AMENDMENT NO. 3502

At the request of Mr. MORAN, the names of the Senator from South Dakota (Mr. THUNE), the Senator from Texas (Mr. CORNYN) and the Senator from Wyoming (Mr. BARRASSO) were added as cosponsors of amendment No. 3502 intended to be proposed to S. 2363, a bill to protect and enhance opportunities for recreational hunting, fishing, and shooting, and for other purposes.

AMENDMENT NO. 3503

At the request of Mr. JOHANNS, his name was added as a cosponsor of amendment No. 3503 intended to be proposed to S. 2363, a bill to protect and enhance opportunities for recreational hunting, fishing, and shooting, and for other purposes.

AMENDMENT NO. 3521

At the request of Mr. ENZI, the name of the Senator from Wyoming (Mr. BARRASSO) was added as a cosponsor of amendment No. 3521 intended to be proposed to S. 2363, a bill to protect and enhance opportunities for recreational hunting, fishing, and shooting, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NELSON (for himself, Mr. BLUMENTHAL, Mrs. BOXER, Mr. BROWN, Mr. DURBIN, Mr. HARKIN, Mr. MARKEY, Mr. MERKLEY, Mr. PRYOR, Mr. SCHUMER, and Mr. BENNET):

S. 2581. A bill to require the Consumer Product Safety Commission to promulgate a rule to require child safety packaging for liquid nicotine containers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. NELSON. Mr. President, we all recognize the danger that many hazardous chemicals and over-the-counter drugs pose to children. That's why we require child-resistant packaging for these substances to prevent accidental poisonings that could result in serious injury or death.

Unfortunately, there is no child-resistant packaging required for concentrated liquid nicotine, which can be toxic if ingested or even absorbed through skin in large amounts. According to the American Academy of Pediatrics, AAP, some small 15 mL bottles of liquid nicotine contain as much as 540 mg of nicotine. At the estimated lethal dose range of nicotine, AAP notes that this small bottle contains enough nicotine to kill 4 small children. And even a very small amount of the liquid splashed on a child's skin can make the child very ill.

The American Association of Poison Control Centers, AAPCC, reports that local poison control centers had already received 1,571 calls between January 1 and May 31 of this year related to liquid nicotine exposure. According to some experts who study nicotine exposure, it's only a matter of time before an accidental nicotine ingestion results in death.

Today I am introducing the Child Nicotine Poisoning Prevention Act with Senators PRYOR, BENNET, BLUMENTHAL, BOXER, BROWN, DURBIN, HARKIN, MARKEY, MERKLEY, and SCHUMER to prevent these unnecessary tragedies. This common-sense legislation gives the U.S. Consumer Product Safety Commission, CPSC, authority and direction to issue rules requiring safer, child-resistant packaging for liquid nicotine products within 1 year of passage.

The CPSC already requires child-resistant packaging for many household products, including over-the-counter medicines and cleaning agents. These rules have prevented countless injuries and deaths to children. There is no reason that bottles of liquid nicotine should not also be required to have child-resistant packaging as well.

I invite my colleagues to join us to support the Child Nicotine Poisoning Prevention Act. Working together, we can take simple steps to prevent accidental child nicotine poisonings.

Mr. President, I ask unanimous consent that text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2581

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Child Nicotine Poisoning Prevention Act of 2014''.

SEC. 2. CHILD SAFETY PACKAGING FOR LIQUID NICOTINE CONTAINERS.

(a) DEFINITIONS.—In this section:

(1) COMMISSION.—The term ''Commission'' means the Consumer Product Safety Commission.

(2) LIQUID NICOTINE CONTAINER.—The term ''liquid nicotine container'' means a consumer product, as defined in section 3(a)(5) of the Consumer Product Safety Act (15 U.S.C. 2052(a)(5)) notwithstanding subparagraph(B) of such section, that consists of a container that—

(A) has an opening that is accessible through normal and reasonably foreseeable use by a consumer; and

(B) is used to hold liquid containing nicotine in any concentration.

(3) NICOTINE.—The term ''nicotine'' means any form of the chemical nicotine, including any salt or complex, regardless of whether the chemical is naturally or synthetically derived.

(4) SPECIAL PACKAGING.—The term ''special packaging'' has the meaning given such term in section 2 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1471).

(b) REQUIRED USE OF SPECIAL PACKAGING FOR LIQUID NICOTINE CONTAINERS.—

(1) RULEMAKING.—

(A) IN GENERAL.—Notwithstanding section 3(a)(5)(B) of the Consumer Product Safety Act (15 U.S.C. 2052(a)(5)(B)) or section 2(f)(2) of the Federal Hazardous Substances Act (15 U.S.C. 1261(f)(2)), not later than 1 year after the date of the enactment of this Act, the Commission shall promulgate a rule requiring special packaging for liquid nicotine containers.

(B) AMENDMENTS.—The Commission may promulgate such amendments to the rule promulgated under subparagraph (A) as the Commission considers appropriate.

(2) EXPEDITED PROCESS.—The Commission shall promulgate the rules under paragraph (1) in accordance with section 553 of title 5, United States Code.

(3) INAPPLICABILITY OF CERTAIN RULEMAKING REQUIREMENTS.—The following provisions shall not apply to a rulemaking under paragraph (1):

(A) Sections 7 and 9 of the Consumer Product Safety Act (15 U.S.C. 2056 and 2058).

(B) Section 3 of the Federal Hazardous Substances Act (15 U.S.C. 1262).

(C) Subsections (b) and (c) of section 3 of the Poison Prevention Packaging Act of 1970 (15 U.S.C. 1472).

(4) SAVINGS CLAUSE.—Nothing in this section shall be construed to limit or diminish the authority of the Food and Drug Administration to regulate the manufacture, marketing, sale, or distribution of liquid nicotine, liquid nicotine containers, electronic cigarettes, or similar products that contain or dispense liquid nicotine.

By Mr. KAINE (for himself, Mr. PORTMAN, and Mr. WARNER):

S. 2584. A bill to amend the Carl D. Perkins Career and Technical Education Act of 2006 to raise the quality of career and technical education programs and to allow local eligible recipients to use funding to establish high-quality career academics; to the Committee on Health, Education, Labor, and Pensions.

Mr. KAINE. Mr. President, I rise today to introduce the Educating Tomorrow's Workforce Act of 2014. This is a bipartisan bill with Senator PORTMAN, who will follow me on the floor today. Senator PORTMAN and I are working together as cochairs of the Senate Career and Technical Education Caucus.

Let me first explain why career and technical education is important to me.

I grew up in a household in Kansas City where my dad ran a union-organized ironworking shop. He was the owner. Ironworkers and welders—in a good year, eight employees; in a bad year, five employees. My mother and my brothers and I worked in my dad's shop, and I came to appreciate working in that ironworking shop, the tremendous craftsmanship and skill that went into being an ironworker. That lesson has stuck with me for the rest of my life, and I really credit my dad with my work ethic. In a manufacturing welding shop, you get up and you go to work early because you want to get the work done before it gets too hot in the middle of the day.

I then had the experience in 1980 to take a year off from Harvard Law School and go to Honduras, where I was the principal of the Instituto Tecnico Loyola, which was a school that taught kids to be welders and carpenters. I was able to use the trades I had learned in my dad's shop, and what I saw in Honduras was the same thing: that the acquisition of skills—whether it be welding or carpentry or other skills—is a great path to life's success.

But one thing I noticed about the education system in my country—even

as I was working in my dad's shop, even as I was a principal of the school in Honduras—was in the United States we sort of downgrade career and technical education. When I was a kid, it was called vocational education. Often, in high schools especially, students who were thought to be kind of problems or not college material would kind of get trapped into vocational education curricula, and that would usually not be a good sign.

In fact, a friend of mine, who is a middle school teacher in southwest Virginia, told me that she would often see her students after they had gone to the high school and ask, ''Hey, tell me what you are up to.'' And when a student said ''I am in the vocational education program,'' the student would almost slump their shoulders, like ''I know you are going to be disappointed to hear this: I am in the vocational education program.''

Career and technical education is a very important pathway for life's success, and there should be no stigma surrounding career and technical education programs. But whether it is in our K–12 schools or in the higher ed world or in the mindset of parents or guidance counselors or even in the military—in the military today, our military members can get tuition assistance benefits, but they can only be used for college courses. You can get up to $4,500 a year in the military as a tuition assistance benefit, but you cannot use even $500 of it to take the certification exam from the American Welding Society to get your welding certificate. We still have a stigma against career and technical education, and we should not.

CTE integrates numerous aspects of liberal arts degrees for practical and applied purposes. CTE prepares students with industry-recognized credentials, professional certificates, occasionally college credits, and, most importantly, training for careers as varied as nursing, physician assistant, business administration, manufacturing, oil and natural gas exploration, automotive maintenance, agriculture, welding, software programming, culinary arts, and many other careers.

CTE happens in interesting places. CTE happens in K–12 school systems. It happens on community college campuses. It happens in 4-year colleges. It happens in stand-alone institutions such as the Newport News Shipbuilding apprenticeship program, where people learn to manufacturer the largest items on planet Earth: nuclear aircraft carriers and submarines in Newport News, VA. It happens online. It happens anywhere where there is somebody who wants to attain a skill and there is a qualified teacher or program that can convey and educate a student in that skill so they can get a good job.

CTE programs are proven solutions for creating jobs, for retraining workers, older workers who need to find new skills so they can be successful and fill open jobs in the market, and ensure that students of all ages and walks of life are ready for a successful career.

When I was Governor, I worked on a number of educational issues, but one I was very proud of was starting Governor's Career and Technical Academies. We had 17 in Virginia—Governor's schools—that were college prep, academic, regional, magnet public high schools. It started in the 1970s. But when I was running for Governor, I realized, wow, we do not have a single school in the State that is a career and technical education program that we have deemed fit to hang the Governor's label: This is a Governor's career and technical academy. I said this has to be just as important as college prep. So when I was Governor, we started Governor's Career and Technical Academies. By the end of my one term—and that is all you get in Virginia—we had nine. The Republican Governor who followed me liked the idea. By the end of his term, we had 22. The Democratic Governor who has followed him is continuing to expand it, and we now have academies around the Commonwealth, developed at partnerships among schools, employers, business organizations, and postsecondary institutions looking for these skills.

Last week, during our break week, I traveled in Virginia, and I heard the same message from employers and educators: Education has to be job relevant. It has to start at earlier grades. Completion rates need to be maximized. We need to make sure all of our students have the skills they will need to be able to build successful careers throughout their lives.

One entrepreneur even said to me: I am so glad I ended up going to the Valley Career and Technical Education Program in the Shenandoah Valley and went into CTE because it has enabled me to be my own boss.

I said: What do you mean by that?

He said: If I had gone to college, I would have gotten a good job offer from a good company and would have taken it, and I probably would still be there. I would have been having a good career, but somebody else would have been by boss. But by going to a career and technical program and learning a skill, it also encouraged me to be entrepreneurial. So I did not join somebody else's company; I started my own company. CTE promotes entrepreneurial activity.

It is essential for the United States to invest in creating a world-class system of education across the spectrum to ensure the technically skilled and well-trained workforce we need. That is why we are introducing this bill—Senator PORTMAN and I—the Educating Tomorrow's Workforce Act.

Here is what the legislation does.

It takes the existing Carl D. Perkins career and technical education program, which is the major source for Federal funding for programs that connect education to real-world careers, and it amends it by doing a couple of things.

First, it ensures that students have access to high-quality CTE programs in their schools so they can prepare to be college and career ready. Second, it defines what a rigorous program of study for CTE students is that links secondary and postsecondary education, to culminate in a degree or a credit or a credential or a license or an apprenticeship or a postsecondary certificate.

It emphasizes the opportunities for secondary students to earn college or postsecondary credits while they are in high school. I was able to graduate from college in 3 years because of credits I earned in high school. That was at a time when it was critically important financially for my family that I was able to get through college in 3 years.

This dual enrollment piece of our bill is a piece that Senator PORTMAN worked very hard to make sure was included. The legislation allows the Perkins funding to be used by States that want to establish CTE academies as we did in Virginia and ensures that the academies are of a high quality.

Finally, the bill promotes the kinds of partnerships we need between businesses, industries, postsecondary and other community stakeholders. Partnerships are important to connect people to the workforce. The Southern Regional Education Board cites that students with highly integrated CTE programs, where the CTE programs and the academic programs are integrated together, that those schools have significantly higher achievement rates in reading, mathematics, and sciences than students at schools that do not have integrated programs.

In closing, and then I defer to my colleague from Ohio, I noticed something when I was mayor of Richmond and Governor that was a change in the kind of economic development world. As mayor, I was often trying to get a business to come to Richmond. I was competing against Savannah or against the county next door. What I found was in these competitions, the closing factor was always the incentive package: Mr. Mayor, how much money can you put on the table? What kind of tax incentives can you put on the table?

Oh, you either beat the other guy or you don't. But by the time I—5, 6, 7 years later I was Governor, the last issue now was not the incentive package anymore. The deciding issue for companies that were choosing whether to come to Virginia or South Carolina or Singapore was not the tax incentives, it was the workforce.

Tell me, Governor, that we will have the kind of people we need when we open the door tomorrow. Give me confidence that we will have the kind of people we need 20 years from now. Long after the ribbon has been cut and the photos have been taken, are we still going to have the kinds of people we need to do to the kind of work that has to be done?

In today's world, talent is the most precious asset—more than oil, more

than water, more than rare Earth minerals. It is talent and human capital that is precious. Recently we did something good in this body, Democrats and Republicans together. We passed the Workforce Innovation and Opportunity Act. It was passed in the House yesterday.

This looks at the Nation's workforce programs and makes them stronger. Now we have to make the policy changes that go into our education programs and match what we did in the WIOA reauthorization to prepare our students for a 21st century workforce. I very much hope the Senate moves forward on the Carl D. Perkins Act this year. I look forward to promoting this bill as part of that reauthorization. I am honored to have Senator PORTMAN, my cochair on the CTE caucus, as the cosponsor of this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2584

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Educating Tomorrow's Workforce Act of 2014.''.

SEC. 2. DEFINITIONS.

Section 3 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2302) is amended—

(1) by redesignating paragraphs (6) through (9), (10) through (23), and (24) through (34), as paragraphs (7) through (10), (12) through (25), and (27) through (37), respectively;

(2) by inserting after paragraph (5) the following:

''(6) CAREER AND TECHNICAL EDUCATION PROGRAM OF STUDY.—The term 'career and technical education program of study' means a coordinated, non-duplicative sequence of secondary and postsecondary academic and technical courses that—

''(A) incorporate rigorous, State-identified college and career readiness standards, including state-identified career and technical education standards that address both academic and technical contents;

''(B) support attainment of employability and career readiness skills;

''(C) progress in content specificity (by beginning with all aspects of an industry or career cluster and leading to more occupationally specific instruction or by preparing students for ongoing postsecondary career preparation);

''(D) incorporate multiple entry and exit points with portable demonstrations of technical or career competency, which may include credit-transfer agreements or industry-recognized certifications; and

''(E) culminate in the attainment of—

''(i) an industry-recognized certification, credential, or license;

''(ii) a registered apprenticeship or credit-bearing postsecondary certificate; or

''(iii) an associate or baccalaureate degree.'';

(3) by inserting after paragraph (10), as redesignated by paragraph (1), the following:

''(11) CREDIT-TRANSFER AGREEMENT.—The term 'credit-transfer agreement' means an opportunity for secondary students to be awarded transcripted postsecondary credit, supported with a formal agreement between secondary and postsecondary education systems, for—

''(A) technical credit such as dual enrollment, dual credit, or articulated credit, which may include credit by examination or credit by performance on technical assessments; or

''(B) academic credit such as dual enrollment, dual credit, or articulated credit, which may include credit by examination or credit by performance on academic assessments.''; and

(4) by inserting after paragraph (25), as redesignated by paragraph (1), the following:

''(26) REGISTERED APPRENTICESHIP PROGRAM.—The term 'registered apprenticeship program' means an apprenticeship program—

''(A) registered under the Act of August 16, 1937 (commonly known as the ''National Apprenticeship Act''; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.); and

''(B) that meets such other criteria as may be established by the Secretary under this section.''.

SEC. 3. STATE PLAN.

Section 122(c)(1) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2342(c)(1)) is amended—

(1) by striking subparagraph (A);

(2) by redesignating subparagraphs (B) through (L) as subparagraphs (A) through (K), respectively; and

(3) in subparagraph (A), as redesignated by (2), by striking ''the career and technical programs of study described in subparagraph (A)'' and inserting ''career and technical education programs of study, including a description of how the eligible agency will ensure the quality of any program of study culminating in an industry-recognized certificate, credential, or license''.

SEC. 4. STATE LEADERSHIP ACTIVITIES.

Section 124 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2344) is amended—

(1) in subsection (b)(6), by striking ''programs of study, as described in section 122(c)(1)(A)'' and inserting ''education programs of study''; and

(2) in subsection (c)—

(A) in paragraph (9), by striking ''career academies,'';

(B) in paragraph (16)(B), by striking ''and'' after the semicolon;

(C) in paragraph (17), by striking the period at the end and inserting ''; and''; and

(D) by adding at the end the following:

''(18) support for career academies, which—

''(A) implement a college and career ready curriculum at the secondary education level that integrates rigorous academic, technical, and employability contents through career and technical education programs of study and high-quality elements, including those described in section 134(b)(7);

''(B) include experiential or work-based learning for secondary school students, in collaboration with local and regional employers;

''(C) include opportunities for secondary school students to earn postsecondary credit while in secondary school, such as through credit transfer agreements including dual enrollment; and

''(D) establish and maintain ongoing partnerships—

''(i) between the local educational agency, business and industry, and institutions of higher education, or postsecondary vocational institutions (as defined in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c))); and

''(ii) which may also include local government, such as workforce and economic development entities.''.

SEC. 5. LOCAL PLAN FOR CAREER AND TECHNICAL EDUCATION PROGRAMS.

Section 134(b) of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2354(b)) is amended—

(1) in paragraph (3)(A), by striking ''programs of study described in section 122(c)(1)(A)'' and inserting ''education programs of study''; and

(2) by striking paragraph (7) and inserting the following:

''(7) describe how the eligible recipient will conduct an assessment of local needs related to career and technical education as part of the local plan development process and how such needs assessment will be updated annually in subsequent years of the local plan, including how the needs assessment includes an evaluation of progress toward specific elements leading to high-quality implementation of career and technical education programs of study, including—

''(A) sustained, intensive, and focused professional development for teachers, principals, administrators, and school counselors on both content and pedagogy that—

''(i) supports high-quality academic and career and technical education instruction; and

''(ii) ensures local, regional, and State labor market information as applicable is utilized to make informed decisions about program offerings and to advise students of career opportunities and benefits;

''(B) a curriculum aligned with the requirements for a career and technical education program of study;

''(C) teaching and learning strategies focused on the integration of academic and career and technical education content, including supports necessary to implement such strategies;

''(D) ongoing relationships between education, business and industry, and other community stakeholders;

''(E) opportunities for secondary students to earn postsecondary credit while in secondary school, such as through credit transfer agreements including dual enrollment;

''(F) career and technical student organizations, or other activities that promote the development of leadership and employability skills;

''(G) appropriate equipment and technology aligned with business and industry needs;

''(H) a continuum of work-based learning opportunities, such as job shadowing, mentorships, internships, apprenticeships, clinical experiences, service learning experiences, and cooperative education;

''(I) valid and reliable technical skills assessments to measure student achievement, which may include industry-recognized certifications or may lead to other credentials;

''(J) support services to ensure equitable participation for all students; and

''(K) recruitment and retention efforts to ensure highly effective educators, principals, and administrators.''.

SEC. 6. LOCAL USES OF FUNDS.

Section 135 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2355) is amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking ''programs of study described in section 122(c)(1)(A)''; and inserting ''education programs of study''; and

(B) in paragraph (2), by striking ''career and technical program of study described in section 122(c)(1)(A)'' and inserting ''career and technical education program of study''; and

(2) in subsection (c)—

(A) in paragraph (19)—

(i) in subparagraph (C), by striking ''programs of study described in section

122(c)(1)(A)'' and inserting ''education programs of study''; and

(ii) in subparagraph (D), by striking ''and'' after the semicolon;

(B) in paragraph (20), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(21) to provide support for career academies, as described in section 124(c)(18).''.

SEC. 7. CONFORMING AMENDMENTS.

Section 113 of the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2323) is amended—

(1) in subsection (b)(4)(C)(ii)(I), by striking ''section 3(29)'' and inserting ''section 3(32)''; and

(2) in subsection (c)(2)(A), by striking ''section 3(29)'' and inserting ''section 3(32)''.

Mr. PORTMAN. Mr. President, I thank my colleague from Virginia and appreciate his comments. He has a passion for this issue. It fits very well with what so many of us are trying to do in the Congress, which is to put in place policies that actually create more opportunities for our young people.

We are living through the weakest economic recovery we have had in this country since the Great Depression. I know we have seen some improvement recently in the job numbers, but in fact unemployment remains way too high. If we take into account folks who have dropped out of the workforce altogether as compared to 4 or 5 years ago, we have unemployment rates at over 10 percent.

Among young people coming out of school it is far higher. It is double digits, about 12 or 13 percent for 18 to 25 year olds, we are told. Again, the real numbers are worse than that when we take out the folks who have dropped out of the workforce altogether.

Our GDP growth, the growth of our economy, is too low. So there are a number of things we ought to do, in my view. One is, we have to deal with ensuring that we have a workforce that is trained for these 21st century jobs that are out there. We also need to reform our Tax Code. We need to put regulatory relief in place that is sensible. We need to do much more to take advantage of the energy resources we have in this country. We need to get back in the business of exporting and trade.

There are some things relatively quickly we could do to get the country back on track, but none is more important than having that workforce. Because we can have a great environment—which unfortunately we do not have now for many businesses because we have not created the climate for economic growth with good policy in Washington.

But if we had that—if we do not have the workers in this increasingly competitive global economy we are in, jobs will be created somewhere else. That is happening right now. It is happening partly because we do not have the skilled workers to be able to attract those jobs here, those businesses here, and to fill the jobs here in America.

Four and one-half million jobs are open right now, they say. That might surprise some people listening because they are thinking: Wow. I cannot get a job or my son or daughter cannot get a job or my neighbor cannot get a job. As I said, unemployment is high. Yet there are 4½ million jobs open. When we look at those jobs and what is available out there—and Senator KAINE talked some about this, a lot of them require skills that young people and workers who are shifting careers, maybe they have lost a job, are in their forties or fifties, skills they do not have.

So it is IT, it is high-tech jobs, it is health care jobs, it is bioscience jobs. Yes, it is manufacturing jobs. My own State of Ohio is a big manufacturing State. We are particularly sensitive to this. There are lots of manufacturers in Ohio who are saying: If we had the workers, we could add new jobs, new opportunities, grow this economy. The spinoff from that, all of the other jobs that are created through a successful manufacturing company that makes something is the backbone of our higher economy, international economy.

This is exciting for me to work with Senator KAINE and others who say: Let's take a piece of this, which is career and technical education, to encourage young people to get these skills, to be able to access these great jobs. Some of them, by the way, will do it right out of high school.

I was in Ohio on Monday. We had a roundtable on this. We had a bunch of employers there. We had some educators there. We had some students there. One was a senior in high school who is currently in career and technical school. For those who do not follow this closely, you probably are more familiar with the word ''vocational'' school, because that is typically what it has been called over the years. That is the same thing as the career and technical schools.

Again, Senator KAINE and I have cofounded this Career and Technical Education Caucus in the Senate over the last couple of months. We have a number of our colleagues now joining and so on. We are trying to raise this, let people know about this great opportunity out there.

This young man is a senior. He is going back to his high school and saying: You Guys are crazy not to do this CTE stuff because I am getting great skills, where I can get a great job, and I am getting college credit because they have one of those dual credit programs in this particular CTE program.

Then there were two students there who graduated earlier this year. They both have been in the CTE program. They both have been taking advantage of it to get the skills but also working part time as apprentices or interns—19 years old, two young men. Both of them are now out in the workforce, working for these manufacturers. One of their bosses was there, one of the executives from one of the small manufacturing companies.

These young men at 19 years old are making $50,000 a year. They have benefits on top of that. They have the opportunity now to run very sophisticated machines. Both of them started off learning as apprentices. Now they are both running machines. These machines are worth over $1 million apiece. These are in CNC machines. In one case it is a plastic injecting molding machine. It is very exciting. By the way, they now have been encouraged to go back to their high school and say: Hey, 4-year college or university, that is great if you want to do that, but here is another opportunity.

By the way, they may go back to school. They both have some credit where they could go back and maybe get an associate's degree or a 4-year degree or maybe a graduate engineering degree someday, but in the meantime they are providing the opportunities for these companies in Ohio to have skilled workers so they can compete globally. For them and their families, they are providing a tremendous opportunity, rather than graduating with a bunch of debt. The average debt is $20,000, $30,000 a year now. Instead of having debt, they are making money.

For the next 4 years, even if they are not promoted 0—0 which I think they will be, having met these two young men—that is $200,000 they are going to be making and spending and investing in our economy.

I am very excited about this opportunity to hold this up to say there is a way for us to help get this economy moving by helping to fill this skills gap. In Ohio alone, if you go on ohiomeansjobs.com right now, go on their Web site, you will see about 140,000 jobs open. Yet we have about 400,000 people out of work. If you look at these jobs, again, you will see a lot of them require skills that simply are not out there in the workforce now.

Help provide these skills and we are going to see some of these jobs get filled. That helps our economy, keeps businesses here, and expands businesses here. We did, as Senator KAINE said, just pass the Workforce Innovation and Opportunity Act, so-called WIOA. I was very pleased about that. The House just passed it this week. The Senate passed it 2 weeks ago.

In that there is something called the CAREER Act that Senator BENNET and I have been promoting the last few years. We were able to include a number of our provisions in there to add more accountability, to add more performance measures to improve that legislation. I am happy that was done. That helps on retraining. That is critically important. We spend about $15 billion a year on that at the Federal Government level.

What we are talking about is starting with the career and technical education even before we get into the WIOA programs and the retraining money that is necessary when somebody loses a job and needs to move to another job. We are talking about young people coming up and having this opportunity. According to the U.S.

Bureau of Labor Statistics, Ohio is gaining jobs in manufacturing. That is great news. But we also hear, in the latest skills gap report by the Manufacturing Institute, 74 percent of manufacturers are experiencing workforce shortages or skill deficiencies that keep them from expanding their plant and operations and improving productivity—74 percent.

We could be doing much more to close that skills gap. The legislation that Senator KAINE and I talked about that we are introducing today is a very important step toward that. It is going to help open opportunities for the next generation of workers by ensuring that they have these skills to participate in the 21st century economy.

We were talking a moment ago, some of us, about high school graduation rates. Unfortunately, we have unacceptably high numbers of people who do not graduate from high schools in this country. So there was a lot of discussion about postsecondary and so on. But we have a real problem: Our high school graduation rate is way too low. According to the U.S. Department of Education, 81 percent of high school dropouts say real-world learning opportunities would have kept them in school. That is interesting. The average high school graduation rate is now about 80 percent—way too low. In fact, it is closer to 50 percent in some of our great cities and in some of our poorer rural areas. But even 80 percent is the average—way too low for high school graduation.

But what they say is they would have been more likely to stay in school if they had real-world learning opportunities. That is why the graduation rates for kids involved in CTE—

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PORTMAN. I would ask unanimous consent for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PORTMAN. For kids in CTE concentrations, it is a 90-percent graduation rate. That is because they are getting that real-world experience. So I think a good place to start, again, is with this legislation we are introducing today. This is legislation that begins with reforms to the Carl D. Perkins Career and Technical Education Act. It needs to be reauthorized. The reauthorization ought to include these reforms that Senator KAINE and I have talked about.

This is the major source of Federal support for the development of CTE skills. It was last reauthorized in 2006. So it has to be modernized to meet the demands of this workforce today to ensure that students have access to these programs.

It does a few different things. Senator KAINE has talked about it. It requires a more rigorous CTE curriculum, requiring Perkins grant participants to incorporate key elements into the programs; that is, things such as academic and technical skill assessments to measure student achievement, making sure they are actually accomplishing what they are supposed to be based on industry standards, making sure the CTE curriculum is in alignment with whatever the local and regional needs are in the workforce, what the demands are. Employers are looking for kids who have specific skills. We have to be sure we are providing them.

It also increases flexibility for States and localities, allowing them to use these Perkins grant funds to establish academies such as the one Governor Kaine started when he was in Virginia.

It also improves the link between high school and postsecondary education to ease the attainment of industry-recognized credentials, licensing, apprenticeship, postsecondary certificates. We do a lot of that in Ohio, the dual credit programs I talked about earlier.

It promotes partnerships between local businesses, regional industries, and other community stakeholders to create pathways for students through more internships, service opportunities, and so on.

I believe this legislation is urgently needed, and we have to move forward with it. If we do, we are going to be able to provide more opportunity for our young people and more jobs in this country because we will be filling that skills gap and we will be able to have more young people who will able to have this experience, such as these two young men I met earlier this week, where they are able to go out on their own, get a good job, good benefits, help themselves and their family, and help create a stronger economy for all of us.

I thank my colleague from Virginia for his hard work on this legislation, and I look forward to working with him toward its passage.

By Mr. DURBIN (for himself, Mr. HARKIN, Mr. WHITEHOUSE, Mr. BROWN, and Mr. FRANKEN):

S. 2589. A bill to amend title 11, United States Code, to improve protections for employees and retirees in business bankruptcies; to the Committee on the Judiciary.

Mr. DURBIN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2589

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Protecting Employees and Retirees in Business Bankruptcies Act of 2014''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

TITLE I—IMPROVING RECOVERIES FOR EMPLOYEES AND RETIREES

Sec. 101. Increased wage priority.
Sec. 102. Claim for stock value losses in defined contribution plans.
Sec. 103. Priority for severance pay.
Sec. 104. Financial returns for employees and retirees.
Sec. 105. Priority for WARN Act damages.

TITLE II—REDUCING EMPLOYEES' AND RETIREES' LOSSES

Sec. 201. Rejection of collective bargaining agreements.
Sec. 202. Payment of insurance benefits to retired employees.
Sec. 203. Protection of employee benefits in a sale of assets.
Sec. 204. Claim for pension losses.
Sec. 205. Payments by secured lender.
Sec. 206. Preservation of jobs and benefits.
Sec. 207. Termination of exclusivity.
Sec. 208. Claim for withdrawal liability.

TITLE III—RESTRICTING EXECUTIVE COMPENSATION PROGRAMS

Sec. 301. Executive compensation upon exit from bankruptcy.
Sec. 302. Limitations on executive compensation enhancements.
Sec. 303. Assumption of executive benefit plans.
Sec. 304. Recovery of executive compensation.
Sec. 305. Preferential compensation transfer.

TITLE IV—OTHER PROVISIONS

Sec. 401. Union proof of claim.
Sec. 402. Exception from automatic stay.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Business bankruptcies have increased sharply in recent years and remain at high levels. These bankruptcies include several of the largest business bankruptcy filings in history. As the use of bankruptcy has expanded, job preservation and retirement security are placed at greater risk.

(2) Laws enacted to improve recoveries for employees and retirees and limit their losses in bankruptcy cases have not kept pace with the increasing and broader use of bankruptcy by businesses in all sectors of the economy. However, while protections for employees and retirees in bankruptcy cases have eroded, management compensation plans devised for those in charge of troubled businesses have become more prevalent and are escaping adequate scrutiny.

(3) Changes in the law regarding these matters are urgently needed as bankruptcy is used to address increasingly more complex and diverse conditions affecting troubled businesses and industries.

TITLE I—IMPROVING RECOVERIES FOR EMPLOYEES AND RETIREES

SEC. 101. INCREASED WAGE PRIORITY.

Section 507(a) of title 11, United States Code, is amended—

(1) in paragraph (4)—

(A) by striking ''$10,000'' and inserting ''$20,000'';

(B) by striking ''within 180 days''; and

(C) by striking ''or the date of the cessation of the debtor's business, whichever occurs first,'';

(2) in paragraph (5)(A), by striking—

(A) ''within 180 days''; and

(B) ''or the date of the cessation of the debtor's business, whichever occurs first''; and

(3) in paragraph (5), by striking subparagraph (B) and inserting the following:

''(B) for each such plan, to the extent of the number of employees covered by each such plan, multiplied by $20,000.''.

SEC. 102. CLAIM FOR STOCK VALUE LOSSES IN DEFINED CONTRIBUTION PLANS.

Section 101(5) of title 11, United States Code, is amended—

(1) in subparagraph (A), by striking ''or'' at the end;

(2) in subparagraph (B), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(C) right or interest in equity securities of the debtor, or an affiliate of the debtor, held in a defined contribution plan (within the meaning of section 3(34) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(34))) for the benefit of an individual who is not an insider, a senior executive officer, or any of the 20 next most highly compensated employees of the debtor (if 1 or more are not insiders), if such securities were attributable to either employer contributions by the debtor or an affiliate of the debtor, or elective deferrals (within the meaning of section 402(g) of the Internal Revenue Code of 1986), and any earnings thereon, if an employer or plan sponsor who has commenced a case under this title has committed fraud with respect to such plan or has otherwise breached a duty to the participant that has proximately caused the loss of value.''.

SEC. 103. PRIORITY FOR SEVERANCE PAY.

Section 503(b) of title 11, United States Code, is amended—

(1) in paragraph (8), by striking ''and'' at the end;

(2) in paragraph (9), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

''(10) severance pay owed to employees of the debtor (other than to an insider, other senior management, or a consultant retained to provide services to the debtor), under a plan, program, or policy generally applicable to employees of the debtor (but not under an individual contract of employment), or owed pursuant to a collective bargaining agreement, for layoff or termination on or after the date of the filing of the petition, which pay shall be deemed earned in full upon such layoff or termination of employment; and''.

SEC. 104. FINANCIAL RETURNS FOR EMPLOYEES AND RETIREES.

Section 1129(a) of title 11, United States Code is amended—

(1) by adding at the end the following:

''(17) The plan provides for recovery of damages payable for the rejection of a collective bargaining agreement, or for other financial returns as negotiated by the debtor and the authorized representative under section 1113 (to the extent that such returns are paid under, rather than outside of, a plan).''; and

(2) by striking paragraph (13) and inserting the following:

''(13) With respect to retiree benefits, as that term is defined in section 1114(a), the plan—

''(A) provides for the continuation after its effective date of payment of all retiree benefits at the level established pursuant to subsection (e)(1)(B) or (g) of section 1114 at any time before the date of confirmation of the plan, for the duration of the period for which the debtor has obligated itself to provide such benefits, or if no modifications are made before confirmation of the plan, the continuation of all such retiree benefits maintained or established in whole or in part by the debtor before the date of the filing of the petition; and

''(B) provides for recovery of claims arising from the modification of retiree benefits or for other financial returns, as negotiated by the debtor and the authorized representative (to the extent that such returns are paid under, rather than outside of, a plan).''.

SEC. 105. PRIORITY FOR WARN ACT DAMAGES.

Section 503(b)(1)(A)(ii) of title 11, United States Code is amended to read as follows:

''(ii) wages and benefits awarded pursuant to a judicial proceeding or a proceeding of the National Labor Relations Board as back pay or damages attributable to any period of time occurring after the date of commencement of the case under this title, as a result of a violation of Federal or State law by the debtor, without regard to the time of the occurrence of unlawful conduct on which the award is based or to whether any services were rendered on or after the commencement of the case, including an award by a court under section 2901 of title 29, United States Code, of up to 60 days' pay and benefits following a layoff that occurred or commenced at a time when such award period includes a period on or after the commencement of the case, if the court determines that payment of wages and benefits by reason of the operation of this clause will not substantially increase the probability of layoff or termination of current employees or of nonpayment of domestic support obligations during the case under this title;''.

TITLE II—REDUCING EMPLOYEES' AND RETIREES' LOSSES

SEC. 201. REJECTION OF COLLECTIVE BARGAINING AGREEMENTS.

Section 1113 of title 11, United States Code, is amended by striking subsections (a) through (f) and inserting the following:

''(a) The debtor in possession, or the trustee if one has been appointed under this chapter, other than a trustee in a case covered by subchapter IV of this chapter and by title I of the Railway Labor Act, may reject a collective bargaining agreement only in accordance with this section. In this section, a reference to the trustee includes the debtor in possession.

''(b) No provision of this title shall be construed to permit the trustee to unilaterally terminate or alter any provision of a collective bargaining agreement before complying with this section. The trustee shall timely pay all monetary obligations arising under the terms of the collective bargaining agreement. Any such payment required to be made before a plan confirmed under section 1129 is effective has the status of an allowed administrative expense under section 503.

''(c)(1) If the trustee seeks modification of a collective bargaining agreement, the trustee shall provide notice to the labor organization representing the employees covered by the agreement that modifications are being proposed under this section, and shall promptly provide an initial proposal for modifications to the agreement. Thereafter, the trustee shall confer in good faith with the labor organization, at reasonable times and for a reasonable period in light of the complexity of the case, in attempting to reach mutually acceptable modifications of such agreement.

''(2) The initial proposal and subsequent proposals by the trustee for modification of a collective bargaining agreement shall be based upon a business plan for the reorganization of the debtor, and shall reflect the most complete and reliable information available. The trustee shall provide to the labor organization all information that is relevant for negotiations. The court may enter a protective order to prevent the disclosure of information if disclosure could compromise the debtor's position with respect to its competitors in the industry, subject to the needs of the labor organization to evaluate the trustee's proposals and any application for rejection of the agreement or for interim relief pursuant to this section.

''(3) In consideration of Federal policy encouraging the practice and process of collective bargaining and in recognition of the bargained-for expectations of the employees covered by the agreement, modifications proposed by the trustee—

''(A) shall be proposed only as part of a program of workforce and nonworkforce cost savings devised for the reorganization of the debtor, including savings in management personnel costs;

''(B) shall be limited to modifications designed to achieve a specified aggregate financial contribution for the employees covered by the agreement (taking into consideration any labor cost savings negotiated within the 12-month period before the filing of the petition), and shall be not more than the minimum savings essential to permit the debtor to exit bankruptcy, such that confirmation of a plan of reorganization is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor (or any successor to the debtor) in the short term; and

''(C) shall not be disproportionate or overly burden the employees covered by the agreement, either in the amount of the cost savings sought from such employees or the nature of the modifications.

''(d)(1) If, after a period of negotiations, the trustee and the labor organization have not reached an agreement over mutually satisfactory modifications, and further negotiations are not likely to produce mutually satisfactory modifications, the trustee may file a motion seeking rejection of the collective bargaining agreement after notice and a hearing. Absent agreement of the parties, no such hearing shall be held before the expiration of the 21-day period beginning on the date on which notice of the hearing is provided to the labor organization representing the employees covered by the agreement. Only the debtor and the labor organization may appear and be heard at such hearing. An application for rejection shall seek rejection effective upon the entry of an order granting the relief.

''(2) In consideration of Federal policy encouraging the practice and process of collective bargaining and in recognition of the bargained-for expectations of the employees covered by the agreement, the court may grant a motion seeking rejection of a collective bargaining agreement only if, based on clear and convincing evidence—

''(A) the court finds that the trustee has complied with the requirements of subsection (c);

''(B) the court has considered alternative proposals by the labor organization and has concluded that such proposals do not meet the requirements of paragraph (3)(B) of subsection (c);

''(C) the court finds that further negotiations regarding the trustee's proposal or an alternative proposal by the labor organization are not likely to produce an agreement;

''(D) the court finds that implementation of the trustee's proposal shall not—

''(i) cause a material diminution in the purchasing power of the employees covered by the agreement;

''(ii) adversely affect the ability of the debtor to retain an experienced and qualified workforce; or

''(iii) impair the debtor's labor relations such that the ability to achieve a feasible reorganization would be compromised; and

''(E) the court concludes that rejection of the agreement and immediate implementation of the trustee's proposal is essential to permit the debtor to exit bankruptcy, such that confirmation of a plan of reorganization is not likely to be followed by liquidation, or the need for further financial reorganization, of the debtor (or any successor to the debtor) in the short term.

''(3) If the trustee has implemented a program of incentive pay, bonuses, or other financial returns for insiders, senior executive officers, or the 20 next most highly compensated employees or consultants providing services to the debtor during the bankruptcy, or such a program was implemented

within 180 days before the date of the filing of the petition, the court shall presume that the trustee has failed to satisfy the requirements of subsection (c)(3)(C).

''(4) In no case shall the court enter an order rejecting a collective bargaining agreement that would result in modifications to a level lower than the level proposed by the trustee in the proposal found by the court to have complied with the requirements of this section.

''(5) At any time after the date on which an order rejecting a collective bargaining agreement is entered, or in the case of an agreement entered into between the trustee and the labor organization providing mutually satisfactory modifications, at any time after such agreement has been entered into, the labor organization may apply to the court for an order seeking an increase in the level of wages or benefits, or relief from working conditions, based upon changed circumstances. The court shall grant the request only if the increase or other relief is not inconsistent with the standard set forth in paragraph (2)(E).

''(e) During a period in which a collective bargaining agreement at issue under this section continues in effect, and if essential to the continuation of the debtor's business or in order to avoid irreparable damage to the estate, the court, after notice and a hearing, may authorize the trustee to implement interim changes in the terms, conditions, wages, benefits, or work rules provided by the collective bargaining agreement. Any hearing under this subsection shall be scheduled in accordance with the needs of the trustee. The implementation of such interim changes shall not render the application for rejection moot.

''(f)(1) Rejection of a collective bargaining agreement constitutes a breach of the agreement, and shall be effective no earlier than the entry of an order granting such relief.

''(2) Notwithstanding paragraph (1), solely for purposes of determining and allowing a claim arising from the rejection of a collective bargaining agreement, rejection shall be treated as rejection of an executory contract under section 365(g) and shall be allowed or disallowed in accordance with section 502(g)(1). No claim for rejection damages shall be limited by section 502(b)(7). Economic self-help by a labor organization shall be permitted upon a court order granting a motion to reject a collective bargaining agreement under subsection (d) or pursuant to subsection (e), and no provision of this title or of any other provision of Federal or State law may be construed to the contrary.

''(g) The trustee shall provide for the reasonable fees and costs incurred by a labor organization under this section, upon request and after notice and a hearing.

''(h) A collective bargaining agreement that is assumed shall be assumed in accordance with section 365.''.

SEC. 202. PAYMENT OF INSURANCE BENEFITS TO RETIRED EMPLOYEES.

Section 1114 of title 11, United States Code, is amended—

(1) in subsection (a), by inserting '', without regard to whether the debtor asserts a right to unilaterally modify such payments under such plan, fund, or program'' before the period at the end;

(2) in subsection (b)(2), by inserting after ''section'' the following: '', and a labor organization serving as the authorized representative under subsection (c)(1),'';

(3) by striking subsection (f) and inserting the following:

''(f)(1) If a trustee seeks modification of retiree benefits, the trustee shall provide a notice to the authorized representative that modifications are being proposed pursuant to this section, and shall promptly provide an initial proposal. Thereafter, the trustee shall confer in good faith with the authorized representative at reasonable times and for a reasonable period in light of the complexity of the case in attempting to reach mutually satisfactory modifications.

''(2) The initial proposal and subsequent proposals by the trustee shall be based upon a business plan for the reorganization of the debtor and shall reflect the most complete and reliable information available. The trustee shall provide to the authorized representative all information that is relevant for the negotiations. The court may enter a protective order to prevent the disclosure of information if disclosure could compromise the debtor's position with respect to its competitors in the industry, subject to the needs of the authorized representative to evaluate the trustee's proposals and an application pursuant to subsection (g) or (h).

''(3) Modifications proposed by the trustee—

''(A) shall be proposed only as part of a program of workforce and nonworkforce cost savings devised for the reorganization of the debtor, including savings in management personnel costs;

''(B) shall be limited to modifications that are designed to achieve a specified aggregate financial contribution for the retiree group represented by the authorized representative (taking into consideration any cost savings implemented within the 12-month period before the date of filing of the petition with respect to the retiree group), and shall be no more than the minimum savings essential to permit the debtor to exit bankruptcy, such that confirmation of a plan of reorganization is not likely to be followed by the liquidation, or the need for further financial reorganization, of the debtor (or any successor to the debtor) in the short term; and

''(C) shall not be disproportionate or overly burden the retiree group, either in the amount of the cost savings sought from such group or the nature of the modifications.'';

(4) in subsection (g)—

(A) by striking ''(g)'' and all that follows through the semicolon at the end of paragraph (3) and inserting the following:

''(g)(1) If, after a period of negotiations, the trustee and the authorized representative have not reached agreement over mutually satisfactory modifications and further negotiations are not likely to produce mutually satisfactory modifications, the trustee may file a motion seeking modifications in the payment of retiree benefits after notice and a hearing. Absent agreement of the parties, no such hearing shall be held before the expiration of the 21-day period beginning on the date on which notice of the hearing is provided to the authorized representative. Only the debtor and the authorized representative may appear and be heard at such hearing.

''(2) The court may grant a motion to modify the payment of retiree benefits only if, based on clear and convincing evidence—

''(A) the court finds that the trustee has complied with the requirements of subsection (f);

''(B) the court has considered alternative proposals by the authorized representative and has determined that such proposals do not meet the requirements of subsection (f)(3)(B);

''(C) the court finds that further negotiations regarding the trustee's proposal or an alternative proposal by the authorized representative are not likely to produce a mutually satisfactory agreement;

''(D) the court finds that implementation of the proposal shall not cause irreparable harm to the affected retirees; and

''(E) the court concludes that an order granting the motion and immediate implementation of the trustee's proposal is essential to permit the debtor to exit bankruptcy, such that confirmation of a plan of reorganization is not likely to be followed by liquidation, or the need for further financial reorganization, of the debtor (or a successor to the debtor) in the short term.

''(3) If a trustee has implemented a program of incentive pay, bonuses, or other financial returns for insiders, senior executive officers, or the 20 next most highly compensated employees or consultants providing services to the debtor during the bankruptcy, or such a program was implemented within 180 days before the date of the filing of the petition, the court shall presume that the trustee has failed to satisfy the requirements of subparagraph (f)(3)(C).''; and

(B) by striking ''except that in no case'' and inserting the following:

''(4) In no case''; and

(5) by striking subsection (k) and redesignating subsections (l) and (m) as subsections (k) and (l), respectively.

SEC. 203. PROTECTION OF EMPLOYEE BENEFITS IN A SALE OF ASSETS.

Section 363(b) of title 11, United States Code, is amended by adding at the end the following:

''(3) In approving a sale under this subsection, the court shall consider the extent to which a bidder has offered to maintain existing jobs, preserve terms and conditions of employment, and assume or match pension and retiree health benefit obligations in determining whether an offer constitutes the highest or best offer for such property.''.

SEC. 204. CLAIM FOR PENSION LOSSES.

Section 502 of title 11, United States Code, is amended by adding at the end the following:

''(l) The court shall allow a claim asserted by an active or retired participant, or by a labor organization representing such participants, in a defined benefit plan terminated under section 4041 or 4042 of the Employee Retirement Income Security Act of 1974, for any shortfall in pension benefits accrued as of the effective date of the termination of such pension plan as a result of the termination of the plan and limitations upon the payment of benefits imposed pursuant to section 4022 of such Act, notwithstanding any claim asserted and collected by the Pension Benefit Guaranty Corporation with respect to such termination.

''(m) The court shall allow a claim of a kind described in section 101(5)(C) by an active or retired participant in a defined contribution plan (within the meaning of section 3(34) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(34))), or by a labor organization representing such participants. The amount of such claim shall be measured by the market value of the stock at the time of contribution to, or purchase by, the plan and the value as of the commencement of the case.''.

SEC. 205. PAYMENTS BY SECURED LENDER.

Section 506(c) of title 11, United States Code, is amended by adding at the end the following: ''If employees have not received wages, accrued vacation, severance, or other benefits owed under the policies and practices of the debtor, or pursuant to the terms of a collective bargaining agreement, for services rendered on and after the date of the commencement of the case, such unpaid obligations shall be deemed necessary costs and expenses of preserving, or disposing of, property securing an allowed secured claim and shall be recovered even if the trustee has otherwise waived the provisions of this subsection under an agreement with the holder of the allowed secured claim or a successor or predecessor in interest.''.

SEC. 206. PRESERVATION OF JOBS AND BENEFITS.

Chapter 11 of title 11, United States Code, is amended—

(1) by inserting before section 1101 the following:

"§ 1100. Statement of purpose

''A debtor commencing a case under this chapter shall have as its principal purpose the reorganization of its business to preserve going concern value to the maximum extent possible through the productive use of its assets and the preservation of jobs that will sustain productive economic activity.'';

(2) in section 1129(a), as amended by section 104, by adding at the end the following:

''(18) The debtor has demonstrated that the reorganization preserves going concern value to the maximum extent possible through the productive use of the debtor's assets and preserves jobs that sustain productive economic activity.'';

(3) in section 1129(c)—

(A) by inserting ''(1)'' after ''(c)''; and

(B) by striking the last sentence and inserting the following:

''(2) If the requirements of subsections (a) and (b) are met with respect to more than 1 plan, the court shall, in determining which plan to confirm—

''(A) consider the extent to which each plan would preserve going concern value through the productive use of the debtor's assets and the preservation of jobs that sustain productive economic activity; and

''(B) confirm the plan that better serves such interests.

''(3) A plan that incorporates the terms of a settlement with a labor organization representing employees of the debtor shall presumptively constitute the plan that satisfies this subsection.''; and

(4) in the table of sections, by inserting before the item relating to section 1101 the following:

''1100. Statement of purpose.''.

SEC. 207. TERMINATION OF EXCLUSIVITY.

Section 1121(d) of title 11, United States Code, is amended by adding at the end the following:

''(3) For purposes of this subsection, cause for reducing the 120-day period or the 180-day period includes the following:

''(A) The filing of a motion pursuant to section 1113 seeking rejection of a collective bargaining agreement if a plan based upon an alternative proposal by the labor organization is reasonably likely to be confirmed within a reasonable time.

''(B) The proposed filing of a plan by a proponent other than the debtor, which incorporates the terms of a settlement with a labor organization if such plan is reasonably likely to be confirmed within a reasonable time.''.

SEC. 208. CLAIM FOR WITHDRAWAL LIABILITY.

Section 503(b) of title 11, United States Code, as amended by section 103 of this Act, is amended by adding at the end the following:

''(11) with respect to withdrawal liability owed to a multiemployer pension plan for a complete or partial withdrawal pursuant to section 4201 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1381) where such withdrawal occurs on or after the commencement of the case, an amount equal to the amount of vested benefits payable from such pension plan that accrued as a result of employees' services rendered to the debtor during the period beginning on the date of commencement of the case and ending on the date of the withdrawal from the plan.''.

TITLE III—RESTRICTING EXECUTIVE COMPENSATION PROGRAMS

SEC. 301. EXECUTIVE COMPENSATION UPON EXIT FROM BANKRUPTCY.

Section 1129(a) of title 11, United States Code, is amended—

(1) in paragraph (4), by adding at the end the following: ''Except for compensation subject to review under paragraph (5), payments or other distributions under the plan to or for the benefit of insiders, senior executive officers, and any of the 20 next most highly compensated employees or consultants providing services to the debtor, shall not be approved except as part of a program of payments or distributions generally applicable to employees of the debtor, and only to the extent that the court determines that such payments are not excessive or disproportionate compared to distributions to the debtor's nonmanagement workforce.''; and

(2) in paragraph (5)—

(A) in subparagraph (A)(ii), by striking ''and'' at the end;

(B) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(C) the compensation disclosed pursuant to subparagraph (B) has been approved by, or is subject to the approval of, the court as reasonable when compared to individuals holding comparable positions at comparable companies in the same industry and not disproportionate in light of economic concessions by the debtor's nonmanagement workforce during the case.''.

SEC. 302. LIMITATIONS ON EXECUTIVE COMPENSATION ENHANCEMENTS.

Section 503(c) of title 11, United States Code, is amended—

(1) in paragraph (1), in the matter preceding subparagraph (A)—

(A) by inserting '', a senior executive officer, or any of the 20 next most highly compensated employees or consultants'' after ''an insider'';

(B) by inserting ''or for the payment of performance or incentive compensation, or a bonus of any kind, or other financial returns designed to replace or enhance incentive, stock, or other compensation in effect before the date of the commencement of the case,'' after ''remain with the debtor's business,''; and

(C) by inserting ''clear and convincing'' before ''evidence in the record''; and

(2) by amending paragraph (3) to read as follows:

''(3) other transfers or obligations, to or for the benefit of insiders, senior executive officers, managers, or consultants providing services to the debtor, in the absence of a finding by the court, based upon clear and convincing evidence, and without deference to the debtor's request for such payments, that such transfers or obligations are essential to the survival of the debtor's business or (in the case of a liquidation of some or all of the debtor's assets) essential to the orderly liquidation and maximization of value of the assets of the debtor, in either case, because of the essential nature of the services provided, and then only to the extent that the court finds such transfers or obligations are reasonable compared to individuals holding comparable positions at comparable companies in the same industry and not disproportionate in light of economic concessions by the debtor's nonmanagement workforce during the case.''.

SEC. 303. ASSUMPTION OF EXECUTIVE BENEFIT PLANS.

Section 365 of title 11, United States Code, is amended—

(1) in subsection (a), by striking ''and (d)'' and inserting ''(d), (q), and (r)''; and

(2) by adding at the end the following:

''(q) No deferred compensation arrangement for the benefit of insiders, senior executive officers, or any of the 20 next most highly compensated employees of the debtor shall be assumed if a defined benefit plan for employees of the debtor has been terminated pursuant to section 4041 or 4042 of the Employee Retirement Income Security Act of 1974, on or after the date of the commencement of the case or within 180 days before the date of the commencement of the case.

''(r) No plan, fund, program, or contract to provide retiree benefits for insiders, senior executive officers, or any of the 20 next most highly compensated employees of the debtor shall be assumed if the debtor has obtained relief under subsection (g) or (h) of section 1114 to impose reductions in retiree benefits or under subsection (d) or (e) of section 1113 to impose reductions in the health benefits of active employees of the debtor, or reduced or eliminated health benefits for active or retired employees within 180 days before the date of the commencement of the case.''.

SEC. 304. RECOVERY OF EXECUTIVE COMPENSATION.

(a) IN GENERAL.—Subchapter III of chapter 5 of title 11, United States Code, is amended by inserting after section 562 the following:

"§ 563. Recovery of executive compensation

''(a) If a debtor has obtained relief under subsection (d) of section 1113, or subsection (g) of section 1114, by which the debtor reduces the cost of its obligations under a collective bargaining agreement or a plan, fund, or program for retiree benefits as defined in section 1114(a), the court, in granting relief, shall determine the percentage diminution in the value of the obligations when compared to the debtor's obligations under the collective bargaining agreement, or with respect to retiree benefits, as of the date of the commencement of the case under this title before granting such relief. In making its determination, the court shall include reductions in benefits, if any, as a result of the termination pursuant to section 4041 or 4042 of the Employee Retirement Income Security Act of 1974, of a defined benefit plan administered by the debtor, or for which the debtor is a contributing employer, effective at any time on or after 180 days before the date of the commencement of a case under this title. The court shall not take into account pension benefits paid or payable under such Act as a result of any such termination.

''(b) If a defined benefit pension plan administered by the debtor, or for which the debtor is a contributing employer, has been terminated pursuant to section 4041 or 4042 of the Employee Retirement Income Security Act of 1974, effective at any time on or after 180 days before the date of the commencement of a case under this title, but a debtor has not obtained relief under subsection (d) of section 1113, or subsection (g) of section 1114, the court, upon motion of a party in interest, shall determine the percentage diminution in the value of benefit obligations when compared to the total benefit liabilities before such termination. The court shall not take into account pension benefits paid or payable under title IV of the Employee Retirement Income Security Act of 1974 as a result of any such termination.

''(c) Upon the determination of the percentage diminution in value under subsection (a) or (b), the estate shall have a claim for the return of the same percentage of the compensation paid, directly or indirectly (including any transfer to a self-settled trust or similar device, or to a nonqualified deferred compensation plan under section 409A(d)(1) of the Internal Revenue Code of 1986) to any officer of the debtor serving as member of the board of directors of the debtor within the year before the date

of the commencement of the case, and any individual serving as chairman or lead director of the board of directors at the time of the granting of relief under section 1113 or 1114 or, if no such relief has been granted, the termination of the defined benefit plan.

''(d) The trustee or a committee appointed pursuant to section 1102 may commence an action to recover such claims, except that if neither the trustee nor such committee commences an action to recover such claim by the first date set for the hearing on the confirmation of plan under section 1129, any party in interest may apply to the court for authority to recover such claim for the benefit of the estate. The costs of recovery shall be borne by the estate.

''(e) The court shall not award postpetition compensation under section 503(c) or otherwise to any person subject to subsection (c) if there is a reasonable likelihood that such compensation is intended to reimburse or replace compensation recovered by the estate under this section.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 5 of title 11, United States Code, is amended by inserting after the item relating to section 562 the following:

''563. Recovery of executive compensation.''.

SEC. 305. PREFERENTIAL COMPENSATION TRANSFER.

Section 547 of title 11, United States Code, is amended by adding at the end the following:

''(j)(1) The trustee may avoid a transfer—

''(A) made—

''(i) to or for the benefit of an insider (including an obligation incurred for the benefit of an insider under an employment contract) made in anticipation of bankruptcy; or

''(ii) in anticipation of bankruptcy to a consultant who is formerly an insider and who is retained to provide services to an entity that becomes a debtor (including an obligation under a contract to provide services to such entity or to a debtor); and

''(B) made or incurred on or within 1 year before the filing of the petition.

''(2) No provision of subsection (c) shall constitute a defense against the recovery of a transfer described in paragraph (1).

''(3) The trustee or a committee appointed pursuant to section 1102 may commence an action to recover such transfer, except that, if neither the trustee nor such committee commences an action to recover such transfer by the time of the commencement of a hearing on the confirmation of a plan under section 1129, any party in interest may apply to the court for authority to recover the claims for the benefit of the estate. The costs of recovery shall be borne by the estate.''.

TITLE IV—OTHER PROVISIONS

SEC. 401. UNION PROOF OF CLAIM.

Section 501(a) of title 11, United States Code, is amended by inserting '', including a labor organization,'' after ''A creditor''.

SEC. 402. EXCEPTION FROM AUTOMATIC STAY.

Section 362(b) of title 11, United States Code, is amended—

(1) in paragraph (27), by striking ''and'' at the end;

(2) in paragraph (28), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(29) of the commencement or continuation of a grievance, arbitration, or similar dispute resolution proceeding established by a collective bargaining agreement that was or could have been commenced against the debtor before the filing of a case under this title, or the payment or enforcement of an award or settlement under such proceeding.''.

By Mr. HOEVEN (for himself, Mr. MCCAIN, Ms. MURKOWSKI, and Mr. BARRASSO):

S. 2592. A bill to promote energy production and security, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. HOEVEN. We are here today to talk about energy—energy for our country but also energy for our allies. This is a discussion not just about energy, it is about jobs, good-paying jobs. It is also about economic growth. It is about generating tax revenues to help reduce the debt and the deficit without raising taxes. It is about national security—not only our national security but also working with our closest friend and ally, Canada, as well as our allies in Europe, the European Union, and working to help countries such as the Ukraine that very much need energy supply from sources other than Russia.

With the current events going on in the Ukraine, it is very clear that we need to play a long-term game, a long-term strategy—deploy a long-term strategy when it comes to helping our allies, not only in terms of our national security but working with our allies to make them stronger, their strength, their national security. The national security of allies also contributes to our strength and our security here at home. So that is what we are here to talk about. We are here to talk about the North Atlantic Energy Security Act, legislation we are introducing today—myself, Senator BARRASSO, Senator MCCAIN, and Senator MURKOWSKI.

I am going to take a few minutes to talk about energy production, transportation, and export in terms of building our energy future in this country and working with our allies. Senator BARRASSO is here, and he will be talking about the specific legislation. Senator MCCAIN will join us as well to talk about the national security issues and implications.

I will start with the first chart.

Very simply, what we want to do is continue to produce more energy in our Nation, in the heartland of our Nation and throughout our country. We want to transport that increased production to market. That includes not only markets domestically but also markets where we can export it to our friends and allies in the European Union, to the Ukraine, and to Japan. That is the simple equation we are working on. Again, it is about energy. It is about jobs. It is about a growing economy. It is very much about national security.

That gas is produced throughout our country, more and more all the time. Right now we produce 30 trillion cubic feet of natural gas a year. We only use 26 trillion cubic feet of natural gas a year, so we are already producing more than we consume, and that number is growing.

What happens when you produce more than you consume and you do not have a market for that gas? In places such as North Dakota, we are flaring off that gas. Right now, just in my State alone, we flare $1.5 million a day of natural gas—$1.5 million a day. That is natural gas that we need to capture, that we need to get in gathering systems, that we need to transport to markets, and we need markets for that gas. This is just common sense.

How do we move gas from North Dakota to places such as Ukraine, where there is much need for a market? Well, we need both interstate and intrastate pipeline systems. On this chart, you can see that the purple is the interstate. That is how we move gas across State lines. But we also need intrastate gathering systems. A lot of oil wells produce natural gas as a byproduct; other wells are just gas wells. But you need gathering systems, the blue systems that go to all those wells so that gas can be gathered, put in the interstate system, and moved to markets—markets throughout the United States and markets overseas.

As I said a minute ago, we produce 30 trillion cubic feet a year, States such as North Dakota, Wyoming, and many others. That number is growing. We produce 30 trillion cubic feet a year, but we only consume 26 trillion, so we are flaring off that gas.

We need markets. As we work to build those gathering systems and those interstate pipelines, how do we get markets? Well, we move that product to overseas as liquefied natural gas, LNG. It is cooled and condensed, put on ships, and moved to other markets—the European Union, Ukraine, Japan—by ship. But we need the LNG facilities to do it. We do not have them. So that is a problem, right? Well, it is, except we have many companies that are not only ready and willing but anxious to build the facilities. Here are 16 right here, 16 applications.

Of the 26 applications that are pending, many of them have been pending for over a year waiting to get approval from the Department of Energy and from the FERC. So here we are flaring off natural gas, as I showed a minute ago—$1.5 million a day in my State—flaring it off because we produce more than we consume. We need markets. These applications are just sitting there and have been for more than a year.

If they get approved, what happens? Let's take an example. Here is one by a company everybody has heard of—Exxon. Exxon has an application. As you can see here, they have had an application in for over a year waiting to get approved at Sabine Pass, TX, which is right down in that gulf area. They are ready, willing, and able to spend $10 billion right now, today, to build that facility.

Where are they going to move the gas? They are going to move it to the United Kingdom so it can go right into the European system. We will touch on that European system and how it gets to places such as the Ukraine in a minute. But if they can get approval—

I have already talked to their CEO, Mr. Rex Tillerson. He indicates that within 36 to 40 months of approval, they can be moving gas into the European markets. Does that sound realistic? It certainly does. Obviously that is a very large company with the capabilities to do what they say they are willing and want to do.

Here is another example. Here is Cheniere. Same place—Sabine Pass. This is one that did get approved. This is one that did get approval. They intend to be delivering gas into the European market by the middle of next year—middle of next year. So this is not something that is going to take forever to happen.

We not only have the fact that we can start moving natural gas over here in a very reasonable amount of time, but think of the impact on the markets in Europe and the impact on Russia and gas prices when they know it is coming.

I am going to ask Senator MCCAIN to step in here. I mentioned a minute ago that application I showed you that is pending from Exxon. They want to move that natural gas to market right here in the UK.

What this chart shows is the pipeline network throughout Europe that will enable them to move that product throughout Europe and even into Eastern Europe, including places such as Ukraine.

Right now where is all that gas coming from? Russia, Gazprom. All these pipelines are coming down from Russia and providing that gas to the European countries, to the European Union, and to the Ukraine. Of course, that makes them dependent on Russia and that enables Russia to engage in the kind of activity we have seen and we can't always be reacting short term. We need a long-term strategy to break that hold.

Here are some of the numbers. This shows not only Ukraine but look at the impact on other NATO countries, Lithuania, Estonia, Latvia, 100 percent of their gas coming from Russia. Think of the leverage that gives Russia in this situation.

The last chart is the North Atlantic Energy Security Act. Quite simply, we are going to cut the redtape that is holding up production and infrastructure, we are going to reduce flaring, and we are going to expedite LNG to our friends and allies, to countries such as the European Union, to Ukraine, to Japan. We reduce the redtape that is holding up production. We are producing 30 trillion cubic feet of natural gas, and we can produce a lot more, but we have to cut through the redtape. We also enhance and expand our ability to build the gathering systems that move that natural gas to market, and we allow export.

We have an expedited process so we can export that gas to the markets we need, to our friends, and to our allies. Again, this is about energy, but it is about creating jobs, it is about growing our economy, it is about the national security of our country and our allies, and it is about having a long-term strategy that works, not going from crisis to crisis.

With that, I turn to my colleague, the senior Senator from Arizona, to comment on some of the national security implications.

Mr. MCCAIN. I ask unanimous consent the colloquy between the three of us be allowed.

The PRESIDING OFFICER. Without objection.

Mr. MCCAIN. I thank my two colleagues from North Dakota and Wyoming. There are no two Members of the Senate who know more and have worked harder on this energy issue. There are no two Senators who have worked harder to try to bring to the American people the fact that if we could export energy to these countries, it could literally change the world. This is not only when it actually arrives, but when Vladimir Putin gets the message, within 3 years—as I understand the Senator from North Dakota's context—we could be sending energy to the living rooms.

If you would put the numbers back up with the countries and their dependence on Russian energy.

Within 3 years the people within Latvia, Estonia, members of NATO, would no longer be reliant—and it gets very cold up in those Baltic countries as well. It can have a significant effect on the entire world.

I would also point out if that energy—and I would ask my colleagues from Wyoming or North Dakota—could get to the living room of Kiev—which the Senator showed the different pipelines that cross Ukraine—that has a huge effect.

I would ask my friend from Wyoming to comment.

We have threatened Russians time after time after they absorbed Crimea in violation of an agreement they made in Budapest to respect the territorial integrity of Ukraine. They absorbed Crimea. They continue to provoke unrest in Eastern Ukraine.

They have been threatened time after time by the United States and Europe, and I would argue that the handful of sanctions on individuals has had very little effect whatsoever on Russian behavior.

I ask the Senator from Wyoming as well, this is not only about the fact that the United States of America would be an energy exporter—which is a huge effect on our economy—but this could have a huge effect on the entire European Continent, because if Vladimir Putin understands that this energy is coming from a friend of the ally of the United States America, as opposed to them being dependent on Russian oil and energy, I would argue that it could change the entire shape of the world as we know it.

I thank both of the Senators who have been involved in this issue for many years. I don't know how many times both Senators have come to the floor—and I might just say I don't claim to be an expert on energy as my two colleagues are—but I will say the presentation the Senator from North Dakota just made should be understandable and I believe is understandable to every American citizen how we can, within 3 years as I understand it, achieve a level of energy independence and that for Europe that could literally change the entire equation in Europe and in the United States.

Mr. BARRASSO. My friend and colleague from Arizona is absolutely right. The three of us have traveled together to Ukraine. We have traveled together to Latvia and Lithuania.

What we hear everywhere we go is: Please sell us natural gas. Please sell us energy. Please help us undermine what Putin is doing to us.

Energy should be used as a geopolitical weapon, and it is the advances in technology in just the last decade that have made all of this possible. The Senators from Arizona and North Dakota are both correct. We are producing more now than ever. They are well aware of that throughout Europe and throughout the Baltics—to the point that Lithuania is even in the middle of acquiring an at-sea platform to change liquefied natural gas into natural gas—to warm it up, if you will, for use—and it is called the Independence. That is the name of this platform. It is to give them independence from Russia.

That is what they are investing in, and now they are saying to us: Please send it our way.

The technology has changed so much that in 2005 a book came out called ''Beyond Oil,'' and it was sent to every University of Wyoming first-year student coming in. They were invited to read it, and there was a whole section on liquefied natural gas.

At the time the technology wasn't developed enough for us to be so blessed in the United States to produce it, so that they were talking about actually building terminals in Louisiana, Texas, to import liquefied natural gas from other places.

Now we have reversed it. We are now in a position where we have such an abundance of liquefied natural gas, as my colleague from North Dakota said, we are flaring it off, burning it to the point of $1.5 million a day. That is the value of that gas, and there is also tax revenue that is not being collected because this isn't being sold, so our States could use the revenue. The Federal Government would benefit from us selling this rather than burning it, but yet we don't have the opportunity to do so because of the specifics of the laws with which we are faced.

We need to change the law. We need to be able to export. We need to be able to have permits to export, and we are seeing a lot of foot-dragging by this administration, which is why there are bills on this floor, bipartisan pieces of legislation, to help us use our energy abundance as a geopolitical weapon to

undermine Vladimir Putin's ability to use energy as a weapon of his own, a club against, as we have said, Ukraine, Moldova, Latvia, Lithuania, Estonia—all of these areas that are so dependent upon Russia for their gas, when they would rather buy it from us.

It would be an opportunity for us in America to become a net exporter in a way that would help balance our trade and balance our payments. It would bring cash back into the United States and we would be so much less dependent on the Middle East for sources of energy. We should be relying on that at home.

I look to my colleague from Arizona and say he is absolutely right in his leadership, in his direction, and in his global view that he has seen in his incredible service to our country. He has seen the shift. He has seen the future, and he knows the future success for our country comes in exporting liquefied natural gas to Europe, to our NATO allies, to Ukraine.

That is why we bring to the floor today the North Atlantic Energy Security Act, which we believe will help our country, help globally, and help us not just economically but help us geopolitically as well.

I turn to my friends from either Arizona or North Dakota to continue in this discussion, and then I will get back to some specific things that are happening around the world.

Mr. MCCAIN. I say to both of my colleagues, the Senator from North Dakota, Americans understand, I believe, that we need to do what we can to help our European friends become independent of Vladimir Putin as a source of energy.

They also are beginning to understand the United States of America is going to be an exporter of energy, which will obviously change our dependence on Middle Eastern energy and on other forms of energy, but the way the Senator from North Dakota described this, I think every American, if they saw it, would ask: Why don't we move in that direction? Why don't we believe the major energy companies that say within 3 years—and beginning, I understand, next year with some of them—we could be supplying these countries with energy which would then give them not only the ability to have energy without dependency, but it also sends a huge message to Vladimir Putin and to Europe that they are no longer dependent on his largesse. There have been times in the past where Vladimir Putin has shut off the energy in the wintertime, and it gets very cold in some of these countries in the wintertime.

It might also send a message to Vladimir Putin himself that he is not going to get away with the kind of behavior that he has.

I would ask the Senator from North Dakota, what does it require—suppose I am just an average citizen—to capture that natural gas that is being burned for $1 million-plus a day? What does it require to capture that and then get it to that port where it is going to be exported?

I would finally say I intend to go every place I can in America in the next few months and give the same presentation the Senator from North Dakota did and help the American people understand that we don't have to do a lot.

The energy is there. The question is, Do we have the national will and legislative will to take the action necessary to get that energy to the people who need it so badly, who are literally under the threat of freezing cold this coming winter?

Mr. HOEVEN. I thank the Senator from Arizona for his comments, his leadership, and for his willingness to work on this vitally important issue.

In terms of responding to his question: OK. What needs to happen—I wish to take a minute to give an overview of the legislation and then ask the Senator from Wyoming to comment in more detail.

As I said at the outset, and I actually have said several times, this is about more energy, it is about job creation, it is about growing the economy, and it is about national security.

It is also very much about environmental benefits. I showed you gas being flared off a well. This gas is just being flared.

Not only is that wasting a natural resource which we can capture and get value for, but when we capture that, we also create environmental benefits.

Nationally, we flare or vent, burn off, 212 billion cubic feet of gas a year—212 billion cubic feet of gas a year now being burned off.

Mr. MCCAIN. Which is roughly how much money?

Mr. HOEVEN. Oh, boy. To convert it, it is billions, right, it is in the billions of dollars. I don't have the exact number, but it is a huge amount. It is $1.5 million a day in my State alone so the Senator can see we are talking billions of dollars. There are also tremendous environmental benefits as well.

But let's go to the legislation for a minute because I think this is responsive to the question asked by the Senator from Arizona about: OK. How do we make it happen?

The reality is we are producing the energy now, we can produce more, and this doesn't cost taxpayer money.

This creates revenues without raising taxes. This is going to create revenues to help address the debt and the deficit. This is enabling and empowering the private companies to make investments to create jobs, make investments to produce the energy.

Going back to this chart, Exxon wants to invest $10 billion today, creating thousands of jobs and a tremendous amount of revenue for the Federal Government to reduce the deficit and debt. It doesn't cost a penny. That is not what it is about. It is about streamlining the regulation, cutting the redtape. That means making sure we streamline and expedite the process to get wells approved. That is the first area of legislation that increases our production onshore. We can do it offshore as well. But we are talking about more production. As I say, we are already producing more than we consume.

Second, it is about building those gathering systems. It requires permits and approvals to build gathering systems, so we are not able to build those gathering systems. If you can't build a gathering system, what happens? You burn off the gas because you can't get it to market. So that process is being held up. Again, it is about cutting through the redtape, reducing the regulation and bureaucracy. It doesn't cost anything.

The final piece, the same thing—getting approval to export LNG. Right now there is one that has final approval from the DOE and FERC. There are 26 applications pending. One has final approval from the DOE—Department of Energy—and the FERC. Six have conditional approval and 26 are pending. It is as simple as getting the approvals and cutting through that redtape. This is not about spending taxpayer dollars; it is about generating revenues.

Mr. MCCAIN. If I could ask the Senator from North Dakota one additional question, and maybe the Senator from Wyoming would comment on it too. What about the environmental aspects of using natural gas as opposed to other forms of energy, whether it be coal or oil or other forms of energy?

Mr. HOEVEN. I would respond briefly to the Senator from Arizona and then turn to the Senator from Wyoming on that issue as well for more detail on the legislation. He has tremendous expertise in this area and has been working on it for a long time.

Clearly, it is a double win because not only are we no longer burning off or flaring that natural gas, but we are using natural gas, which is a very clean resource, for a whole range of energy uses, whether it is powering homes or many other uses. So it is a huge environmental win.

Mr. MCCAIN. So I would think the EPA would be out there in front arguing for this legislation.

Mr. HOEVEN. Absolutely an environmental win.

Mr. BARRASSO. It is interesting. The Senator from South Dakota, the Senator from Arizona, and I were reviewing this article in today's Wall Street Journal, Thursday, July 10.

The headline is ''In the Arctic, Shipping Route Is Set to Supply LNG to Asia,'' and there is a map of the globe. It says:

> Shipping companies in China and Japan said they would start a regular service to carry Siberian natural gas across the Arctic Ocean to East Asia, showing how Asian demand for the fuel is reshaping global shipping routes.

So with the forces at play—Asia's demand for natural gas, Japan's move

away from nuclear power, China's struggle with pollution—this is an opportunity for us to use a resource we have in the United States and export it in a very profitable way for our country, put people to work, increase tax revenues to the States, increase tax revenues to the Nation, and improve our balance of trade. The technology is now allowing us to do it, but the government is not. That is the biggest problem we have—a bureaucratic Federal Government that is not allowing what we have and what we have learned to use. The government is blocking it, and that is why we have come to the floor today to try to encourage additional exports to Europe and support the North Atlantic Energy Security Act.

Mr. HOEVEN. Madam President, I turn to the good Senator from Arizona for any final comments. Seeing that he doesn't have any, I thank him.

I also thank the good Senator from Wyoming and ask if there are any final comments he might have on the legislation. He has been an author of much of this legislation. I thank him for that tremendous work and for being part of this effort.

Mr. BARRASSO. The legislation is bipartisan. We have Republicans and Democrats alike who realize there are incredible values to us as a nation to be exporting liquefied natural gas.

At a time when the technology is there, the will is there, we need to get a vote on the Senate floor. I offered the amendment before and bring it again today as legislation, the North Atlantic Energy Security Act. It is about energy, it is about security—our economic security, our energy security—and our opportunities on the geopolitical stage to use our resources to the best advantage of our Nation and our Nation's citizens.

I thank the Senator from North Dakota for his continued leadership in this area.

Mr. HOEVEN. I thank the Senator from Wyoming.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 498—EXPRESSING THE SENSE OF THE SENATE REGARDING UNITED STATES SUPPORT FOR THE STATE OF ISRAEL AS IT DEFENDS ITSELF AGAINST UNPROVOKED ROCKET ATTACKS FROM THE HAMAS TERRORIST ORGANIZATION

Mr. GRAHAM (for himself, Mr. MENENDEZ, Ms. AYOTTE, Mr. SCHUMER, Mr. MCCAIN, Mr. CORKER, Mr. RUBIO, Mr. BLUNT, Mr. KIRK, Mr. TOOMEY, Mr. ALEXANDER, Mr. MORAN, Mr. JOHANNS, Mr. HELLER, Mr. INHOFE, Mrs. FISCHER, Ms. COLLINS, Mr. CRUZ, Mr. VITTER, Mr. PAUL, Mr. BLUMENTHAL, Mrs. BOXER, Mr. NELSON, Mr. FRANKEN, Ms. MURKOWSKI, Mr. THUNE, Mr. GRASSLEY, Mr. HATCH, Mr. MURPHY, Mr. SCOTT, Mr. CARDIN, Mr. CRAPO, Mr. CHAMBLISS, Mr. ROBERTS, Mr. CASEY, Mr. WICKER, Mr. COATS, Mrs. SHAHEEN, Mr. TESTER, Mr. KAINE, Mr. LEE, and Mr. BEGICH) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 498

Whereas Hamas is a United States-designated terrorist organization whose charter calls for the destruction of the State of Israel;

Whereas Hamas continues to reject the core principles of the Middle East Quartet (the United Nations, the United States, the European Union, and Russia)—recognize Israel's right to exist, renounce violence, and accept previous Israeli-Palestinian agreements;

Whereas Hamas has killed hundreds of Israelis and dozens of Americans in rocket attacks and suicide bombings;

Whereas, since Israel's withdrawal from Gaza in 2005, Hamas and other terrorist groups have fired thousands of rockets at Israel;

Whereas Hamas has entered into a unity governing arrangement with Fatah and the Palestinian Authority;

Whereas the unity governing agreement implies Fatah's and the Palestinian Authority's support for Hamas' belligerent actions against Israel, potentially contributing to a false perception of legitimacy for Hamas' belligerent actions;

Whereas, since June 2014, Hamas has fired nearly 300 rockets at Israel;

Whereas Hamas's weapons arsenal includes approximately 12,000 rockets that vary in range;

Whereas innocent Israeli civilians are indiscriminately targeted by Hamas rocket attacks; and

Whereas 5,000,000 Israelis are currently living under the threat of rocket attacks from Gaza: Now, therefore, be it

Resolved, That the Senate—

(1) reaffirms its support for Israel's right to defend its citizens and ensure the survival of the State of Israel;

(2) condemns the unprovoked rocket fire at Israel;

(3) calls on Hamas to immediately cease all rocket and other attacks against Israel; and

(4) calls on Palestinian Authority President Mahmoud Abbas to dissolve the unity governing arrangement with Hamas and condemn the attacks on Israel.

SENATE RESOLUTION 499—CONGRATULATING THE AMERICAN MOTORCYCLIST ASSOCIATION ON ITS 90TH ANNIVERSARY

Mr. MANCHIN submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 499

Whereas the American Motorcyclist Association has been promoting and protecting the motorcyclist lifestyle since 1924;

Whereas the members of the American Motorcyclist Association are the world's largest and most dedicated group of motorcycle enthusiasts;

Whereas the American Motorcyclist Association represents motorcycle riders, who are among the most passionate motorcycle enthusiasts in the United States;

Whereas through member clubs, promoters, and partners, the American Motorcyclist Association authorizes almost 3,000 motorsports competition events annually; and

Whereas the American Motorcyclist Association's headquarters in Pickerington, Ohio, is home to the American Motorcyclist Association Motorcycle Hall of Fame, which honors those who have contributed to the history of motorcycling through political activism, culture, and sport, and which preserves the heritage of motorcycling for future generations: Now, therefore, be it

Resolved, That the Senate congratulates the American Motorcyclist Association on its 90th Anniversary and commends it for promoting and protecting the rights and interests of motorcyclists and motorcycle enthusiasts since 1924.

SENATE RESOLUTION 500—EXPRESSING THE SENSE OF THE SENATE WITH RESPECT TO ENHANCED RELATIONS WITH THE REPUBLIC OF MOLDOVA AND SUPPORT FOR THE REPUBLIC OF MOLDOVA'S TERRITORIAL INTEGRITY

Mrs. SHAHEEN (for herself, Mr. RUBIO, Mr. MENENDEZ, Mr. MCCAIN, and Mr. MURPHY) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 500

Whereas the United States has enjoyed warm relations with the Republic of Moldova since the Republic of Moldova's independence in 1991;

Whereas, since the Republic of Moldova's independence, the United States has provided financial assistance to support the efforts of the people of the Republic of Moldova to build a prosperous European democracy;

Whereas the United States and the Republic of Moldova further strengthened their partnership through the launching of a Strategic Dialogue on March 3, 2014;

Whereas the Republic of Moldova signed an Association Agreement containing comprehensive free trade provisions with the European Union on June 27, 2014 and ratified the agreement on July 2, 2014;

Whereas the Government of the Republic of Moldova made extraordinary efforts to comply with the criteria for an Association Agreement with the European Union, including significant legislative reforms to improve the rule of law and curtail corruption;

Whereas new parliamentary elections are expected to be held in the Republic of Moldova in November 2014;

Whereas the United States Government supports the democratic aspirations of the people of the Republic of Moldova and their expressed desire to deepen their association with the European Union;

Whereas the United States supports the sovereignty and territorial integrity of the Republic of Moldova and, on that basis, participates as an observer in the ''5+2'' negotiations to find a comprehensive settlement that will provide a special status for the separatist region of Transnistria within the Republic of Moldova;

Whereas, in September 2013, Russian Deputy Prime Minister Dmitri Rogozin said that Moldova ''would lose Transnistria if Moldova continues moving toward the European Union'' and that ''Moldova's train en route to Europe would lose its wagons in Transnistria'';

Whereas in 2013, the Government of the Russian Federation banned the import of Moldovan wine and certain agricultural products in anticipation of Republic of Moldova initialing the Association Agreement with the European Union;