Legislative Bulletin.....November 14, 2012

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Concur in the Senate Amendments to H.R. 2606 - New York City Natural Gas Supply Enhancement Act (Grimm, R-NY)

<u>Order of Business</u>: The legislation is scheduled to be considered on November 14, 2012, under a motion to suspend the rules and pass the bill.

Summary: On February 7, 2012, this legislation passed the House of Representatives by voice vote. The Senate amendments made slight changes to the legislation.

H.R. 2606 allows the Secretary of the Interior to authorize the construction of a natural gas pipeline within Gateway National Recreation Area, in New York.

The Secretary shall charge a fee for any permits issued for the construction of this pipeline. The fees will be based on the fair market value and shall consider processing, issuance and monitoring costs incurred by the National Park Service. The legislation authorizes the Secretary to retain any fees associated with the recovery of those costs.

Permits issued shall be for a time period of 10 years, with an option to renew at the discretion of the Secretary.

H.R. 2606 also authorizes the Secretary to lease building space in properties on Floyd Bennett Field, within the Gateway National Recreation Area, to house facilities associated with the pipeline project (notably a meter and regulating equipment). Proceeds from these rental payments may be used for infrastructure needs, resource protection and restoration, and visitor services at Gateway National Recreation Area.

The leases will also provide for the restoration and maintenance of the buildings and associated property.

The Secretary is authorized to impose citations or fines, or suspend or revoke any lease issued in accordance with this Act for failure to comply with the lease.

<u>Additional Information</u>: The Gateway National Recreation Area contains 26,000 acres within the states of New York and New Jersey. Additional information can be <u>found</u> here.

The Floyd Bennett Field is within the Gateway National Recreation Area. It opened as New York City's first municipal airport in 1931 and is currently listed on the National Register of Historic Places. More information can be found here.

According to House Report 112-373:

"Due to increased demand for natural gas in New York City, New York, additional pipeline capacity is needed. To remedy this problem, New York City is working to place a pipeline through Gateway National Recreation Area. H.R. 2606 provides the National Park Service (NPS) with the authority to approve a pipeline through its jurisdiction."

Committee Action: H.R. 2606 was introduced on July 21, 2011, and was referred to the House Natural Resources Subcommittee on National Parks, Forests and Public Lands. A full committee markup was held on November 17, 2011, and the legislation was agreed to, as amended, by unanimous consent. On February 7, 2012, the legislation passed the House of Representatives by voice vote. The legislation was then referred to the Senate Committee on Energy and Natural Resources. On September 22, 2012, the legislation passed the Senate by unanimous consent, as amended.

The RSC Legislative Bulletin from the original House passed version can be viewed here.

Administration Position: No Statement of Administration Policy is available.

<u>Cost to Taxpayers</u>: CBO estimates that any offsetting receipts from leasing NPS land or buildings associated with a pipeline in the Gateway National Recreation Area would total less than \$150,000 a year. CBO's estimate can be <u>viewed here</u>. Note: This estimate is based on the text as reported by the House Committee on Natural Resources and does not reflect Senate amendments.

<u>Does the Bill Expand the Size and Scope of the Federal Government?</u>: The legislation allows the Secretary of the Interior to authorize the construction of a natural gas pipeline within Gateway National Recreation Area. This has the ability to authorize private sector development on federal land, which would arguably be a reduction in the size and scope of the federal government.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: House Report 112-373 states "H.R. 2606 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?: The legislation contains no earmarks, limited tax benefits, or limited tariff benefits.

<u>Constitutional Authority</u>: Rep. Grimm's statement of constitutional authority states: "Congress has the power to enact this legislation pursuant to the following: Article IV, Section 3, Clause 2." The statement can be viewed here.

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H.R. 6570 – To amend the American Recovery and Reinvestment Act of 2009 and the Emergency Economic Stabilization Act of 2008 to consolidate certain CBO reporting requirements (Garrett, R-NJ)

<u>Order of Business</u>: The legislation is scheduled to be considered under suspension of the rules on Tuesday, November 13, 2012. The bill will require two-thirds majority vote for passage, and provides forty minutes of debate equally divided and controlled by the chair and ranking minority member of the Committee on Transportation and Infrastructure.

Summary: H.R 6570 would consolidate and modify certain Congressional Budget Office (CBO) reporting and comment requirements associated with the 2009 American Recovery and Reinvestment Act (ARRA) and the Troubled Asset Relief Program (TARP) created by the 2008 Emergency Economic Stabilization Act. The legislation requires that the ARRA consolidate to a once a year Congressional Budget Office (CBO) and Government Accountability Office (GAO) commenting requirements on the ARRA reports of other federal agencies. Currently, CBO and GAO must issue any comments on another agency's report within 45 days of when the agency issues the report. The bill allows CBO and GAO to make all their comments on all agency reports for a calendar year within 45 days after the last report for the year has been submitted. The legislation also requires that for TARP, the White House Office of Management and Budget (OMB) must report on the program annually, rather than semi-annually. Lastly this TARP OMB reporting requirement would be terminated once all troubled assets have been sold or transferred out of the federal government's control.

<u>Committee Action</u>: H.R 6570 was introduced by Rep. Scott Garrett (R-NJ) on 10/12/2012 and was referred to the House Committees on Financial Services, Education and Workforce, and Budget.

Administration Position: A Statement of Administration Policy has not been released.

<u>Cost to Taxpayers</u>: No Congressional Budget Report was available.

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>: No.

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

<u>Constitutional Authority</u>: According to Rep. Garrett's statement on constitutional authority, "Congress has the power to enact this legislation pursuant to the following: Article I, section 9, clause 7 of the United States constitution."

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Concur in the Senate Amendment to H.R. 2453 – Mark Twain Commemorative Coin Act (Luetkemeyer, R-MO)

<u>Order of Business</u>: The bill is scheduled to be considered on November 14, 2012 under a motion to suspend the rules and pass the legislation.

Summary: H.R. 2453 requires the Secretary of the Treasury to mint coins in commemoration of Mark Twain. H.R. 2453 would authorize the U.S. Mint to produce a \$5 gold coin and a \$1 silver coin during the 1-year period beginning on January 1, 2016. See below for a detailed summary of the bill and the Senate's Amendments.

Coin Specifications

- ➤ The legislation would require the Secretary of the Treasury to mint and issue the following coins:
 - o Not more than 100,000 \$5 coins, which will:
 - o weigh 8.359 grams;
 - o have diameter of 0.850 inches; and
 - o contain 90 percent gold and 10 percent alloy.
 - O Not more than 250,000 \$1 coins, which will:
 - o weigh 26.73 grams;
 - o have a diameter of 1.500 inches; and
 - o contain 90 percent silver and 10 percent copper.

- The coins minted under this bill must be legal tender, as provided in section 5103 of title 31, United States Code.
- For purposes of sections 5134 and 5136 of title 31, United States Code, all coins minted under this Act shall be considered to be numismatic items.

Design of the Coins

- ➤ The legislation would require the design of the coins minted under this bill to be emblematic of the life and legacy of Mark Twain. The bill would require that each minted coin have a designation of the value of the coin, an inscription of the year "2016", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".
- ➤ The legislation requires the images for the designs of coins issued under this Act shall be selected by the Secretary after consultation with the Commission of Fine Arts and the Board of the Mark Twain House and Museum; and reviewed by the Citizens Coinage Advisory Committee.

Issuance of Coins

➤ The legislation requires coins minted under this Act shall be issued in proof quality and uncirculated quality. The legislation also requires that only one facility of the United States Mint may be used to strike any particular quality of the coins minted under this Act. The Secretary may issue coins minted under this Act only during the 1-year period beginning on January 1, 2016.

Sale of Coins

- The legislation requires the coins issued under this bill to be sold by the Secretary at a price equal to the sum of the face value of the coins, the surcharge with respect to such coins; and the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping). The Secretary is required to make bulk sales of the coins issued under this bill at a reasonable discount. The Secretary is also required to accept prepaid orders for the coins minted under this bill before the issuance of the coins, and the sale prices with respect to prepaid orders must be at a reasonable discount.
- The amended legislation also directs the Secretary to take such actions as may be necessary to ensure that the minting and issuing of coins under the Act not result in any net cost to the United States Government and to ensure that no funds, including surcharges, be disbursed to any recipient until the total cost of designing and issuing the coins is recovered by the United States Treasury.

Surcharges

➤ H.R. 2453 requires that all sales of coins minted under this bill include a surcharge as follows:

- o A surcharge of \$35 per coin for the \$5 coin.
- o A surcharge of \$10 per coin for the \$1 coin.

The legislation also requires that all surcharges received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary as follows:

- One-quarter of the surcharges, to the Mark Twain House & Museum in Hartford, Connecticut, to support the continued restoration of the Mark Twain house and grounds, and ensure continuing growth and innovation in museum programming to research, promote and educate on the legacy of Mark Twain.
- One-quarter of the surcharges, to the Mark Twain Project at the Bancroft Library of the University of California, Berkeley, California, to support programs to study and promote Mark Twain's legacy.
- One-quarter of the surcharges, to the Center for Mark Twain Studies at Elmira College, New York, to support programs to study and promote Mark Twain's legacy.
- One-quarter of the surcharges, to the Mark Twain Boyhood Home and Museum in Hannibal, Missouri, to preserve historical sites related to Mark Twain and help support programs to study and promote his legacy.
- The legislation requires the Comptroller General of the United States shall have the right to examine such books, records, documents, and other data of each of the organizations referred to in paragraphs (1), (2), (3), and (4) of subsection (b) of this Act, as may be related to the expenditures of amounts paid under such subsection.
- ➤ Lastly, the legislation requires, notwithstanding the other surcharges, that no surcharge may be included with respect to this issuance under this Act of any coin during a calendar year if, as of the time of such issuance, the issuance of such coin would result in the number of commemorative coin programs issued during such year to exceed the annual 2 commemorative coin program issuance limitation under section 5112(m)(1) of title 31, United States Code (as in effect on the date of the enactment of this Act). The Secretary of the Treasury may issue guidance to carry out this subsection.

Senate Amendments

- ➤ The amended version of H.R. 2453 specifies that any funds disbursed to the University of California, Berkley, be used for the benefit of the Mark Twain Project at the Bancroft Library.
- ➤ The amended version of H.R. 2453 also directs the Secretary to take such actions as may be necessary to ensure that the minting and issuing of coins under the Act not result in any net cost to the United States Government and to ensure that no

funds, including surcharges, be disbursed to any recipient until the total cost of designing and issuing the coins is recovered by the United States Treasury.

Potential Conservative Concern: Some conservatives may have concerns with the minting of commemorative coins and disbursing the profits from the striking of the coins to various organizations that could instead rely on state, local, or non-governmental resources. Representative Justin Amash has introduced legislation (H.R. 6495, the Commemorative Coins Reform Act) to redirect the profits from such coins to the Treasury for the purpose of deficit reduction (Senator DeMint has introduced companion legislation in the Senate, S. 3612). Mark Twain is one of the most celebrated Americans in our history. Some conservatives would argue that there is an appropriate federal interest in commemorating his legacy.

Prior Congressional Action: H.R. 2453 was introduced on July 7, 2011 by Rep. Blaine Luetkemeyer, and referred to the House Financial Services. On August 22, 2011 the bill was referred to the Subcommittee on Domestic Monetary Policy and Technology. The legislation passed the House on <u>April 18, 2012</u> on suspension by roll call vote and was passed by the Senate with amendments on September 22, 2012 by unanimous consent.

The RSC Legislative Bulletin from the original House passed version can be viewed <u>here</u>.

<u>Administration Position</u>: No Statement of Administration Policy is available.

Cost to Taxpayers: No CBO estimate is available.

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>: H.R. 886 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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

Benefits/Limited Tariff Benefits?: Though the bill contains no earmarks, and there is 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>: According Rep. Luetkemeyer's statement of constitutional authority, "Article I, Section 8, Clause 5 states: "The Congress shall have Power . . . To coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures."

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H.R. 6116 – To amend the Revised Organic Act of Virgin Islands to provide for direct appeals to the United States Supreme Court of decisions of the Virgin Islands Supreme Court, as amended (Del. Christensen, D-Virgin Islands)

<u>Order of Business:</u> Consideration of H.R. 6116 is scheduled to begin on Wednesday, November 14, 2012, under a motion to suspend the rules requiring two-thirds majority vote for passage.

Summary: H.R. 6116 amends current law¹ to transfer final judicial review of decisions from the Virgin Islands Supreme Court from the U.S. Court of Appeals for the Third Circuit to the U.S. Supreme Court. The Third Circuit is required to review final decisions from the Virgin Islands Supreme Court for a period of fifteen years after which this review authority would be transferred to the U.S. Supreme Court. This bill accelerates this transfer ten years earlier than scheduled. The Third Circuit has been reviewing the final decisions since 2007. However, the Third Circuit conducted a review of the legal procedures and traditions of the Virgin Islands Supreme Court and determined them to be sufficient enough to recommend such a transfer earlier than required under current law.

The bill also provides the U.S. Supreme Court with jurisdiction to review any Virgin Islands Supreme Court decision where the validity of U.S. laws, treaties or statutes of the Virgin Islands is considered.

<u>Committee Action:</u> Delegate Donna Christensen (*D-Virgin Islands*) introduced H.R. 6116 on July 12, 2012. No further Committee action has taken place on the bill.

Administration Position: No Statement of Administration Policy has been released.

<u>Cost to Taxpayers:</u> No Congressional Budget Office (CBO) cost estimate has been released.

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> No.

Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits? No.

<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 IV, section 3 of the Constitution of the United States grant Congress the authority to make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States.'"

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¹ Organic Act of the Virgin Islands (PL 74-749).

H.R. 5934 – Stop Tobacco Smuggling in the Territories Act of 2012 (Del. Faleomavaega, D-American Samoa)

<u>Order of Business</u>: Consideration of H.R. 5934 is scheduled to begin on Wednesday, November 14, 2012, under a motion to suspend the rules requiring two-thirds majority vote for passage.

<u>Summary</u>: H.R. 5934 applies federal criminal law prohibiting contraband cigarettes and smokeless tobacco to American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam. Current federal law (P.L. 97-449) prohibits the shipment, possession, sale, distribution, or purchase of 10,000 or more contraband cigarettes or 500 single, consumer cans of smokeless tobacco. Reports explain that contraband tobacco smuggling in the areas of the South Pacific has proliferated. Community leaders in these specific territories have requested Congress to extend jurisdiction of federal law regarding contraband tobacco trafficking to their territories.

<u>Committee Action</u>: Delegate Eni Faleomavaega (*D-American Samoa*) introduced H.R. 5934 on June 8, 2012. No further Committee action has occurred on the bill.

Administration Position: No Statement of Administration Policy is available.

<u>Cost to Taxpayers</u>: No Congressional Budget Office (CBO) cost estimate has been released for the bill.

<u>Does the Bill Expand the Size and Scope of the Federal Government</u>?: Yes. The bill extends federal criminal jurisdiction prohibiting contraband tobacco trafficking to three American territories in the South Pacific.

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

Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

<u>Constitutional Authority</u>: The Constitutional Authority Statement accompanying the bill states, "Congress has the power to enact this legislation pursuant to the following: Article IV Section 3 Clause 2 'The Congress shall have Power to dispose of and make all needful Rules and Regulations respecting the Territory or other Property belonging to the United States."

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