

WASHINGTON UPDATE

LEGISLATIVE AND PUBLIC POLICY DEVELOPMENTS

APRIL 24 - 30, 2010

ECONOMIC REGULATION AND OVERSIGHT	1
Levin Releases Goldman Emails	1
Dodd, Lincoln Reach Derivatives Deal	1
SEC's IG Opens Investigation on Goldman Timing	1
Financial Reform Legislation Progresses Through Senate	2
Debt Commission Holds First Meeting	2
Goldman Defends Itself Before Senate Panel	3
Greece's Credit Crisis Sparks Investor Fears	3
Senate Financial Reform Bill: Tougher than Administration, House?	3
DOJ Probes Goldman Trading	4
Legislation Introduced	4
BANKRUPTCY AND CORPORATE LAW MATTERS	6
Support For Global Bank Tax Fades	6
The Dividend Tax Bill Arrives	6
Foreign Insurers Beef Up Lobbying To Head Off Legislation	6
Snowe Says Reid Broke Promise To Move Small Business Bill	7
Legislation Introduced	7
BROADBAND, BROADCAST, AND INTELLECTUAL PROPERTY	8
FCC, Stakeholders Debate Net Neutrality	8
NTIA Completes BTOP Round One	8
Senators Write to Facebook and FTC to Express Privacy Concerns	8
FCC Establishes Spectrum Task Force	9
World IP Day Conference Held in Washington, DC	9
Justice Department Increases IP Enforcement Personnel	9
ENERGY AND ENVIRONMENT	10
Climate Legislation Update	10
Senate ENR Conducts FERC Nominations Hearing	10
Biofuels Legislation Introduced	11
Oil Spill Affects Congressional and Administrative Action	11
Legislation Introduced	11
IMPLEMENTATION OF HEALTH CARE REFORM	14
Health Insurers Begin Early Implementation of Elements of Health Care Reform Law	14
Schwarzenegger Backs Healthcare Reform	14

LABOR AND PENSIONS.....15
 IP Jobs are Essential to U.S. Economy, Says Chamber of Commerce..... 15
 Legislation Introduced 15
ESTATE TAX.....16
 Estate Tax Audits Tough As Ever 16
 Levin Predicts Bush Tax Cuts For Wealthy Will Expire 16
HIGHER EDUCATION17
 DREAM Act Appears in Immigration Reform Bill 17
 Legislation Introduced 17

ECONOMIC REGULATION AND OVERSIGHT

Levin Releases Goldman Emails

On Saturday, emails exchanged between Goldman Sachs executives were released by the Senate Permanent Subcommittee on Investigations. In a press release, Senator Carl Levin (D-MI) said, “These emails show that, in fact, Goldman made a lot of money by betting against the mortgage market.”

[The Huffington Post](#), April 24; [The New York Times](#), April 24; [FOXNews.com \(Speaker's Lobby Blog\)](#), April 24.

Dodd, Lincoln Reach Derivatives Deal

On Sunday, Senate Banking Committee Chairman Chris Dodd (D-CT) and Senate Agriculture Committee Chairwoman Blanche Lincoln (D-AR) reached an agreement on how to regulate derivatives trading in the financial reform bill. Under their proposal, banks that keep their derivatives trading desks would be ineligible for aid from the Federal Reserve and the Federal Deposit Insurance Corporation (FDIC). The pair’s compromise closely follows legislation originally written by Chairwoman Lincoln, which passed out of her committee last week.

At the Reuters Global Financial Summit, Commodities Futures Trading Commission (CFTC) Chairman Gary Gensler “stopped short of supporting [the] controversial proposal that would require banks to spin off swaps desks, although he endorsed the Senate’s financial reform bill as a ‘strong product.’”

Senate Agriculture Committee Ranking Member Saxby Chambliss (R-GA) believes the proposal goes too far in regulating derivatives, to the point “it will have undesirable consequences for Main Street businesses and consumers who are already struggling in this weakened economy.”

S. 3217; [ABCNews.com \(Political Punch Blog\)](#), April 25; [The New York Times](#), April 25; [The Wall Street Journal](#), April 26; [The Wall Street Journal/MarketWatch](#), April 26; [Reuters](#), April 26; [The New York Times](#), April 26; [The Politico](#), April 27; [The Daily Caller](#), April 30.

SEC’s IG Opens Investigation on Goldman Timing

At the request of Rep. Darrell Issa (R-CA), Securities and Exchange Commission (SEC) Inspector General David Kotz opened an investigation into whether the SEC’s charges against Goldman Sachs Group, Inc. were “coordinated in order to boost the case for the Wall Street reform legislation before Congress.” Rep. Issa is the Ranking Member on the House Oversight and Government Reform Committee.

[The Hill \(Briefing Room Blog\)](#), April 26; [Investment News](#), April 26; [CNSNews.com](#), April 27.

Financial Reform Legislation Progresses Through Senate

On Monday night, Senate Republicans blocked the Democrats' effort to open debate on financial reform legislation. The vote was 57-41, with all the Republicans who were present and Democratic Sen. Ben Nelson (NE) voting no. Democrats needed 60 votes to proceed with debate.

Senate Majority Leader Harry Reid (D-NV) scheduled a second procedural cloture vote on Tuesday afternoon. Ahead of the vote, *CQ Today* reported that Banking Committee Chairman Chris Dodd (D-CT) and Ranking Member Richard Shelby (R-AL) were holding talks on the legislation. By a vote of 57-41, the Senate refused to invoke cloture on a motion that would have opened debate on the bill.

On Wednesday, Republicans blocked a cloture motion to proceed on the legislation for the third day in a row. Later that same day, Senate Minority Leader Mitch McConnell (R-KY) released a statement that Democrats had made important concessions on the legislation, including an agreement to close the "loopholes" in a provision to establish a \$50 billion fund to liquidate troubled banks. Also on Wednesday, Sen. Shelby said bipartisan negotiations on the bill had reached an "impasse." Sen. Shelby said he had received assurances that the legislation would be amended on the floor to clarify that taxpayer bailouts would not be used to support the financial industry.

Debate began on the bill on Thursday, but Sen. Shelby said that the bill still contained the provisions on bailouts that he objected to. "I appreciate his assurances and take him at his word, but I am concerned that there appear to be no substantive changes in the relevant sections of the bill that would reflect such assurances," Shelby said of Dodd.

Votes on amendments will begin May 4. Leader Reid hopes to pass the legislation before the Memorial Day recess.

S. 3217; [The New York Times](#), April 26; [The Hill](#), April 26; [The Politico](#), April 26; [Roll Call](#), April 27; [CQ Today](#), April 27; [The Politico](#), April 27; [The Hill](#), April 28; [CQ Today](#), April 28; [The Washington Post](#), April 28; [CQ Today](#), April 29; [The Daily Caller](#), April 30; [The Washington Post](#), April 30.

Debt Commission Holds First Meeting

On Tuesday, the 18-member bipartisan debt commission, entitled the National Commission on Fiscal Responsibility and Reform, held its first meeting. The commission will explore ways to bring down the national debt. The commission must report its recommendations by December 1. Congress is not required to vote on the commission's suggestions.

[CQ Today](#), April 27; [The Daily Caller/The Associated Press](#), April 27.

Goldman Defends Itself Before Senate Panel

On Tuesday, Fabrice Tourre, a vice president of Goldman Sachs, denied Securities and Exchange Commission (SEC) allegations that the firm failed to disclose material information to investors about a mortgage-backed security that lost millions. He also defended his role in the sale of the investment. Mr. Tourre is the trader named in the SEC's complaint against Goldman. Other Goldman Sachs executives also appeared before the Senate Permanent Committee on Investigations, including CEO Lloyd Blankfein. The witnesses responded to questions for hours about how the company traded in the mortgage-securities market. Senate investigators alleged that Goldman Sachs was implementing a strategy of shoring the collapsing mortgage market.

[Reuters](#), April 27; [The Wall Street Journal](#), April 27; [The New York Times](#), April 27; [The Hill](#), April 27; [The Hill \(On the Money Blog\)](#), April 27; [The Daily Beast/The Washington Post](#), April 28.

Greece's Credit Crisis Sparks Investor Fears

On Wednesday, Standard & Poor's cut the credit ratings of Spain and Portugal. This sparked market sell-offs worldwide. Investors were concerned about Greece's position before the downgrades because there were indications that the International Monetary Fund's (IMF) aid package for Greece might be delayed by Germany. The IMF is concerned that that a €45 billion aid package for Greece might not rein in its debt crisis. It is and is considering increasing its aid by €10 billion. The IMF would make the money available to Greece through a three-year loan. On Friday morning, reports that a bailout deal may be near caused world stock markets to rise.

[The Washington Post](#), April 28; [The Financial Times](#), April 28; [The Wall Street Journal](#), April 28; [The Financial Times \(Morning Brief Blog\)](#), April 30.

Senate Financial Reform Bill: Tougher than Administration, House?

According to *The Hill*, several financial industry insiders are surprised about how tough the Senate has made the financial reform bill. First, the Senate's derivatives provision requires banks to spin off their derivatives desks. This was not proposed by the House or the White House. Second, several senators, including Sherrod Brown (D-OH), Ted Kaufman (D-DE), Carl Levin (D-MI), and Jeff Merkley (D-OR) are seeking approval of several strong amendments to limit the size and scope of banks.

[The Hill \(On the Money Blog\)](#), April 30; [The Washington Post](#), April 30.

DOJ Probes Goldman Trading

The Department of Justice (DOJ) has opened a criminal investigation of Goldman Sachs. The criminal case will require the DOJ to meet a higher burden of proof than what is required of the Securities and Exchange Commission (SEC) in its civil probe. For DOJ to succeed, it must show that the executives were actually committing fraud and “not simply doing the best to manage the worst financial crisis in decades.” In contrast, for the SEC to win its case, it only must show that Goldman misled investors or failed to disclose information that would have affected their investment decisions.

However, prosecutors have not determined whether they will bring charges in the case. Many criminal investigations never lead to actual charges.

[The Daily Caller/The Associated Press](#), April 30; [The Wall Street Journal](#), April 30; [The Washington Post](#), April 30.

Legislation Introduced

H.R.5159: To provide for a safe, accountable, fair, and efficient banking system, and for other purposes.

- **Sponsor:** [Rep Miller, Brad](#) [NC-13] (introduced 4/28/2010)
- **Committees:** House Financial Services
- **Latest Major Action:** 4/28/2010 Referred to House committee. Status: Referred to the House Committee on Financial Services.

H.R.5168: To amend the Internal Revenue Code of 1986 to extend the first-time homebuyer tax credit through December 31, 2010, and for other purposes.

- **Sponsor:** [Rep Ellsworth, Brad](#) [IN-8] (introduced 4/28/2010)
- **Committees:** House Ways and Means
- **Latest Major Action:** 4/28/2010 Referred to House committee. Status: Referred to the House Committee on Ways and Means.

H.R.5174: To amend the Internal Revenue Code of 1986 to modify the credit for qualified fuel cell motor vehicles by maintaining the level of credit for vehicles placed in service after 2009 and by allowing the credit for certain off-highway vehicles.

- **Sponsor:** [Rep Tonko, Paul](#) [NY-21] (introduced 4/28/2010)
- **Committees:** House Ways and Means
- **Latest Major Action:** 4/28/2010 Referred to House committee. Status: Referred to the House Committee on Ways and Means.

H.R.5188: To amend the Internal Revenue Code of 1986 to extend the first-time homebuyer tax credit through December 31, 2010, and for other purposes.

- **Sponsor:** [Rep Hinchey, Maurice D.](#) [NY-22] (introduced 4/29/2010)
- **Committees:** House Ways and Means
- **Latest Major Action:** 4/29/2010 Referred to House committee. Status: Referred to the House Committee on Ways and Means.

S.3258: A bill to amend the securities laws to modernize and strengthen investor protection, and for other purposes.

- **Sponsor:** [Sen Reed, Jack](#) [RI] (introduced 4/26/2010)
- **Committees:** Senate Banking, Housing, and Urban Affairs
- **Latest Major Action:** 4/26/2010 Referred to Senate committee. Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

S.3264: A bill to amend the Consumer Credit Protection Act to provide for regulation of debt settlement services, and for other purposes.

- **Sponsor:** [Sen Schumer, Charles E.](#) [NY] (introduced 4/27/2010)
- **Committees:** Senate Banking, Housing, and Urban Affairs
- **Latest Major Action:** 4/27/2010 Referred to Senate committee. Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

S.3266: A bill to ensure the availability of loan guarantees for rural homeowners.

- **Sponsor:** [Sen Bennet, Michael F.](#) [CO] (introduced 4/27/2010)
- **Committees:** Senate Banking, Housing, and Urban Affairs
- **Latest Major Action:** 4/27/2010 Referred to Senate committee. Status: Read twice and referred to the Committee on Banking, Housing, and Urban Affairs.

BANKRUPTCY AND CORPORATE LAW MATTERS

Support For Global Bank Tax Fades

Support for a global bank tax to cover the cost of future financial crises appeared to be losing steam after a weekend of discussions by finance ministers and central bankers. Although the U.S., Germany, France, and the U.K. still support the idea, Canada, Australia, and Japan are firmly opposed, according to finance ministers and other people attending International Monetary Fund meetings. The list of opponents also has grown to include Brazil, Switzerland, and some Asian countries. At the G-20 in Washington, Treasury Secretary Timothy Geithner said the U.S. remains committed to a balance sheet tax on banks and assumes that other countries will follow America's lead.

[The Wall Street Journal](#), April 26; [The Wall Street Journal](#), April 29.

The Dividend Tax Bill Arrives

Last week, the Senate Budget Committee passed a fiscal 2011 budget resolution that includes an increase in the top tax rate on dividends to 39.6 percent from the current 15 percent—a 164 percent increase. This blows past the 20 percent rate that President Obama proposed in his 2011 budget and which his economic advisers promised in 2008.

[The Wall Street Journal](#), April 29.

Foreign Insurers Beef Up Lobbying To Head Off Legislation

Currently, insurers are allowed to deduct from their U.S. tax bills premiums that they pay for reinsurance, which is basically insurance bought from other insurers – including their own foreign affiliates – to limit risk. Since 1998, House Ways and Means Select Revenue Measures Subcommittee Chairman Richard Neal (D-MA) has tried to close what domestic insurers call an unfair loophole. The Obama administration this year for the first time tried to tackle the issue in its budget request, and Democratic Senatorial Campaign Committee Chairman Robert Menendez (D-NJ) is working on a bill as well, aides said. The administration included a provision estimated to raise \$2.3 billion over a decade by denying a deduction for more than 50 percent of each insurance line's reinsurance premiums ceded offshore. In other words, if a company reinsures 60 percent of its earthquake line of insurance to an offshore affiliate, it would lose 10 percent of the deduction the firm would ordinarily take.

[CongressDaily](#), April 30.

Snowe Says Reid Broke Promise To Move Small Business Bill

Senate Small Business Committee Ranking Member Olympia Snowe (R-ME) is accusing Senate Majority Leader Harry Reid (D-NV) of renegeing on a pledge to quickly move a small business jobs bill to the floor, an attack underscoring what senators in both parties call a lack of trust between Republicans and Democratic leaders. In a statement Thursday, Sen. Snowe cited an amendment to a tax extenders bill she offered in February that was intended to spur hiring by small employers through steps including boosting Small Business Association (SBA) loan limits and expanding export technical assistance.

[CongressDaily](#), April 30.

Legislation Introduced

S.3259: A bill to amend subtitle A of the Antitrust Criminal Penalty Enhancement and Reform Act of 2004 to make the operation of such subtitle permanent law.

- **Sponsor:** [Sen Kohl, Herb](#) [WI] (introduced 4/26/2010)
- **Committees:** Senate Judiciary
- **Latest Major Action:** 4/26/2010 Referred to Senate committee. Status: Read twice and referred to the Committee on the Judiciary.

BROADBAND, BROADCAST, AND INTELLECTUAL PROPERTY

FCC, Stakeholders Debate Net Neutrality

The debate over net neutrality and the Federal Communications Commission's (FCC) authority to regulate the Internet continues. This week, FCC Chairman Julius Genachowski expressed his confidence in the FCC's authority and reiterated his commitment to net neutrality proposals at an FCC workshop. FCC Commissioner Mignon Clyburn stated that she is open to reclassifying broadband as a Title II common carrier service in response to the federal court decision limiting the FCC's jurisdiction over broadband.

In an FCC filing, Google argued that Title II reclassification might be the best approach for the FCC to take. US Telecom is taking the opposite position, however, arguing that courts would overturn reclassification.

[Fierce Wireless](#), April 23; [The Washington Post \(Tech Blog\)](#), April 28; [The Washington Post \(Tech Blog\)](#), April 28; [Fierce Wireless](#), April 29.

NTIA Completes BTOP Round One

The National Telecommunications & Information Administration (NTIA) finished distributing the first round of the Broadband Technology Opportunities Program (BTOP) grants on April 26. During this first round, NTIA awarded \$1.2 billion to projects affecting 45 states and territories. NTIA is still analyzing applications for second round grants.

[Broadcasting & Cable](#), April 26.

Senators Write to Facebook and FTC to Express Privacy Concerns

On April 27, Senators Charles Schumer (D-NY), Michael Bennet (D-CO), Mark Begich (D-AR), and Al Franken (D-MN) wrote to social networking website Facebook's CEO Mark Zuckerberg to express concerns about new features on Facebook which allow third-party advertisers to access and distribute Facebook users' personal information. The Senators asked Facebook to change the new features to better protect consumer privacy. Facebook spokespersons claim the new features are aimed at increasing online social interactions and actually increase users' exercise of control over their personal information by allowing them to opt out of the "instant personalization" feature.

On April 26, Sen. Schumer wrote to the Federal Trade Commission (FTC), urging the agency to establish guidelines on the use and distribution of private information on social networking websites such as Facebook, Twitter, and MySpace.

[CNET News](#), April 26; [ComputerWorld](#), April 26; [Reuters](#), April 27; [The Washington Post](#), April 27; [Information Week](#), April 27; [CNN](#), April 27; [CBS News](#), April 27; [Fox News](#), April 27; [The New York Times \(blog\)](#), April 27; [USA Today](#), April 28; [CNET News](#), April 30.

FCC Establishes Spectrum Task Force

On April 26, the Federal Communications Commission (FCC) established a task force aimed at reallocating spectrum from broadcasters to wireless broadband providers. The task force will be led by the FCC's Office of Engineering Technology Chief Julius Knapp and Wireless Telecommunications Bureau Chief Ruth Milkman.

[Broadcasting & Cable](#), April 26; [TV NewsCheck](#), April 26; [Multichannel News](#), April 26.

World IP Day Conference Held in Washington, DC

On April 26, intellectual property officials and other professionals attended a conference on Capitol Hill for World Intellectual Property Day, where the main topics of discussion included green technology, protection of IP as a means of economic growth and job creation, and patent reform. The U.S. Copyright Office Register of Copyrights Marybeth Peters described the Copyright Act as "a little out of date" in light of technological innovations such as the Internet.

[White House \(blog\)](#), April 26; [BNA Patent Trademark & Copyright Journal](#), April 30; [BNA Patent Trademark & Copyright Journal](#), April 30.

Justice Department Increases IP Enforcement Personnel

On April 26, the U.S. Department of Justice Acting Deputy Attorney General Gary Grindler announced that the agency will hire fifteen new assistant attorneys and twenty FBI special agents, located in various states, in order to increase enforcement of domestic and global intellectual property laws.

[IP Law 360](#), April 27; [BNA Patent Trademark & Copyright Journal](#), April 30.

ENERGY AND ENVIRONMENT

Climate Legislation Update

Climate legislation faced a major setback this past weekend. Senate climate legislation champions, Senators John Kerry (D-MA), Lindsey Graham (R-SC), and Joe Lieberman (I-CT), were set to unveil their energy and climate legislation bill (K-G-L) on April 26. Sens. Kerry and Lieberman indefinitely postponed action on Saturday due to losing Sen. Graham's support when Senate Majority Leader Harry Reid (D-NV) committed to bringing comprehensive energy legislation to the floor after immigration reform. Although legislation is temporarily stalled, President Obama has suggested that immigration may still be sidelined in order to ensure climate bill passage. Sens. Kerry and Lieberman will send the climate bill to the Energy Information Administration for economic-modeling analysis, which will be completed within six weeks. A climate bill will not reach the Senate floor until after Memorial Day recess.

In the meanwhile, Sens. Maria Cantwell (D-WA) and Susan Collins (R-ME) continue to push for an alternative cap-and-dividend bill (S. 2877), which would circumvent the creation of a carbon trading market. The legislation has not yet gained steam and lacks co-sponsorship.

Sens. Inhofe (R-OK) and Voinovich (R-OH) are working to push forward stand alone clean air legislation in the wake of slowed climate bill progress.

S. 2877; [The Associated Press](#), April 25; [E&E Daily](#) (password protected), April 26; [The Politico](#), April 26; [E&E Daily](#), April 27; [The Huffington Post](#), April 27; [E&E Daily](#), April 29; [The New York Times](#), April 29; [The Politico](#), April 30.

Senate ENR Conducts FERC Nominations Hearing

This week, the Senate Committee on Energy and Natural Resources considered the nominations of Commissioner Philip D. Moeller and Ms. Cheryl A. LaFleur to be members of the Federal Energy Regulatory Commission (FERC). Commissioner Moeller identified several issues where FERC should focus. These issues include: (1) Focusing on the advancement of hydropower, electric reliability, infrastructure, wholesale electric markets, specifically FERC responsibility to ensure adequate amounts of natural gas deployment; (2) Enforcement; (3) Integration of variable energy resources, in addition to wind and solar; (4) Smart grid development; (5) interoperability standards; and (6) CFTC/FERC jurisdictional issues. Sen. Lisa Murkowski (R-AK) was concerned with FERC's authority to allocate the cost associated with transmission, while Senator Wyden expressed concern about the lack of state involvement in natural gas liquification standards.

[Senate Committee on Energy and Natural Resources](#); [Energy Daily](#), April 27; [E&E Daily](#) (password protected), April 28.

Biofuels Legislation Introduced

Reps. Allyson Schwartz (D-PA), Mark Schauer (D-MI), and Brian Bilbray (R-CA) introduced the Grow a Renewable Energy Economy Now – Jumpstart Other Biofuels Act of 2010 (H.R. 5142) this week. H.R. 5162 proposes the inclusion of algae in the definition of cellulosic biofuel in the Renewable Fuel Standard. The bill also would strengthen federal tax incentives for biofuels in order to increase the development of biorefineries. Finally, H.R. 5162 would allow algae-based fuels to be included in existing cellulosic biofuels tax credits, credits which would be extended until 2016.

H.R. 5162; [Business Wire](#), April 27.

Oil Spill Affects Congressional and Administrative Action

The oil spill in the Gulf of Mexico is posing a national threat to the U.S. and began to wash ashore Louisiana's coastline on April 30. Members of Congress will hold hearings to question executives of BP and TransOcean, the companies involved in drilling the well. The Department of Homeland Security and the Department of Energy are conducting a joint investigation into the incident. The effects of the explosion could undermine the support for offshore drilling, which would have a major impact on the Senate climate change bill which contains offshore drilling provisions. Sen. Bill Nelson (R-FL) has asked the Department of Interior to investigate the oil industry's safety record over the past 10 years. President Obama responded to a letter he received from Sen. Nelson by imposing an immediate halt to offshore drilling in new areas until the investigations are completed.

In response to the spill, several Republican members and Democrats representing gas states sent letters to the leaders of the Environmental Protection Agency (EPA) and the House Energy and Commerce Committee this week. The letters asked that states be allowed to continue to regulate hydraulic fracturing instead of creating a federal standard. Sen. Bob Casey (D-PA), who sponsors S. 1215, a bill that would all federal regulation of fracturing techniques, sent a letter to the EPA earlier in the week suggesting that the EPA look into complaints of groundwater contamination linked to hydraulic fracturing in his state.

S. 1215; [Reuters](#), April 27; [E&E Daily](#) (password protected), April 28; [The New York Times](#), April 28; [Reuters](#), April 29; [The Politico](#), April 29; [The Hill](#), April 30; [The Politico](#), April 30; [The Wall Street Journal](#), April 30.

Legislation Introduced

H.R.5142: To amend the Internal Revenue Code of 1986 to provide for an investment tax credit for biofuel facilities, and for other purposes.

- **Sponsor:** [Rep Schwartz, Allyson Y.](#) [PA-13] (introduced 4/26/2010)
- **Committees:** House Ways and Means
- **Latest Major Action:** 4/26/2010 Referred to House committee. Status: Referred to the House Committee on Ways and Means.

H.R.5156: To provide for the establishment of a Clean Energy Technology Manufacturing and Export Assistance Fund to assist United States businesses with exporting clean energy technology products and services.

- **Sponsor:** [Rep Matsui, Doris O.](#) [CA-5] (introduced 4/27/2010)
- **Committees:** House Foreign Affairs; House Energy and Commerce
- **Latest Major Action:** 4/27/2010 Referred to House committee. Status: Referred to the Committee on Foreign Affairs, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

H.R.5163: To amend the Energy Policy Act of 2005 to require the Secretary of Energy to carry out a research program to reduce manufacturing and construction costs relating to nuclear reactors, and for other purposes.

- **Sponsor:** [Rep Altmire, Jason](#) [PA-4] (introduced 4/28/2010)
- **Committees:** House Science and Technology
- **Latest Major Action:** 4/28/2010 Referred to House committee. Status: Referred to the House Committee on Science and Technology.

H.R.5164: To amend the Energy Policy Act of 2005 to require the Secretary of Energy to carry out programs to develop and demonstrate 2 small modular nuclear reactor designs, and for other purposes.

- **Sponsor:** [Rep Altmire, Jason](#) [PA-4] (introduced 4/28/2010)
- **Committees:** House Energy and Commerce; House Science and Technology
- **Latest Major Action:** 4/28/2010 Referred to House committee. Status: Referred to the Committee on Energy and Commerce, and in addition to the Committee on Science and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

H.R.5174: To amend the Internal Revenue Code of 1986 to modify the credit for qualified fuel cell motor vehicles by maintaining the level of credit for vehicles placed in service after 2009 and by allowing the credit for certain off-highway vehicles.

- **Sponsor:** [Rep Tonko, Paul](#) [NY-21] (introduced 4/28/2010)
- **Committees:** House Ways and Means
- **Latest Major Action:** 4/28/2010 Referred to House committee. Status: Referred to the House Committee on Ways and Means.

H.R.5177: To delay the implementation of certain final rules of the Environmental Protection Agency in States until accreditation classes are held in the States for a period of at least 1 year.

- **Sponsor:** [Rep Rehberg, Denny](#) [MT] (introduced 4/29/2010)
- **Committees:** House Energy and Commerce
- **Latest Major Action:** 4/29/2010 Referred to House committee. Status: Referred to the House Committee on Energy and Commerce.

S.3289: A bill to amend the American Recovery and Reinvestment Tax Act of 2009 to allow specified energy property grants to real estate investment trusts without regard to the ratable share income limitations.

- **Sponsor:** [Sen Cardin, Benjamin L.](#) [MD] (introduced 4/29/2010)
- **Committees:** Senate Finance
- **Latest Major Action:** 4/29/2010 Referred to Senate committee. Status: Read twice and referred to the Committee on Finance.

IMPLEMENTATION OF HEALTH CARE REFORM

Health Insurers Begin Early Implementation of Elements of Health Care Reform Law

Health insurance providers have agreed to begin implementing several aspects of the health care reform bill passed last month at the request of the White House and members of Congress. Many insurers will allow dependents 25 years old and younger to remain on their parents' health care plans beginning this spring, ahead of the September deadline imposed by the law. Insurers will also voluntarily end the practice of "rescission," which involves revisiting the applications of those who contract costly illnesses and dropping their coverage in instances of technical errors in their enrollment applications. These moves are seen as an effort to improve relations with federal officials charged with implementing the new law.

[The Politico](#), April 28; [The Associated Press](#), April 29; [The Washington Post](#), April 30.

Schwarzenegger Backs Healthcare Reform

After initially raising some concerns, Governor Arnold Schwarzenegger (R-CA) has pledged his support of the recently passed health care reform law. In a letter to Health and Human Services Secretary Kathleen Sebelius, Schwarzenegger announced his intention to contract with the federal government and operate a temporary health insurance program for residents that are uninsured or have pre-existing conditions. "The plan is not without flaws," says Schwarzenegger. "But it is the law. And it is time for California to move ahead with it." Schwarzenegger says state agencies will begin enforcing many aspects of the federal legislation, including the removal of lifetime dollar limits on health insurance payouts, allowing children to stay on a parent's policy until age 26 and banning retroactive policy cancellations.

[The Hill](#), April 29; [The Los Angeles Times](#), April 30.

LABOR AND PENSIONS

IP Jobs are Essential to U.S. Economy, Says Chamber of Commerce

On April 26, the U.S. Chamber of Commerce issued a report entitled, “The Impact of Innovation and the Role of Intellectual Property Rights on U.S. Productivity, Competitiveness, Jobs, Wages and Exports,” stating that IP-related industries play a crucial role in job creation and economic growth in the U.S.

[Chamber of Commerce Press Release](#), April 26; [BNA Patent Trademark & Copyright Journal](#), April 30.

Legislation Introduced

S.3257: A bill to authorize the Department of Labor's voluntary protection program and to expand the program to include more small businesses.

- **Sponsor:** [Sen Enzi, Michael B.](#) [WY] (introduced 4/26/2010)
- **Committees:** Senate Health, Education, Labor, and Pensions
- **Latest Major Action:** 4/26/2010 Referred to Senate committee. Status: Read twice and referred to the Committee on Health, Education, Labor, and Pensions.

S.3282: A bill to amend the Internal Revenue Code of 1986 to extend the work opportunity tax credit for employers of certain veterans.

- **Sponsor:** [Sen Specter, Arlen](#) [PA] (introduced 4/29/2010)
- **Committees:** Senate Finance
- **Latest Major Action:** 4/29/2010 Referred to Senate committee. Status: Read twice and referred to the Committee on Finance.

ESTATE TAX

Estate Tax Audits Tough As Ever

Estate tax audits by the Internal Revenue Service are as aggressive as ever, and maybe even more so, despite the uncertain fate of the federal tax on estates of the wealthy. The tax agency is challenging the way assets are valued and has not hesitated to reject certain favorite tax-reducing strategies reported on tax returns, according to some tax attorneys. Family limited partnerships, popular tax-saving structures that have become controversial in recent years, top the list of items that are causing problems for taxpayers these days.

[Financial Advisor Magazine](#), April 19.

Levin Predicts Bush Tax Cuts For Wealthy Will Expire

The new chairman of the House committee responsible for writing U.S. tax legislation predicts the Bush era tax cuts will expire for the wealthiest Americans, but that tax cuts for middle income families will remain in place. Chairman Sandy Levin (D-MI) indicated he wants to change the current estate tax law. In 2010, the estate tax expired, but under current law in 2011 it will revert to 2000 levels, when estates worth more than \$1 million were liable for the federal tax. In 2009, estates below \$3.5 million were not liable for estate tax.

[Daily Finance Magazine](#), April 19.

HIGHER EDUCATION

DREAM Act Appears in Immigration Reform Bill

Congressional Democrats may take up immigration reform legislation, which would include measures to put students that spend at least two years in college on a path to permanent residency. A similar measure is the key provision of the DREAM Act, which was first introduced in 2001. Versions of the DREAM Act were introduced in both chambers of Congress in 2009.

In fact, last week, Senators Richard Durbin (D-IL) and Richard Lugar (R-IN) sent a letter to Department of Homeland Security Secretary Janet Napolitano. The letter asked that the department grant DREAM Act-eligible students “deferred action” status to stay in the United States until the bill passes.

Reid-Schumer-Menendez Draft Outline; [CongressDaily](#), April 28; [Inside Higher Ed](#), April 28; [The Chronicle of Higher Ed](#), April 28.

Legislation Introduced

S.3281: A bill to expand student loan forgiveness, to provide loan repayment assistance, and for other purposes.

- **Sponsor:** [Sen Specter, Arlen](#) [PA] (introduced 4/29/2010)
- **Committees:** Senate Health, Education, Labor, and Pensions
- **Latest Major Action:** 4/29/2010 Referred to Senate committee. Status: Read twice and referred to the Committee on Health, Education, Labor, and Pensions.