Legislative Bulletin......July 22, 2014

Contents:

H. R. 4572 - STELA Reauthorization Act of 2014

H. R. 4450 - Travel Promotion, Enhancement, and Modernization Act of 2014

H.R. 1022 - Securing Energy Critical Elements and American Jobs Act of 2014

H.R. 5035 – To reauthorize the National Institute of Standards and Technology

H.R. 5120 – The Department of Energy Laboratory Modernization and Technology Transfer Act of 2014

H. R. 4812 – The Honor Flight Act

H. R. 4802 - Gerardo Hernandez Airport Security Act of 2014

H. R. 4803 - TSA Office of Inspection Accountability Act of 2014

H.R. 2430— Hinchliffe Stadium Heritage Act

H.R. 3802— To extend the legislative authority of the Adams Memorial Foundation to establish a commemorative work in honor of former President John Adams and his legacy, and for other purposes

H.R. 3716 - Pyramid Lake Paiute Tribe - Fish Springs Ranch Settlement Act

H.R. 4508 - To amend the East Bench Irrigation District Water Contract Extension Act to permit the Secretary of the Interior to extend the contract for certain water services

H.R. 4562 - To authorize early repayment of obligations to the Bureau of Reclamation within the Northport Irrigation District in the State of Nebraska

H. R. 4411 – Hezbollah International Financing Prevention Act of 2014

H. R. 4572 – Satellite Television Extension and Localism Act (STELA) Reauthorization Act of 2014 (Rep. Walden, R-OR)

<u>Order of Business</u>: The bill is scheduled to be considered on July 22, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

Summary: The Satellite Television Extension and Localism Act (STELA) Reauthorization Act of 2014 amends the Communications Act of 1934 by reauthorizing the Satellite Television Extension and Localism Act of 2010 (STELA), by extending until December 31, 2019, the exemption for satellite carriers from retransmission consent requirements. Satellite carriers currently pay royalty fees for the right to transmit certain television signals to their subscribers without obtaining permission from copyright holders. The bill would extend current law that allows satellite carriers to transmit copyrighted material but would not extend the license that allows transmission without specific permission from the copyright holders which expires on December 31, 2014.

- > Section 2 of the bill would extend the exemption from retransmission consent for distant signals, the prohibition on exclusive retransmission consent deals, and the requirement for good faith retransmission consent negotiations.
- ➤ Section 3 prohibits multiple broadcast stations from negotiating retransmission consent jointly unless the stations are directly or indirectly under common de jure control approved by the Federal Communications Commission (FCC).
- ➤ Section 4 permits broadcasters seeking a waiver of the FCC's rules on attribution or local ownership of television joint sales agreements adopted on March 31, 2014 to not be considered in violation of the ownership limitations by reason of the application of such rule until the later of: (1) the date that is 18 months after the date on which the Federal Communications Commission denies such petition; or (2) December 31, 2016.
- ➤ Section 5 eliminates the "sweeps week" provision that prohibits cable operators from dropping broadcast signals during the weeks when Nielsen Media Research does its major audience measurements.
- > Section 6 eliminates the FCC's integration ban for cable set-top boxes for certain multichannel video programming distributors.
- ➤ Section 7 requires the Government Accountability Office (GAO) to conduct a study and issue a report on necessary changes to the Code of Federal Regulations and the impact on consumers should Congress repeal the statutory compulsory copyright regime that governs broadcast content.
- ➤ Section 8 requires each satellite direct broadcast service provider to report the local signals that it provides for each market in which it broadcasts, and requires that it report on the potential use of its technology for the retransmission of local signals in each market.
- ➤ Section 9 requires the FCC to conduct a study no later than 18 months after the bill's enactment, and issue a report on the extent to which consumers can access broadcast signals originating outside of the consumers' local markets and on feasible alternatives to the use of designated market areas to define markets in a manner that would allow more programming options.

Additional Information: The report (H. Rept. 113-518) accompanying H. R. 4572 can be found here. A similar bill (S. 2454) was approved by the Senate Judiciary Committee on June 26, 2014, but does not contain language included in sections 4 and 6. More information on S. 2454 can be found here. A similar bill (H. R. 5036) was also introduced in the House Judiciary Committee on July 9th, 2014. The CBO estimate for that legislation can be found here. A fact sheet from the House Committee on Energy and Commerce on H. R. 4572 can be found here. In addition, a list of organizations supporting the legislation can be found here.

<u>Committee Action</u>: The bill was introduced on May 6, 2014 and was referred to the House Committee on Energy and Commerce. The bill was amended and ordered favorably reported by voice vote on May 8, 2014. The bill was reported out on July 11, 2014.

Administration Position: No Statement of Administration Policy is available.

<u>Cost to Taxpayers:</u> Based on information from the Federal Communications Commission, the Congressional Budget Office (CBO) estimates that implementing H.R. 4572 would cost about \$1 million over the 2015-2019 period, assuming the availability of appropriated funds, for the required reports and regulatory actions. Pay-as-you-go procedures do not apply to this legislation because it would not affect direct spending or revenues. The CBO estimate can be found here.

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?: H.R. 4572 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments. H.R. 4572 contains private-sector mandates, as defined in UMRA, on television broadcasters and satellite carriers. It would extend two mandates on television broadcasters that are set to expire under current law and impose new mandates on television broadcasters and satellite carriers. Based on information from the Federal Communications Commission and industry sources, the Congressional Budget Office estimates that the aggregate cost of complying with the mandates in the bill would fall below the annual threshold established in UMRA for private-sector mandates (\$152 million in 2014, adjusted annually for inflation).

The bill would extend for five years two existing mandates regarding the retransmission of broadcast programs by distributors of video programming services (pay television providers such as cable and satellite carriers). It would extend the mandate on television broadcasters that prohibits them from entering certain exclusive contracts with distributors of video programming services for the rights to carry (retransmit) their broadcast programs. More information on the mandates can be found in the CBO estimate.

<u>Constitutional Authority</u>: Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3 of the United States Constitution.

RSC Staff Contact: Nicholas Rodman, nicholas.rodman@mail.house.gov, (202) 226-8576

H. R. 4450 – Travel Promotion, Enhancement, and Modernization Act of 2014 (Rep. Bilirakis, R-FL)

<u>Order of Business</u>: The bill is scheduled to be considered on July 22, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

<u>Summary</u>: <u>H. R. 4450</u> amends the <u>Travel Promotion Act of 2009</u> by revising qualification requirements for members of the Board of Directors of the <u>Corporation for Travel Promotion</u> (Brand USA). Section 2 of the bill mandates that at least five members of the board have experience working in United States multinational entities with marketing budgets. At least two members of the board shall be audit committee financial experts (as defined by the Securities and Exchange Commission). The bill would also extend the Travel Promotion Act of 2009 until fiscal year 2020 and would revise requirements for the Corporation's annual report to the Secretary of Commerce to include:

- A description of, and rationales for the Corporation's tourist promotion efforts to focus on specific countries and populations; and
- ➤ The Corporation for Travel Promotion's combination of media channels employed in meeting the promotional objectives of its marketing campaign.

Section 4 of the bill would mandate that the Corporation for Travel Promotion and the Secretary of Commerce (or their designees) meet on a biannual basis to review the procedures to determine the fair market value of goods and services received from non-Federal sources. Section 5 would also extend Section 217(h)(3)(B)(iii) of the Immigration and Nationality Act through fiscal year 2020, and would prohibit the Secretary of Homeland Security from charging a fee for the use of the electronic travel authorization system until September 30, 2020. Section 6 would require the Corporation for Travel Promotion to establish performance metrics to measure the impact of its marketing efforts, and demonstrate any cost or benefit to the U.S. economy. The bill would also mandate that the Corporation report to Congress on the implementation of Government Accountability Office recommendations it received. Section 6 also mandates that the Corporation for Travel Promotion establish a competitive procurement process; and certify in its annual report to Congress that any contracts entered into were in compliance with the established competitive procurement process.

Additional Information: A similar version of the bill was introduced in the Senate on April 10, 2014 and was referred to the Senate Committee on Commerce, Science, and Transportation. Rep. Bilirakis' op-ed in support of his legislation can be found here. A list of associations in support of H. R. 4450, including the U.S. Chamber of Commerce, can be found here. The Club for Growth has key voted in opposition to H. R. 4450 due to concerns over the use of Federal government taxing authority to help finance tourism industry profits. The Heritage Foundation has also expressed concerns over the legislation due in part to allegations of the misuse of funds, including reports of board members working for rates of \$258 an hour and funds being diverted for lobbying purposes despite a Congressional prohibition. A 2012 Heritage report on Brand USA can be found <a href="heritage-h

<u>Committee Action</u>: The bill was introduced on April 10, 2014 and was referred to the House Committee on Energy and Commerce and the House Committee on Homeland Security. The bill was amended and reported out of the House Committee on Energy and Commerce on July 15, 2014, by voice vote.

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: The Congressional Budget Office (CBO) estimates that enacting H.R. 4450 would increase direct spending by \$500 million and revenues by \$731 million over the 2015-2024 period, resulting in a net decrease in the deficit of \$231 million over the 10-year period. Pay-as-you-go procedures apply because enacting the legislation would affect direct spending and revenues. CBO estimates that implementing H.R. 4450 would not significantly affect discretionary spending. The CBO estimate can be found here.

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

<u>Mandates?</u>: H.R. 4450 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

<u>Constitutional Authority</u>: Congress has the power to enact this legislation pursuant to the following: This bill is enacted pursuant to Article I, Section 8, Clause 1 (which states that "The Congress shall have the Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defense and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States") and Article 1, Section 8, Clause 3 (which states that the Congress shall have the Power "To regulate Commerce with foreign Nations, and among the several States, and with the Indian tribes") of the Constitution of the United States.

RSC Staff Contact: Nicholas Rodman, nicholas.rodman@mail.house.gov, (202) 226-8576

H.R. 1022 – Securing Energy Critical Elements and American Jobs Act of 2014 (Swalwell, D-CA)

<u>Order of Business</u>: The legislation is scheduled for consideration on Tuesday, July 22, 2014, under a suspension of the rules, which requires a two-thirds majority vote for passage.

<u>Summary: H.R. 1022</u> amends the National Materials and Minerals Policy, Research and Development Act of 1980 (30 U.S.C. 1601 et seq.) to create an energy critical elements program within the Department of Energy. It authorizes \$25 million for each calendar year from 2015-2019 to carry out the provisions of the bill and allows those funds to remain available until expended. It directs the President, acting through the National Science and Technology Council, to coordinate the actions of applicable Federal agencies to promote a stable supply of energy-critical elements. It also repeals the National Critical Materials Act of 1984 (30 U.S.C. 1801 et seq.).

Outside Groups in Opposition:

- ➤ Heritage Action has "Key Voted" against this bill. More information can be viewed here.
- Club for Growth has "Key Voted" against this bill. More information can be viewed here.

<u>Committee Action</u>: The legislation was introduced on March 6, 2013, and referred to the House Committee on Science, Space, and Technology. There was no further Committee action on the bill.

<u>Conservative Concerns</u>: Some conservatives may be concerned that this bill subsidizes research and other costs of doing business that could be carried out exclusively by the private sector. In addition, some conservatives may be concerned that the bill gives the President overly broad powers to promote an adequate and stable supply of energy-critical elements.

Administration Position: There is no Statement of Administration Policy available.

Cost to Taxpayers: There is no Congressional Budget Office cost estimate available.

<u>Does the Bill Expand the Size and Scope of the Federal Government?</u>: Yes, it creates a new program within the Department of Energy.

<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>: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: This bill is enacted pursuant to the power granted to Congress under Article I, Section 8, Clauses 1 and 18 of the United States Constitution." Congressman Swalwell's statement in the Congressional Record can be viewed here.

RSC Staff Contact: Scott Herndon, Scott.Herndon@mail.house.gov, (202) 226-2076.

H.R. 5035 – To reauthorize the National Institute of Standards and Technology, and for other purposes (Bucshon, R-IN)

<u>Order of Business</u>: The legislation is scheduled for consideration on Tuesday, July 22, 2014, under a suspension of the rules, which requires a two-thirds majority vote for passage.

<u>Summary</u>: <u>H.R. 5035</u> reauthorizes National Institute of Standards and Technology through FY 2015 and includes funding levels consistent with the House-passed Commerce, Justice, and Science, and Related Agencies Appropriations Act, 2015, <u>H.R. 4660</u>. It also makes numerous changes to the law governing then National Institute of Standards and Technology.

<u>Additional Information</u>: The <u>National Institute of Standards and Technology</u> is an agency of the Department of Commerce. Congress founded it in 1901 to allow the United States to be more competitive with European nations that had more advanced measurement infrastructure.

<u>Committee Action</u>: The legislation was introduced on July 9, 2014, and referred to the House Committee on Science, Space, and Technology. The Committee took no further action.

Administration Position: No Statement of Administration Policy is available.

<u>Cost to Taxpayers</u>: The CBO preliminary estimate noted H.R. 5035 would have no significant net effect on direct spending or revenue.

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.

<u>Constitutional Authority</u>: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3: The Congress shall have power to regulate commerce with foreign nations, and among the several states, and with the Indian tribes; Article I, Section 8, Clause 5: To coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures; and Article I, Section 8, Clause 18: The Congress shall have power to make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

RSC Staff Contact: Scott Herndon, Scott.Herndon@mail.house.gov, (202) 226-2076.

H.R. 5035 – To reauthorize the National Institute of Standards and Technology, and for other purposes (Bucshon, R-IN)

<u>Order of Business</u>: The legislation is scheduled for consideration on Tuesday, July 22, 2014, under a suspension of the rules, which requires a two-thirds majority vote for passage.

<u>Summary</u>: <u>H.R. 5035</u> reauthorizes National Institute of Standards and Technology through FY 2015 and includes funding levels consistent with the House-passed Commerce, Justice, and Science, and Related Agencies Appropriations Act, 2015, <u>H.R. 4660</u>. It also makes numerous changes to the law governing then National Institute of Standards and Technology.

<u>Additional Information</u>: The <u>National Institute of Standards and Technology</u> is an agency of the Department of Commerce. Congress founded it in 1901 to allow the United States to be more competitive with European nations that had more advanced measurement infrastructure.

<u>Committee Action</u>: The legislation was introduced on July 9, 2014, and referred to the House Committee on Science, Space, and Technology. The Committee took no further action.

Administration Position: No Statement of Administration Policy is available.

<u>Cost to Taxpayers</u>: The CBO preliminary estimate noted H.R. 5035 would have no significant net effect on direct spending or revenue.

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>: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3: The Congress shall have power to regulate commerce with foreign nations, and among the several states, and with the Indian tribes; Article I, Section 8, Clause 5: To coin Money, regulate the Value thereof, and of foreign Coin, and fix the Standard of Weights and Measures; and Article I, Section 8, Clause 18: The Congress shall have power to make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

RSC Staff Contact: Scott Herndon, Scott.Herndon@mail.house.gov, (202) 226-2076.

H.R. 5120 – The Department of Energy Laboratory Modernization and Technology Transfer Act of 2014 (Hultgren, R-IL)

<u>Order of Business</u>: The legislation is scheduled for consideration on Tuesday, July 22, 2014, under a suspension of the rules, which requires a two-thirds majority vote for passage.

<u>Summary</u>: H.R. 5120 changes the current law to encourage more transfers of federal research into the private sector and promotes public-private partnerships to bring more innovative ideas into the marketplace. It requires the Secretary of the Department of Energy (the "Secretary") to prepare and deliver within 180 days after enactment of this bill a report to the appropriate House and Senate committees an assessment of the Department of Energy's technology transfer goals as defined by section 1001 of the Energy Policy Act (42 U.S.C. 16391). It also expresses the Sense of Congress that the mission of the <u>National Laboratories</u> be strengthened. The National Laboratories develop new technologies. In addition, the legislation directs the Secretary to carry out the Agreements for Commercialization Technology pilot program as previously announced by the Secretary on December 8, 2011. A Department of Energy press release about the program can be viewed <u>here</u>. It extends the pilot program for two years after the enactment of the Act. The legislation gives the directors of National Laboratories discretion to use funds authorized to support technology transfer to encourage more private sector interest in early-stage and precommercial technology.

Additional Information: The Heritage Foundation issued a write-up of the bill that is available <u>here</u>. Congressman Hultgren issued a press release about the legislation that can be viewed <u>here</u>.

<u>Committee Action</u>: The bill was introduced on July 16, 2014, and referred to the House Committee on Science, Space, and Technology. No further Committee action was taken on the bill.

Administration Position: There is no Statement of Administration Policy available.

<u>Cost to Taxpayers</u>: There is no Congressional Budget Office cost estimate 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 Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?: No.

Constitutional Authority: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3: The Congress shall have the power to regulate commerce with foreign nations, and among the several states, and with the Indian tribes; Article I, Section 8, Clause 8: The Congress shall have power to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries; and Article I, Section 8, Clause 18: The Congress shall have the power to make all laws which shall be necessary and proper for carrying into execution the forgoing powers." Congressman Hultgren's statement in the Congressional Record can be viewed here.

RSC Staff Contact: Scott Herndon, Scott.Herndon@mail.house.gov, (202) 226-2076.

H. R. 4812 – The Honor Flight Act (*Richmond*, D-LA)

<u>Order of Business</u>: The bill is scheduled to be considered on July 22, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

Summary: H. R. 4812 amends title 49, United States Code, by requiring the Administrator of the Transportation Security Administration to establish in collaboration with the Honor Flight Network and other such organizations, a process for providing expedited and dignified passenger screening services for veterans traveling on an Honor Flight Network private charter, or any other not-for-profit organization that honors veterans, to visit war memorials built and dedicated to honor the service of veterans. A clerical amendment has been included in the bill that would amend title 49, United States Code by inserting after the item relating to section 44927 the following new item: "44928. Honor Flight program."

<u>Additional Information</u>: The Honor Flight Network is a not-for-profit organization dedicated to transporting United States military veterans to visit the memorials of their respective wars in Washington D.C. According to the organization, Honor Flight transported more than 98,500 veterans to Washington, D.C. by the end of 2012. More information on the Honor Flight Network can be found here.

<u>Committee Action</u>: The bill was introduced on June 9, 2014 and was referred to the House Committee on Homeland Security. The bill was passed by the committee on June 11, 2014, by voice vote. On July 3, 2014, the bill was reported out.

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: The Congressional Budget Office (CBO) estimates that any increased costs to the Transportation Security Administration under H. R. 4812 would be negligible, particularly because of the relatively small number of veterans who would qualify for expedited screening under the bill. Any such spending would be subject to the availability of appropriated funds. H. R. 4812 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. The CBO estimate can be found here.

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

<u>Mandates?</u>: H.R. 4812 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.

Constitutional Authority: The constitutional authority statement is unavailable.

RSC Staff Contact: Nicholas Rodman, <u>nicholas.rodman@mail.house.gov</u>, (202) 226-8576

H. R. 4802 – Gerardo Hernandez Airport Security Act of 2014 (Hudson, R-NC)

<u>Order of Business</u>: The bill is scheduled to be considered on July 22, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

<u>Summary</u>: H. R. 4802 directs the Assistant Secretary of Homeland Security for Transportation Security to conduct outreach to all airports at which the Transportation Security Administration (TSA) performs or oversees the performance of security measures and provide technical assistance to verify that airports have active plans for responding to security incidents at their respective airports.

- > Section 3 of the bill mandates that the Assistant Secretary submit a report to Congress on the current level of preparedness at airports to deal with an active shooter scenario or other security incident.
- > Section 4 requires the Assistant Secretary to identify and share with airports nationwide best practices for security incident planning, management, and training.
- ➤ Section 5 requires the Assistant Secretary to certify annually to specified congressional committees that all screening personnel have participated in practical training exercises for active shooter scenarios.
- ➤ Section 6 mandates that the Assistant Secretary report to Congress on how the TSA can increase available funding for the reimbursement of law enforcement support at screening checkpoints over the next five years, using savings achieved through efficiencies.
- Section 8 requires the Assistant Secretary to conduct a review of the interoperable communications capabilities of the law enforcement, fire, and medical personnel responsible for responding to a security incident at all airports in the United States at which the TSA performs security.

<u>Additional Information</u>: The report (H. Rept. 113-512) accompanying H. R. 4802 can be found <u>here</u>. As stated in the report, the legislation seeks to strengthen security measures at U.S. airports in the wake of the November 1, 2013 shooting rampage which left Transportation Security Officer Gerardo Hernandez dead and three other individuals wounded at Los Angeles International Airport.

<u>Committee Action</u>: The bill was introduced on June 5, 2014 and was referred to the House Committee on Homeland Security. The bill was passed by the committee on June 11, 2014, by voice vote, and reported out on July 3, 2014.

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: The Congressional Budget Office (CBO) estimates that implementing H. R. 4802 would cost about \$2.5 million in 2015, assuming appropriation of the necessary amounts. Of that amount, CBO assumes the department would spend about \$1.5 million to provide additional technical assistance to airports and about \$1 million to evaluate the interoperability of communication systems used by emergency response teams. H. R. 4802 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. The CBO estimate can be found here.

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

<u>Mandates?</u>: H.R. 4802 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>Constitutional Authority</u>: Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, the Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay debts and provide for the common defence and general welfare of the United States.

RSC Staff Contact: Nicholas Rodman, nicholas.rodman@mail.house.gov, (202) 226-8576

H. R. 4803 – Transportation Security Administration Office of Inspection Accountability Act of 2014 (Sanford, R-SC)

<u>Order of Business</u>: The bill is scheduled to be considered on July 22, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

<u>Summary</u>: <u>H. R. 4803</u> directs the Inspector General of the Department of Homeland Security to analyze the data and methods that the Assistant Secretary of Homeland Security for Transportation Security uses to identify Transportation Security Administration (TSA) law enforcement officers and criminal investigators. Section 4 of the bill requires the Inspector General to provide these findings to the TSA including whether or not the data and methodology are adequate and valid. If the Inspector General deems the TSA's data and methodology invalid, TSA may not hire any new employee to work in Transportation Security Administration's Office of Inspection until:

- ➤ The TSA makes a new certification to the Committee on Homeland Security of the House and the Committee on Commerce Science and Transportation of the Senate; and
- ➤ The Inspector General submits a finding to those Committees within 30 days of the Assistant Secretary making the certification, that the Assistant Secretary utilized adequate and valid data and methods to make such certifications.

Section 5 of the bill requires the TSA to reclassify criminal investigator positions in the Office of Inspection as noncriminal investigator positions or non-law enforcement positions if the individuals in those positions do not, or are not expected to, spend an average of at least 50% of their time performing criminal investigative duties. Section 5 also requires the TSA to estimate the total long-term cost savings to the Federal government resulting from such reclassification.

Section 6 requires the TSA to submit any materials in the possession of the Department related to the Office of Inspection review of the use of a Federal Firearms License by Federal Air Marshal Service officials to obtain discounted or free firearms for personal use.

<u>Additional Information</u>: According to the <u>Congressional Budget Office</u>, the Office of Inspection in the Transportation Security Administration is responsible for ensuring the effectiveness and efficiency of the TSA's operations and identifying vulnerabilities in the agency's security systems. In carrying out its mission, the office conducts internal inspections,

investigations, and covert tests to assess the integrity of the agency's activities and its staff. Under current law, roughly half of the office's employees are classified as criminal investigators and are eligible for certain statutory employment benefits because they are considered law enforcement officers. In particular, such individuals qualify for additional compensation (known as Law Enforcement Availability Pay) and enhanced retirement benefits. A Department of Homeland Security Inspector General report from September 2013 containing 11 recommendations aimed at improving the operations of the Transportation Security Administration's Office of Inspection can be found here. The report (H. Rept. 113-513) accompanying H. R. 4803 can be found <a href=here.

<u>Committee Action</u>: The bill was introduced on June 5, 2014 and was referred to the House Committee on Homeland Security. The bill was passed by the committee on June 11, 2014, by voice vote, and reported out on July 3, 2014.

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: The Congressional Budget Office (CBO) estimates that implementing H. R. 4803 would have no significant effect on federal spending. According to the Department of Homeland Security, the Transportation Security Administration is already undertaking an analysis of the agency's workforce that will serve as the basis for potential reclassifications of personnel who do not meet criteria to be considered law enforcement officers, and CBO does not expect that enacting H. R. 4803 would significantly affect the timing or outcome of that process. CBO estimates that complying with the bill's reporting requirements would cost less than \$500,000, assuming the availability of appropriated funds. H.R. 4803 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. The CBO estimate can be found here.

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

<u>Mandates?</u>: H.R. 4803 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>Constitutional Authority</u>: Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, the Congress shall have the power to lay and collect taxes, duties, imposts and excises, to pay debts and provide for the common defence and general welfare of the United States.

RSC Staff Contact: Nicholas Rodman, nicholas.rodman@mail.house.gov, (202) 226-8576

<u>Order of Business</u>: <u>H.R. 2430</u> is scheduled to be considered on July 22, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

<u>Summary</u>: This bill would adjust the boundaries of Paterson Great Falls National Historical Park to include Hinchliffe Stadium.

Additional Background: Built in 1931, the Hinchliffe Stadium is a 10,000-seat stadium located in Paterson, New Jersey. The stadium is surrounded by the city's National Landmark Historic District, and in its history hosted Negro League baseball. The bill adjusts perimeters of the Paterson Great Falls National Historical Park, created by Congress in 2009, to include the historic stadium, but does not require federal ownership of the stadium. As it stands, this property could only be obtained by means of donation under the current law.

<u>Committee Action</u>: H.R. 2430 was introduced on July 19, 2013 by Representative Pascrell, and referred to the House Natural Resources Committee. On April 9, 2014, the Committee held a mark-up where the bill was ordered to be reported by unanimous consent.

Administration Position: No Statement of Administration Policy is available at this time.

<u>Cost to Taxpayers</u>: <u>CBO</u> estimates that the legislation would not significantly increase the park's operation costs and would not increase the cost to acquire land for the park unit. CBO does estimate however that this legislation would increase the costs associated with survey work, which would be less than \$100,000, as well as various spending costs associated with cooperative agreements with the stadium owners necessary to restoring the stadium.

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

<u>Mandates?</u>: H.R. 2430 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 Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?</u>: No.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

<u>Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?</u>: This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

<u>Constitutional Authority</u>: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: Art. 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. . . ." Art. I, Section 8, clause 18: "The Congress shall

have Power. . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States or in any Department or Officer thereof." Read the statement here.

RSC Staff Contact: Rebekah Armstrong, Rebekah.Armstrong@mail.house.gov, 202-226-0678

H.R. 3802 — To extend the legislative authority of the Adams Memorial Foundation to establish a commemorative work in honor of former President John Adams and his legacy, and for other purposes (Lynch, D-MA)

<u>Order of Business</u>: <u>H.R. 3802</u> is scheduled to be considered on July 22, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

Summary: This bill would extend until December 2, 2020, the authority of the Adams Memorial Foundation to build a commemorative work on federal land in the District of Columbia. This work would be constructed to honor the achievements of former President John Adams, and his family's numerous works of public service.

<u>Additional Background</u>: On November 5, 2001, President George Bush signed <u>H.R. 1668</u> into law authorizing the Adams Memorial Foundation to establish a memorial honoring former President John Adams and former President John Quincy Adams. The Foundation has been working to designate a location for the memorial; however, the authorization for the commemorative work expired in 2013. This bill allows an extension of this authority to allow the foundation to continue planning and developing until December 2, 2020. Read the committee report here.

<u>Committee Action</u>: H.R. 3802 was introduced by Representative Lynch on December 19, 2013, and referred to the House Natural Resources Committee. On April 9, 2014, the Committee held a mark-up where the bill was ordered to be reported by unanimous consent. On June 30, 2014, the bill was reported by the Natural Resources Committee and placed on the Union Calendar, No. 377.

Administration Position: No Statement of Administration Policy is available at this time.

<u>Cost to Taxpayers</u>: <u>CBO</u> estimates that the legislation would have no significant effect on the federal budget. The memorial would be built without the use of federal funds, but would be subject to the requirements of the Commemorative Works Act, which states that the Foundation must donate 10% of the memorial's estimated construction costs that would in turn be used for the ongoing maintenance of the memorial by the National Park Foundation.

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</u> <u>Mandates?</u>: H.R. 3802 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 government.

<u>Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?</u>: This bill is not intended to preempt any State, local or tribal law.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

<u>Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?</u>: This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

<u>Constitutional Authority</u>: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: Article 1 section 8 Clause 3 of the United States Constitution." Read the statement <u>here</u>.

RSC Staff Contact: Rebekah Armstrong, Rebekah.Armstrong@mail.house.gov, 202-226-0678

H.R. 3716 - Pyramid Lake Paiute Tribe - Fish Springs Ranch Settlement Act — (Amodei-R, NV)

<u>Order of Business</u>: <u>H.R. 3716</u> is scheduled for consideration on Tuesday, July 22, 2014, under a suspension of the rules, which requires a two-thirds majority vote for passage.

<u>Summary</u>: This bill authorizes and ratifies a water settlement agreement between the Pyramid Lake Paiute Tribe and the Fish Springs Ranch. In addition, it protects a private water project that is already constructed and compensates the Tribe with private funds for any actual or potential resource loss. This legislation provides a waiver and release of certain claims by the Tribe against the U.S. relating to trust responsibilities, and the U.S. would bear no liability for claims waived by the tribe. Finally, the legislation authorizes the Tribe to grant the waivers against both Fish Springs and the U.S. The bill's provisions would take effect after those waivers are signed and Fish Springs pays the Tribe the \$3.6 million plus accrued interest.

Additional Background: According to the committee report, the Pyramid Lake Indian reservation is 475,000 acres, of which 112,000 acres are covered by Pyramid Lake, which is located 35 miles northeast of Reno, Nevada. Fish Springs is a majority-owned subsidiary of Vidler Water Company which locates, aggregates, and develops water rights in agricultural markets for municipal and industrial uses. The Tribe opposed a pipeline project (which had been approved by the Bureau of Land Management) being conducted by Vidler Water Company asserting that Pyramid Lake could be affected and therefore be in violation of the Tribe's rights.

The Tribe sued the Bureau of Land Management alleging that the final Environmental Impact Study (EIS) "did not meet requirements under the National Environmental Policy Act (NEPA) and that the grant of the right-of-way would violate the trust responsibility of the United States." The U.S. District Court issued a preliminary injunction in 2007 which led to an eventual agreement between the Tribe and Fish Springs and the dismissal of the appeal. The settlement includes language which provides the Tribe will subordinate its water rights to Fish Springs' right to pump up to 14,108 acre feet of groundwater for \$3.6 million plus interest from Fish Springs. This section of the agreement requires legislative approval.

<u>Committee Action</u>: H.R. 3716 was introduced on December 12, 2013, by Representative Amodei. The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on Water and Power. On <u>June 10, 2014</u>, the Subcommittee on Water and Power held a hearing on the bill. On <u>June 19, 2014</u>, the Natural Resources Committee met to consider the bill. The Subcommittee on Water and Power was discharged by unanimous consent. No amendments were offered and the bill was adopted and ordered favorably reported to the House of Representatives by unanimous consent

Administration Position: No Statement of Administration Policy is available at this time.

<u>Cost to Taxpayers</u>: <u>CBO</u> estimates that implementing the legislation would have no effect on the federal budget. The federal government is not a party to the settlement agreement between Fish Springs and the tribe, and implementing the legislation would not increase operating costs for the Department of the Interior. Enacting H.R. 3716 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

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

<u>Mandates?</u>: H.R. 3716 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

<u>Does the Bill Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?</u>: No.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

<u>Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?</u>: This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

<u>Constitutional Authority</u>: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: The constitutional authority of Congress to enact this legislation is provided by Article I, Section 8 of the United

States Constitution, specifically clause 1 (relating to providing for the general welfare of the United States) and clause 18 (relating to the power to make all laws necessary and proper for carrying out the powers vested in Congress), and Article IV, Section 3, Clause 2 (relating to the power of Congress to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States). Read the statement here.

RSC Staff Contact: Rebekah Armstrong, Rebekah.Armstrong@mail.house.gov, 202-226-0678

H.R. 4508 - To amend the East Bench Irrigation District Water Contract Extension Act to permit the Secretary of the Interior to extend the contract for certain water services— (Daines-R, MT)

<u>Order of Business</u>: <u>H.R. 4508</u> is scheduled for consideration on Tuesday, July 22, 2014, under a suspension of the rules, which requires a two-thirds majority vote for passage.

<u>Summary</u>: This bill amends the East Bench Irrigation District Water Contract Extension Act to allow the Secretary of the Interior to extend a water contract between the United States and the East Bench Irrigation District until December 31, 2019.

<u>Major Changes Since the Last Time This Legislation was Before the House</u>: The House passed <u>S. 997</u> by voice vote on June 18, 2012. The bill provided an extension through December 31, 2013.

Additional Background: The Bureau of Reclamation supplies irrigation water from the Clark Canyon Dam and Reservoir project to the East Bench Irrigation District under an interim contract negotiated in 2006 after the original contract expired. This federal project, located in southwestern Montana, supplies irrigation water for 28,000 acres within the East Bench Irrigation District. The 1958 contract has been extended several times, and this legislation adds an additional six years to the last extension. Read the committee report here.

<u>Committee Action</u>: H.R. 4508 was introduced on April 29, 2014, by Representative Daines. The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on Water and Power. On <u>June 10, 2014</u>, the Subcommittee on Water and Power held a hearing on the bill. On <u>June 19, 2014</u>, the Natural Resources Committee met to consider the bill. The Subcommittee on Water and Power was discharged by unanimous consent. The bill was adopted and ordered favorably reported to the House of Representatives by unanimous consent.

Administration Position: No Statement of Administration Policy is available at this time.

<u>Cost to Taxpayers</u>: <u>CBO</u> estimates that enacting the legislation would not affect the federal budget. Enacting H.R. 4508 would not affect revenues or direct spending; therefore, pay-as-you-go procedures do not apply.

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

<u>Mandates?</u>: H.R. 4508 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>Violation of the 10th Amendment?</u>: According to the committee report, "This legislation does not prejudice the Montana Fifth Judicial District Court or the Montana Water Court and simply holds the 1958 contract in place while water adjudication is resolved at the state level."

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

<u>Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?</u>: This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives

<u>Constitutional Authority</u>: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: Article 4, Section 3, Clause 2 of the Constitution of the United States." Read the statement here.

RSC Staff Contact: Rebekah Armstrong, Rebekah.Armstrong@mail.house.gov, 202-226-0678

H.R. 4562 - To authorize early repayment of obligations to the Bureau of Reclamation within the Northport Irrigation District in the State of Nebraska— (Smith-R, NE)

<u>Order of Business</u>: <u>H.R. 4562</u> is scheduled for consideration on Tuesday, July 22, 2014, under a suspension of the rules, which requires a two-thirds majority vote for passage.

<u>Summary</u>: This bill allows landowners within the Northport Irrigation District in Nebraska to repay, at any time, the federal government under its water contract with the Bureau of Reclamation. The repayment is for the construction costs of project facilities allocated to the landowner's land within the District. Landowners who choose to repay their debt will no longer be subject to federal acreage limitations and paperwork requirements. Finally, once the landowner has repaid, the Secretary of the Interior will provide them with a certificate.

<u>Additional Background</u>: According to the <u>committee report</u>, Northport is one of four irrigation districts that receive water from the federal North Platte Project which is then conveyed through the privately owned Tri-State Canal. Farmers Irrigation District, which owns and operates the Tri-State Canal, receives compensation, through a carriage fee from Northport for allowing the water to be conveyed. In the event the carriage is more than \$8,000 per year (the annual

carriage fees are between \$80,000-\$100,000), Northport is not obligated to make its annual capital repayment to the federal government. Currently, the Northport Irrigation District is not making any payment to the bureau on the district's outstanding obligation of \$924,000 that it owes for the irrigation project. Due to the outstanding debt, owners are subject to a 960 irrigated acre planting limitation and paperwork requirements that must be met prior to getting water each year.

Current law prohibits landowners (such as those in Northport) from making accelerated or lump sum payments to repay their portion of the capital repayment obligations owed to the federal government.

<u>Committee Action</u>: H.R. 4562 was introduced on May 1, 2014, by Representative Smith. The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on Water and Power. On <u>June 10, 2014</u>, the Subcommittee on Water and Power held a hearing on the bill. On June 19, 2014, the Natural Resources Committee met to consider the bill. The Subcommittee on Water and Power was discharged by unanimous consent. No amendments were offered and the bill was adopted and ordered favorably reported to the House of Representatives by unanimous consent.

Administration Position: No Statement of Administration Policy is available at this time.

<u>Cost to Taxpayers</u>: <u>CBO</u> estimates that enacting the legislation would have an insignificant effect on the federal budget. Because the legislation would affect direct spending, pay-as-you-go procedures apply. Enacting H.R. 4562 would not affect revenues.

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

<u>Mandates?</u>: H.R. 4562 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 Contain Any Federal Encroachment into State or Local Authority in Potential Violation of the 10th Amendment?</u>: This bill is not intended to preempt any State, local or tribal law.

Does the Bill Delegate Any Legislative Authority to the Executive Branch?: No.

<u>Does the Bill Contain Any Earmarks/Limited Tax Benefits/Limited Tariff Benefits?</u>: his bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

<u>Constitutional Authority</u>: According to the sponsor, "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 18 of the United States Constitution." Read statement <u>here</u>.

H. R. 4411 – Hezbollah International Financing Prevention Act of 2014 (Rep. Meadows, R-NC)

<u>Order of Business</u>: The bill is scheduled to be considered on July 22, 2014, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority for passage.

<u>Summary</u>: H. R. 4411 directs the President of the United States to submit to Congress a report that includes a list of satellite, broadcast, or other providers that knowingly transmit the content of al-Manar TV, a Lebanese satellite television station affiliated with Hezbollah. The list would also include an identification of those providers that have or have not been sanctioned pursuant to <u>Executive Order 13224</u>. The bill would also direct the Secretary of the Treasury, with the concurrence of the Secretary of State and in consultation with the heads of other applicable departments and agencies, to prohibit or impose strict conditions on the opening or maintaining in the United States of a correspondent account or a payable-through account by a foreign financial institution that knowingly:

- ➤ Facilitates the activities of Hezbollah, including its agents, instrumentalities, affiliates, or successors;
- Facilitates the activities of a person acting on behalf of or owned or controlled by an agent, instrumentality, affiliate, or successor;
- Engages in money laundering to carry out such an activity;
- Facilitates a significant transaction or provides significant financial services to carry out such an activity, including services that involve a transaction of a precious metal; or
- ➤ Facilitates any of these activities, conspires to facilitate or participate in such an activity, or is owned or controlled by a foreign financial institution that knowingly engages in such an activity.
- H. R. 4411 would also mandate that the Secretary of the Treasury prescribe regulations to require a domestic financial institution maintaining a correspondent account or payable-through account in the United States for a foreign financial institution to:
 - ➤ Report to the Department of the Treasury with respect to financial transactions or other financial services provided;
 - ➤ Provide timely and accurate information to domestic financial institutions maintaining a correspondent account or payable-through account in the United States for a foreign financial institution;

Establish due diligence policies, procedures, and controls, designed to detect whether the Secretary of the Treasury has found the foreign financial institution to knowingly engage in any prohibited activity described in the previous section of the bill.

The bill authorizes the Secretary of the Treasury to waive such requirements if such a waiver is deemed in the interest of U.S. national security, but requires congressional notification. The legislation also mandates that the Secretary of the Treasury identify to Congress every 180 days each foreign central bank that carries out an activity prohibited under the bill and establish a set of penalty requirements for specified violations.

H. R. 4411 would also direct the President to determine whether or not Hezbollah should be designated as a significant foreign narcotics trafficker under the <u>Foreign Narcotics Kingpin Designation Act</u>, and as a significant transnational criminal organization. The bill would also direct the Secretary of State to submit to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate a report detailing Hezbollah's involvement in the trade in rough diamonds outside of the <u>Kimberly Process</u> Certification Scheme.

Additional Information: Hezbollah is a Shi'a Islamist terrorist organization based in Lebanon. The group has been designated as a foreign terrorist organization by the United States. The United States Government holds Hezbollah responsible for the largest number of American deaths by a terrorist organization prior to the attacks of September 11, 2001, including a number of hostage takings targeting Americans in Lebanon during the 1980s, the bombing of the United States Embassy in Beirut in April 1983, and the bombing of the United States Marine barracks in October 1983 which killed 241 American servicemen.

Hezbollah continues to provide material assistance to the Government of Iran and to the Government of Syria, including aiding the Assad regime in suppressing the ongoing armed rebellion against it. The organization continues to serve as a proxy militia on behalf of Iran in its effort to threaten the United States and its allies in the region including Israel. According to the findings in title 1 of H. R. 4411, in April 2013, the Department of the Treasury <u>blacklisted</u> two Lebanese exchange houses, Kassem Rmeiti & Co. and Halawi Exchange Co., for laundering drug profits for Hezbollah, and characterized Hezbollah as operating like an international drug cartel. Al-Manar TV, the Lebanese satellite station affiliated with Hezbollah was officially designated as a <u>Specially Designated Global Terrorist entity</u> by the Department of the Treasury in 2004, but the station continues to propagate Hezbollah's propaganda messages.

A similar version of the bill (<u>S. 2329</u>) was introduced in the Senate on May 13, 2014 by Senator Shaheen (D-NH) and was referred to the Senate Committee on Banking, Housing, and Urban Affairs.

<u>Committee Action</u>: The bill was introduced on April 7, 2014 and was referred to the House Committee on Foreign Affairs and the House Committee on Financial Services. The bill was reported out of the House Committee on Foreign Affairs in the nature of a substitute (amended) by unanimous consent on June 26, 2014.

Administration Position: No Statement of Administration Policy is available.

Cost to Taxpayers: The Congressional Budget Office (CBO) estimates that implementing H. R. 4411 would cost \$3 million over the 2015-2019 period, assuming appropriation of the necessary amounts. Pay-as-you-go procedures apply to this legislation because it would affect direct spending and revenues; however, CBO estimates that those effects would not be significant. Provisions of H. R. 4411 would increase the administrative costs of several departments, primarily the Department of the Treasury and the Department of State. Based on information from the Administration, CBO estimates that implementing the bill would cost \$1 million in 2015 and less than \$500,000 each year over the 2016-2019 period. The CBO estimate can be found here.

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

<u>Mandates?</u>: H. R. 4411 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments. H. R. 4411 would impose a private-sector mandate, as defined in UMRA, on financial institutions by prohibiting them from opening or maintaining certain types of financial accounts for entities that are knowingly affiliated with Hezbollah. The cost of the mandate would be the forgone income from opening or maintaining such accounts. Because there are already existing sanctions in place against Hezbollah and the number of entities that are knowingly affiliated with Hezbollah is probably small, CBO expects that the cost of the mandate would fall below the annual threshold established in UMRA (\$152 million in 2014, adjusted annually for inflation).

<u>Constitutional Authority</u>: Congress has the power to enact this legislation pursuant to the following: Clauses 3 and 18 of Article I

RSC Staff Contact: Nicholas Rodman, nicholas.rodman@mail.house.gov, (202) 226-8576

<u>NOTE</u>: RSC Legislative Bulletins are for informational purposes only and should not be taken as statements of support or opposition from the Republican Study Committee.

###