jobs have been lost to Taiwan. In a [press release](#), Rep. Faleomavaega (Del-D-AS) admits that the minimum wage increase harms businesses and workers.

**Additional Information:** In 2007, when the federal minimum wage was mandated to be increased, American Samoa and the Commonwealth of the Northern Mariana Islands were given a transition period. Every year they are to increase their minimum wage by \$0.50 until their minimum wage reached the minimum wage generally applicable in the United States. Currently the minimum wage in American Samoa is \$4.76, and in the Commonwealth of the Northern Marina Islands it is \$4.55.

**Committee Action:** S. 2009 was introduced on December 16, 2011, and passed the Senate the same day by unanimous consent. The legislation was then referred to the House Committees on Foreign Affairs, Education and the Workforce, and the Judiciary Subcommittee on Courts, Commercial and Administrative Law.

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

**Cost to Taxpayers:** A CBO score detailing the cost to taxpayers 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.

**Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?:** The legislation does not contain earmarks, limited tax benefits or limited tariff benefits.

**Constitutional Authority:** Senate Rules do not require a statement of constitutional authority to accompany legislation upon introduction.

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## **H.R. 5872—Budget and Accounting Transparency Act (Hensarling, R-TX)**

**Order of Business:** The legislation is scheduled to be considered under a motion to suspend the rules and pass the bill.

**Summary:** Within 30 days of enactment, the legislation requires the President to submit to Congress a detailed report on the sequestration required for fiscal year 2013 under the Budget Control Act of 2011.

The legislation would require the report to include the following information for discretionary spending:

- “an estimate for each category of the sequestration percentages and amounts necessary to achieve the required reduction;
- “for accounts that are funded pursuant to an enacted regular appropriation bill for fiscal year 2013, an identification of each account to be sequestered and estimates of the level of sequestrable budgetary resources and resulting reductions at the program, project, and activity level based upon the enacted level of appropriations; and
- “for accounts that have not been funded pursuant to an enacted regular appropriation bill for fiscal year 2013, an identification of each account to be sequestered and estimates pursuant to a continuing resolution at a rate of operations as provided in the applicable appropriation Act for fiscal year 2012 of the level of sequestrable budgetary resources and resulting reductions at the program, project, and activity level.”

The legislation would require the report to include the following information for mandatory spending:

- “an estimate for the defense and nondefense functions based on current law of the sequestration percentages and amount necessary to achieve the required reduction;
- “an identification of the reductions required for each nonexempt direct spending account at the program, project, and activity level;
- “an identification of all exempt discretionary accounts and of all exempt direct spending accounts; and
- “any other data and explanations that enhance public understanding of the sequester and actions to be taken under it.”

The legislation requires the heads of agencies, upon the request of the Director of the Office of Management and Budget, to provide to the Director information at the program, project, and activity level necessary for the Director to prepare the report required under the bill.

**Committee Action:** The legislation was introduced on May 31, 2012. On June 28, 2012, the House Budget Committee ordered the legislation to be reported (as amended) by a vote of 30 to 0.

**Administration Position:** No Statement of Administration Policy (SAP) is available at press time.

**Cost to Taxpayers:** The legislation would have no significant impact on the federal budget. CBO states: “CBO estimates that implementing the legislation would have no significant impact on the federal budget because it would not significantly increase OMB’s workload under current law.”

**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 Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?:** No.

**Constitutional Authority:** “Article I, Section 9, Clause 7. Which states: ‘No Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law; and a regular Statement and Account of the Receipts and Expenditures of all public Money shall be published from time to time.’”

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