



**Legislative Bulletin.....September 4, 2007**

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**Summary of the Bills Under Consideration Today**

**Total Number of New Government Programs:** At least five

**Total Cost of Discretionary Authorizations:** \$312.5 million in FY 2008 and \$471.5 million over the FY 2008-FY 2012 period

**Effect on Revenue:** \$0

**Total Change in Mandatory Spending:** \$0

**Total New State & Local Government Mandates:** 0

**Total New Private Sector Mandates:** 0

**Number of Bills Without Committee Reports:** 5

**Number of Reported Bills that Don’t Cite Specific Clauses of Constitutional Authority:** 5

**H.R. 694 — Minority Serving Institution Digital and Wireless  
Technology Opportunity Act of 2007 (Townes, D-NY)**

**Order of Business:** H.R. 694 is scheduled to be considered on Tuesday, September 4, 2007, under a motion to suspend the rules and pass the bill.

**Summary:** H.R. 694 would authorize \$250 million in FY 2008 and “such sums” through 2012 to **create a new grant program** for minority serving institutions of higher learning.

The bill would require the Secretary of Commerce to establish the Minority Serving Institution Digital and Wireless Technology Opportunity Program to assist certain eligible institutions in acquiring and using digital and wireless networking technologies for educational use. Eligible institutions would be authorized to use the grants acquire equipment, provide training in the use of equipment, obtain technical assistance in the use of the equipment, and foster the use of digital and wireless networking technology.

The bill would establish an advisory council to determine the best procedures for encouraging participation in the program. The Secretary would also be required to establish review panels to determine the quality and merit of each grant proposal. Any institution receiving funding through the grants would be required to match the lesser of one quarter of the federal share of the costs or \$500,000 annually.

The bill defines eligible institutions as:

- historically Black college or universities;
- Hispanic-serving institutions;
- Alaska Native-serving institutions;
- **Native Hawaiian-serving institutions;** and
- institutions of higher education with an enrollment of needy students.

H.R. 694 would authorize \$250 million in FY 2008 and such sums annually from FY 2009 through FY 2012.

**Possible Conservative Concerns: Some conservatives may be concerned that H.R. 694 authorizes at least \$250 million (and “such sums” in the future) to provide communications and networking grant programs for minority serving institutions.**

**In addition, some conservatives may be concerned that Native Hawaiians are a racial group, not a tribe, and dispensing benefits to them would likely be subject to strict scrutiny in federal courts. Providing additional financial assistance to this group is not only duplicative of numerous current federal education programs, but may also be unconstitutional.**

**Committee Action:** H.R. 694 was introduced on January 24, 2007, and referred to the Committee on Science and Technology, as well as the Committee on Education and Labor. On February 6, 2007, the bill was referred to the Subcommittee on Technology and Innovation, which took no official action. On June 27, 2007, H.R. 694 was referred to the Subcommittee on Higher Education, Lifelong Learning, and Competitiveness, which also took no official action.

**Cost to Taxpayers:** A CBO score for H.R. 694 was not available at press time, but the bill would authorize \$250 million in FY 2008, and such sums in the following years.

**Does the Bill Expand the Size and Scope of the Federal Government?** Yes, it creates new federal technology grant programs for qualified minority serving institutions.

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

**Constitutional Authority:** A House Report citing Constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific powers* granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

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## **H.R. 2850 — Green Chemistry Research and Development Act of 2007 (Gingrey, R-GA)**

**Order of Business:** H.R. 2850 is scheduled to be considered on Tuesday, September 4, 2007, under a motion to suspend the rules and pass the bill. .

**Summary:** H.R. 2850 would authorize (from funds otherwise authorized) funding for fiscal years 2008 through 2010 for “green chemistry” programs (chemistry and chemical engineering research aimed at reducing or eliminating the use and production of hazardous substances) at four agencies: the National Science Foundation (NSF), the National Institute of Standards and Technology (NIST), the Department of Energy (DOE), and the Environmental Protection Agency (EPA). The specific authorizations (in millions of dollars) are as follows:

	FY2008	FY2009	FY2010
NSF	\$20	\$21	\$22
NIST	\$8	\$9	\$10
DOE	\$13	\$14	\$15
EPA	\$10	\$11	\$12

These authorizations would be organized under the following programs and functions:

- a Green Chemistry Research and Development Program under the President to promote and coordinate federal green chemistry research, development, demonstration, education, and technology transfer activities;
- a presidential interagency working group;
- a new grant program within the above presidential program to support efforts by higher educational institutions to revise their undergraduate curriculum in chemistry and chemical engineering to incorporate green chemistry concepts and strategies

- an NSF study of the factors that constitute barriers to the successful commercial application of green chemistry research and development; and
- a joint, coordinated program (within the presidential program above) to award grants to institutions of higher education to establish partnerships with companies in the chemical industry to retrain chemists and chemical engineers in the use of green chemistry concepts and strategies.

**Additional Information:** CBO reported for 2005 that, “NSF expects to spend around \$25 million in 2005 for green chemistry research. EPA and NIST estimate those agencies will spend \$2 million and \$4 million, respectively, in 2005 on green chemistry research. DOE currently does not conduct research specifically targeted to green chemistry technologies.”

A nearly identical bill, H.R. 1215, passed the House during the 109<sup>th</sup> Congress by voice vote. The total authorization level for H.R. 1215 was \$106.5 million, as opposed to \$188 million authorized by the current legislation.

**Committee Action:** H.R. 2850 was introduced on June 25, 2007 and referred to the Committee on Science and Technology. On July 11, 2007, a mark up was held and the bill was reported, as amended, by voice vote.

**Cost to Taxpayers:** According to CBO, H.R. 2850 would authorize \$58 million in FY 2008 and \$188 million through FY 2010 (subject to appropriations).

**Does the Bill Expand the Size and Scope of the Federal Government?** Yes, the bill would create a new program.

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

**Constitutional Authority:** Although there is no House Report for H.R. 2850, a report (109-82) for H.R. 1215, a nearly identical bill, cites constitutional authority in Article I, Section 8, but fails to cite a specific clause. House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific powers* granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution.” *[emphasis added]*

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## **H.R. 2992 — SBA Trade Programs Act of 2007 (*Hall, D-NY*)**

**Order of Business:** H.R. 2992 is scheduled to be considered on Tuesday, September 4, 2007, under a motion to suspend the rules and pass the bill. .

**Summary:** H.R. 2992 would require the Small Business Administration's (SBA) Office of International Trade (OIT) to develop trade policies to support small businesses in domestic and foreign markets. The director of the OIT would be responsible for maintaining a small business trade strategy that makes recommendations to increase the competitiveness of domestic small businesses and protects small business from unfair trade practices. The director would be required to issues an annual report regarding these strategies.

The director of the OIT would also be required to establish a system of tracing small business exports and the use by small businesses of federal trade promotion resources.

H.R. 2992 would **establish new SBA programs** to assist small businesses navigate the trade dispute and remedy processes and design counseling services for small businesses that are taking legal action to secure their rights to domestic patents.

The bill would also require the SBA to hire at least six new trade finance specialists at Export Assistance Centers in order to increase SBA participation in exports. H.R. 2992 would increase the amount the SBA can provide for trade related loans from \$1.5 million to \$2.25 million.

**Additional Information:** The 110<sup>th</sup> Congress has passed three suspension bills that expand SBA programs (**H.R. 2359** — SBA Entrepreneurial Development Programs Act of 2007, **H.R. 2366** — SBA Veterans' Programs Act of 2007, **H.R. 2397** — SBA Women's Business Programs Act of 2007). Combined, these three bills authorized over \$602.5 million through FY 2012.

**Possible Conservative Concerns: Some conservatives may be concerned that H.R. 2992 creates new federal assistance programs at the SBA.**

**Committee Action:** H.R. 2992 was introduced on June 25, 2007 and referred to the Committee on Science and Technology. On July 11, 2007, a mark up was held and the bill was reported, as amended, by voice vote.

**Cost to Taxpayers:** According to CBO, H.R. 2992 would authorize \$4 million in FY 2008 and \$21 million over the FY 2008 – FY 2012 period.

**Does the Bill Expand the Size and Scope of the Federal Government?** Yes, the bill would create new programs to encourage small business exports.

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

**Constitutional Authority:** A House Report citing Constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific powers* granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution." [*emphasis added*]

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## **H.R. 3020 — Microloan Amendments and Modernization Act (Chabot, R-OH)**

**Order of Business:** H.R. 3020 is scheduled to be considered on Tuesday, September 4, 2007, under a motion to suspend the rules and pass the bill.

**Summary:** H.R. 3020 would require the administrator of the SBA to establish a process by which SBA lenders are able to transmit relevant credit information regarding the borrower's payment activity.

The bill would also increase the threshold for average loan sizes for nonprofit community based lenders under the SBA's microloan program from \$7,500 to \$10,000. H.R. 3020 would also increase the threshold for lenders that can charge a higher interest rate from \$7,500 to \$10,000.

H.R. 3020 would also reauthorize the Program for Investment in Microentrepreneurs (PRIME), which provides grants for nonprofit organizations to give technical assistance to low-income business owners with five employees or less.

**Additional Information:** Under current law, loans from nonprofit lending institutions with average loans of \$7,500 or smaller are eligible to receive interest rate reductions of up to 75% of rates charged to institutions that make higher average loans. This bill would increase the limit of eligibility for lower interest rates to \$10,000 for an average loan. By expanding lower interest rates to more nonprofit community lenders, small businesses may find it easier to receive SBA loans.

**Committee Action:** H.R. 3020 was introduced on July 12, 2007 and referred to the Committee on Small Business. On July 19, 2007, a mark up was held and the bill, as amended, was reported by voice vote.

**Cost to Taxpayers:** According to CBO, H.R. 3020 would authorize \$2 million in FY 2008 and \$12 million over the FY 2008 – FY 2012 period.

**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.

**Constitutional Authority:** A House Report citing Constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific powers* granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution." *[emphasis added]*

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**H.Res. 552 — Calling on the Government of the People’s Republic of China to remove barriers to United States financial services firms doing business in China (*Marshall, D-GA*)**

**Order of Business:** H.Res. 552 is scheduled to be considered on Tuesday, September 4, 2007, under a motion to suspend the rules and pass the resolution.

**Summary:** H.Res. 552 would express the following sense that the House of Representatives:

- “the Government of the People’s Republic of China should immediately implement all of its World Trade Organization commitments to date in financial services;
- “the Government of the People’s Republic of China should immediately implement all of its commitments to date made under the auspices of the Strategic Economic Dialogue initiated by the Secretary of the Treasury;
- “the goals of the United States for the next meeting of the Strategic Economic Dialogue should be to achieve Chinese commitments toward--
  - a) removal of all foreign investment ownership caps on banking, life insurance, asset management, and securities;
  - b) nondiscriminatory treatment of United States financial services firms (including banking, insurer, insurance intermediary, asset management, and securities firms) with regard to licensing, corporate form, and permitted products and services; and
  - c) nondiscriminatory treatment of United States financial services firms with regard to regulation and supervision; and
- “United States financial service regulators, in assessing whether applications from Chinese financial institutions meet comprehensive consolidated supervision standards, should consider whether the applications are for operations and activities in the United States that are currently prohibited for United States financial institutions in China, and the extent to which such prohibitions reflect problems with the quality of home country supervision.”

The resolution lists numerous findings, including the following:

- “well-functioning financial markets in China capable of accurately pricing risk, valuing assets, allocating capital to its most efficient use, providing financial products that allow savers to obtain a market rate of return, and capable of intermediating efficiently between savers and borrowers are essential if China is to move successfully to a market-based economy;

- “the lack of diversification and innovation among Chinese financial firms, particularly state-owned banks, limits the financial assets in which the Chinese people can invest and limits their access to savings and investment vehicles that would allow them to save safely and adequately for retirement and insure themselves against risks to health and incomes;
- “the current lack of well-functioning financial markets in China has the effect of misallocating capital and distorting investment in ways that subsidize capital intensive industries in China’s manufacturing sector and distort trade with the United States and other trading partners as a consequence;
- “an increased presence of United States and other foreign financial services firms in China would provide substantial benefit to China by aiding in the reform and development of the banking, insurance, asset management, and securities industries and providing new products to Chinese consumers that would contribute substantially to their financial security;
- “the United States trade deficit with China in 2006 was \$233,000,000,000, and this trade deficit has nearly tripled in size since China joined the World Trade Organization in 2001;
- “China’s World Trade Organization commitments fail to achieve an open and nondiscriminatory environment for foreign financial services firms seeking to trade with China;
- “foreign entities are not permitted to invest in Chinese A-share securities markets except through an onerous licensing and quota system for ‘qualified foreign institutional investors,’ and Chinese institutional investors are also restricted in investing in foreign securities markets except through a licensing and quota system for ‘qualified domestic institutional investors’;
- “the government of China has failed to meet its World Trade Organization commitment on licensing of foreign broker-dealers and maintains discriminatory restrictions on the scope of business of foreign securities firms;
- “the government of China maintains discriminatory standards for foreign banks in terms of capital requirements, restrictions on corporate operational form, and restrictions on bank branches, and has been slow to act on foreign banks’ applications;
- “the government of China has approved no new enterprise annuities licenses for United States or other foreign firms since 2005 and maintains a cumbersome multi-agency process for approval of licenses;
- “major Chinese financial institutions have sought licenses to operate in the United States on the grounds that Chinese financial regulators satisfy consolidated supervision standards, at the same time the Chinese government restricts access to United States and other foreign firms on grounds that suggest that Chinese regulators may not satisfy these standards; and
- “the Secretary of the Treasury has initiated the Strategic Economic Dialogue as a forum in which to engage Chinese officials on economic reform issues, including financial market issues.”

**Committee Action:** H.Res. 552 was introduced on July 17, 2007, and referred to the Committee on Financial Services, which took no official action.

**Cost to Taxpayers:** The resolution authorizes no expenditure.

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

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

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## **H.R. 2358 — Native American \$1 Coin Act (*Kildee, D-MI*)**

**Order of Business:** H.R. 2358 is scheduled to be considered on Tuesday, September 4, 2007, under a motion to suspend the rules and pass the bill.

**Summary:** H.R. 2358 would direct the Secretary of Treasury to design and mint a new series of one dollar coins bearing the current “Sacagawea” design on the front and depicting designs of historic contributions made by Native Americans on the back. The commemorative design on the back of the coin would change every calendar year. The issue date of the coin along with the phrases “E Pluribus Unum” and “In God We Trust,” would appear incused around the edge of the coin.

The bill would reduce the percentage of one dollar coins that must be “Sacagawea” coins would be reduced from 1/3 to 1/5. H.R. 2358 would also direct the Secretary to encourage the use of the Native American design coin.

**Additional Information:** H.R. 2358 was passed in the House by voice vote on June 12, 2007, and passed in the Senate by unanimous consent on August 3, 2007, with an amendment to change the effective date in order to have the correct year on the coins.

According to the Financial Services Committee, “This bill is designed to save taxpayers \$50-100 million a year by creating demand for ‘Sacagawea-design’ dollar coins which under current law must comprise one-third of all US dollar coins minted annually. Modeled after the popular 50-state quarter program, H.R. 2358 leaves the Sacagawea design on the front of the coin, but changes the reverse each year to represent different contributions of Native Americans to the United States.”

Initially offered to the general public, the Sacagawea coin has significantly decreased in mintage since it was produced. H.R. 2358 is intended to spark interest in the coin by adding new, collectable designs annually. The bill also reduces the percentage of Sacagawea coins that are required to be made in order to make room for the new Presidential series of one dollar coins.

According to the U.S. Mint and the CBO, coins are cheaper to use than paper money, particularly since they stay in circulation thirty or forty years, while the average dollar

bill wears out after just eighteen months. However, according to a PBS NewsHour report in 1997, surveys have shown that 75 percent of the public prefers a paper dollar to a coin and past efforts to encourage the public to use dollar coins have not been successful. In March of 2002, after supplies outpaced demand for the Sacagawea Golden Dollar \$1 coin, the U.S. Treasury halted production.

The CBO Cost Estimate for the House companion bill stated, “Taking into account the experience of the 50 State Quarters program and the public’s continued resistance to the use of dollar coins, CBO expects that the new \$1 Presidential coin would increase the public’s interest in collecting coins, but it would continue to face barriers to widespread circulating use.”

**Committee Action:** H.R. 2358 was introduced on May 17, 2007 and referred to the Committee on Financial Services, which took no official action. On June 12, 2007, the bill was passed in the House by voice vote and referred to the Senate.

**Cost to Taxpayers:** A CBO estimate for H.R. 2356 is not available.

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

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

**Constitutional Authority:** A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain “a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution” [*emphasis added*].

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### **H.Con.Res. 196 — Authorizing the use of the rotunda and grounds of the Capitol for a ceremony to award the Congressional Gold Medal to Tenzin Gyatso, the Fourteenth Dalai Lama (*Brady, D-PA*)**

**Order of Business:** H.Con.Res. 196 is scheduled to be considered on Tuesday, September 4, 2007, under a motion to suspend the rules and pass the resolution.

**Summary:** H.Con.Res. 196 would express the following sense of the House of Representatives:

- “The rotunda of the Capitol is authorized to be used on October 17, 2007, for a ceremony to award the Congressional Gold Medal to Tenzin Gyatso, the Fourteenth Dalai Lama, in accordance with Public Law 109-287.

- “Physical preparations for the ceremony referred to in subsection (a) shall be carried out in accordance with such conditions as the Architect of the Capitol may prescribe.
- “The International Campaign for Tibet (in this resolution referred to as the ‘sponsor’) shall be permitted to sponsor a public event on the Capitol Grounds (in this resolution referred to as the ‘event’) on October 17, 2007, in connection with the ceremony to be held in the rotunda of the Capitol under section 1.
- “Under conditions to be prescribed by the Architect of the Capitol and the Capitol Police Board, the event shall be--
  - a) free of admission charge and open to the public; and
  - b) arranged not to interfere with the needs of Congress.
- “The sponsor shall assume full responsibility for all expenses and liabilities incident to all activities associated with the event.
- “Subject to the approval of the Architect of the Capitol, the sponsor is authorized to erect upon the Capitol Grounds such stage, sound amplification devices, and other related structures and equipment, as may be required for the event.
- “The Capitol Police Board shall provide for enforcement of the restrictions contained in section 5104(c) of title 40, United States Code, concerning sales, advertisements, displays, and solicitations on the Capitol Grounds, as well as other restrictions applicable to the Capitol Grounds, in connection with the event.”

**Committee Action:** H.Con.Res. 196 was introduced on August 1, 2007, and referred to the Committee on House Administration, as well as the Committee on Transportation and Infrastructure, which took no official action.

**Cost to Taxpayers:** The resolution authorizes no expenditure.

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

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

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