

July 2010 Legislative News—Barbara Larson, VP Legislation

Due to my deadline for submission to the newsletter, information may change prior to your receiving it. To make sure that you have the most current and correct information, please go to <http://thomas.loc.gov> and type in the number of the bill you would like to research.



Cap and Trade

The **American Clean Energy and Security Act of 2009** (ACES) is an energy bill (H.R.2454) that would establish a variant of a cap-and-trade plan for greenhouse gases. This bill was approved by the House of Representatives on June 26, 2009 by a vote of 219-212, and is still in consideration in the Senate. The theory behind this bill is that the government would “cap” (put limits on the amount of carbon emissions that industry can generate) and then industries could “trade” (sell their excess carbon credits to industry that needed or wanted more carbon emissions.) Many people have criticized this bill for a number of reasons. A major argument against the bill is the assumption that carbon emissions are responsible for climate change could be faulty. Further reasoning is that even if the carbon emissions did cause climate change, this bill is useless unless China and India enact similar legislation. Most commentators agree that this bill will increase the cost of energy for American households, though the amount of the additional costs varies depending on who is making the estimates. The bill will add all sorts of new regulations on individuals and businesses. Do we need more regulations from Washington? The Heritage Foundation has stated that the economy will react to this bill like it would react to an energy crisis.

Those in support of this bill argue that we have to promote clean air. I think everyone agrees that we want clean air; however, enacting legislation that increases taxes on individuals and penalizes industry with increased regulation and taxes is not the way to go. We need to promote industry because industry creates jobs, not penalize business repeatedly. Right now we need legislation which will help businesses create jobs, instead of increasing taxes on businesses and individuals.

Call your Senators and continue to express your strong opinions against this bill.



Finance Reform—Barbara Larson, VP Legislation p.2

Last month I wrote about the committee hearings on Finance Reform. Since that time the Senate has passed a bill on Finance reform. The House had previously passed a reform bill and in the coming weeks the conference committee will iron out the differences. A brief overview of this Legislation:

On Dec.11, 2009, the U.S. House of Representatives passed Financial Services Committee Chairman Barney Frank's, D-Mass., financial services reform bill, the **Wall Street Reform and Consumer Protection Act of 2009**, (H.R. 4173). On March 15, 2010, Senate Banking Committee Chairman Chris Dodd, D-Conn., released his financial services reform bill, the **Restoring American Financial Stability Act of 2010**, (S.3217). After weeks of debate, the Senate passed Chairman Dodd's bill on May 20.

The stated aim of these bills is to protect consumers and prevent another massive financial meltdown. However, it appears that these bills will swamp the country with more regulations and hamper financial services. Please see the statement below from Senator John Cornyn on the financial reform bill.

Sen. Cornyn Statement On Senate Passage Of Financial Regulatory Bill

May 20 2010

WASHINGTON—U.S. Sen. John Cornyn, R-Texas, today issued the following statement after the U.S. Senate passed the financial regulatory bill by a vote of 59-39. Sen. Cornyn voted “No.”

“This bill fails to end ‘too big to fail,’ guarantees future taxpayer bailouts for large financial firms, and does nothing to reform Fannie Mae and Freddie Mac, who were at the center of the housing and financial crisis. The Senate today imposed more regulations and red tape, which punishes small business owners and community bankers who had little or nothing to do with the economic crisis. No wonder Wall Street firms, including Goldman Sachs and Citigroup, support the bill while community banks, credit unions, and other small businesses vehemently oppose it.”



Estate Tax—Barbara Larson, VP Legislation p.3

The House passed the **Permanent Estate Tax Relief for Families, Farmers and Small Businesses Act of 2009** (H.R.4154) in December 2009. This makes permanent the 2009 estate exemption of \$3.5 million and top estate tax rate of 45%. It has been proposed that the Senate Finance Committee pass an estate tax bill with a \$5 million per person exemption and a 35% top estate tax rate. However, the Senate Finance Committee has not voted on this legislation. The Senate Finance Committee must vote on and pass this legislation before it is submitted to the Senate as a whole. If the House and Senate are not able to take action on an estate tax bill by the end of 2010 then on January 1, 2011 the estate tax will return to a 55% top rate and an exemption of \$1 million (plus indexed increases).

Further resources:

FEDERAL LEVEL:

Congressional Bills – <http://thomas.loc.gov>

Republican Whip—<http://republicanwhip.house.gov>

Republican Senate Leadership— <http://republican.senate.gov>

White House—[www. whitehouse.gov](http://www.whitehouse.gov)

U.S. Senate—[www. senate.gov](http://www.senate.gov)

U.S. House—[www. house.gov](http://www.house.gov)

The U.S. Capitol—[www. aoc.gov](http://www.aoc.gov)

Conservative Think Tanks/Policy Sites

NRA-ILA--www.nra-ila.org

Judicial Watch--www.judicialwatch.org

Cato Institute--www.cato.org

Heritage Foundation--www.heritage.org

American Enterprise Institute--www.aei.org

Americans for Tax Reform--www.atr.org

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