

**February 6, 2011**

**Summary of how Cornyn, Hutchison and Poe voted this past week:**

**Senate**

**Lasers Targeting Aircraft:** Voted, 96-1, to make it a federal crime to shine lasers at aircraft, which can temporarily blind pilots. The amendment was added to an aviation-funding bill (S 223) that remained in debate. **Cornyn yes, Hutchison yes**

**Health-Care Repeal:** Refused, 47-51, to advance a House-passed repeal of the health-care law. The measure was backed by all 47 Republican senators and opposed by all members of the Democratic caucus who voted. **Cornyn yes, Hutchison yes**

**IRS Form 1099:** Voted, 81-17, to remove an unpopular paperwork requirement from the new health law. The vote hastened what is expected to be the eventual repeal of a requirement that businesses of all sizes issue an IRS Form 1099 to any vendor to whom they pay at least \$600. **Cornyn yes, Hutchison yes**

**Davis-Bacon Wages:** Upheld, 55-42, Davis-Bacon wages for construction contracts awarded under S 223. The bill funds aviation projects such as building and expanding airport facilities. The 1931 Davis-Bacon Act requires workers on federally funded projects receive prevailing, or union-equivalent, wages and benefits for the particular region. The vote tabled (killed) an amendment to strip Davis-Bacon requirements from the bill. A yes vote was to affirm the 1931 Davis-Bacon Act. **Cornyn no, Hutchison no**

**House**

**The House was not in session.**

## Active Legislation

112th Congress (2011-2012)

Updated February 3, 2011

Reference: The Library of Congress Thomas

Details of bills can be found at:

[http://www.senate.gov/pagelayout/legislative/b\\_three\\_sections\\_with\\_teasers/active\\_leg\\_page.htm](http://www.senate.gov/pagelayout/legislative/b_three_sections_with_teasers/active_leg_page.htm)

Currently Active		
Bills that may receive floor action this week.		
<b>Senate chamber</b>		
<i>1099, repeal expansion of reporting requirements</i>	<a href="#">S.18</a> , <a href="#">S.72</a> , <a href="#">S.Amdt.9</a> to <a href="#">S.223</a>	<a href="#">H.R.4</a>
<i>Federal Aviation Administration</i>	<a href="#">S.223</a>	
<i>Health care overhaul, repeal and replace</i>	<a href="#">S.192</a> , <a href="#">S.Amdt.13</a> to <a href="#">S.223</a>	<a href="#">H.R.2</a> , <a href="#">H.Res.9</a>
<b>House chamber</b>		

### New Start pact formally ratified by U.S., Russia

New Start, a strategic arms control treaty passed by the Senate in December after a long political battle by President Barack Obama, was formally put into place Feb 5, 2011 by the United States and Russia. Secretary of State Hillary Rodham Clinton and Russia's foreign minister, Sergey Lavrov, exchanged legal documents ratifying the treaty, which imposes new limits on strategic nuclear warheads, heavy bombers and launching vehicles. The U.S. and Russia have 45 days to trade details on the number, location and technical specifications of their arsenals. Inspection can begin in 60 days.

### Free trade proves costly for Mexican Farmers

#### As U.S. corn flows south, the men who worked the farms head north

In the rain-fed corn farms in Oaxaca state, and in vast areas of Mexico, and one sees few young men, just elderly people and single mothers. The countryside wasn't supposed to hollow out in this way when the North American Free Trade Agreement linked Mexico, Canada and the U.S. in 1994. The thinking was Mexican factories would absorb displaced farmers. In hindsight, the agricultural elements of the pact were brutal on Mexico's corn farmers. A flood of U.S. corn imports, combined with subsidies that favor agribusiness, are blamed for the loss of 2 million farm jobs in Mexico. The trade pact worsened illegal migration, particularly in areas where small farmers barely eke out a living. In Chiapas, there was hardly any migration before NAFTA. Farm laborers were even brought

in from Guatemala. Now, more than 50,000 rural people from Chiapas go each year to the United States.

### **Pope challenges China with bishop ordination Country views Rome's position as interference**

Pope Benedict XVI insisted Saturday on his exclusive right to ordain bishops as he consecrated a Chinese prelate in an implicit challenge to attempts by China's official church to ordain bishops without his approval. Monsignor Savio Hon Tai-Fai, a 60-year-old Salesian prelate from Hong Kong recently named to the No. 2 spot in the Vatican's missionary office, was one of five bishops ordained by Benedict in St. Peter's Basilica.

China forced its Roman Catholics to cut ties with the Vatican in 1951 shortly after the communist seizure of power. Although only state backed Catholic churches are recognized, millions of other Chinese belong to unofficial congregations loyal to Rome. Dialogue has been used to ease tensions, but a main sticking point has been the Chinese church's insistence that it — not the pope — has the right to appoint bishops. It maintains that Rome's position amounts to interference in its internal affairs.

### **British prime minister knocks multiculturalism Cameron says policy fails to promote a common identity**

Faced with growing alarm about Islamic militants who have made Britain one of Europe's most active bases for terrorist plots, Prime Minister David Cameron has mounted an attack on the country's decades old policy of multiculturalism, saying it has encouraged segregated communities where Islamic extremism can thrive. Speaking at a security conference in Munich on Saturday, Cameron condemned what he called the "hands off tolerance" in Britain and other European nations that had encouraged Muslims and other immigrant groups "to live separate lives, apart from each other and the mainstream."

He said that the policy had allowed Islamic militants leeway to radicalize young Muslims, some of whom went on to "the next level" by becoming terrorists, and that Europe could not defeat terrorism "simply by the actions we take outside our borders," with military actions like the war in Afghanistan. "Europe needs to wake up to what is happening in our own countries," he said. "We have to get to the root of the problem."

Similar warnings about multiculturalism have been sounded by Chancellor Angela Merkel of Germany and by President Nicolas Sarkozy of France. But, if anything, Cameron went further. He called on European governments to practice "a lot less of the passive tolerance of recent years and much more active, muscular liberalism" and said Britain would no longer give official patronage to Muslim groups that had been "showered with public money despite doing little to combat terrorism."

## **The Shale Revolution**

**Often the only 'reform' needed is a plan to remove obstacles to innovation.**

With turmoil in the Middle East comes the inevitable spike in oil prices, topping \$90 this week. Look for energy security to make one of its recurrent runs to the top of the national agenda. This time, though, we should listen to the shale gas revolution that has put an unexpected energy bonanza at our feet in places like New York, Pennsylvania and Ohio.

Any energy forecast a few years ago that failed to anticipate the shale boom and associated technological breakthroughs now mostly looks like a wasted effort. And that's the point. Shale gas came painlessly into the world, though on paper the number of rich and powerful interests it upset would be nearly endless. Every owner of an oil well or coal mine or conventional gas well. Investors in the U.S. and Europe and Canada who spent billions building terminals to import liquefied natural gas (LNG). Investors in a long-planned pipeline from Alaska to the upper Midwest. Investors in the massive Russian Shtokman field, tipped for LNG exports to the U.S.

Just a few years ago, Russian leaders talked up the inevitability of a natural gas cartel more powerful than OPEC. Never mind. The U.S. last year topped Russia in natural gas production for the first time since 2001.

The organized interests whose world is being knocked for a loop by shale gas surely aren't happy about it. The quality on display here is freedom to innovate, also known as freedom to disrupt the rich and powerful who would prefer not to be disrupted. In the U.S., landowners enjoy mineral rights and are free to sell or lease those rights to drilling companies, whatever the neighbors might say

Under U.S. labor law, these companies were free to take a chance on new workers without making a lifetime commitment. Also important, back in the 1970s and '80s, a series of deregulatory moves eliminated price and usage controls on natural gas, without which the business would never have been interesting to innovators and entrepreneurs.

The U.S. shale boom has ignited a search elsewhere, from China to Central Europe. Poland alone is estimated to hold shale gas reserves equal to half of Europe's existing conventional reserves—a fact already altering the strategic balance between Europe and its soon-to-be-former energy overlord, Russia.

Europeans have also discovered, however, they lack some of America's institutional advantages, from private ownership of resources to flexible labor markets. In the U.S., says the Oil & Gas Journal, "Companies generally can develop shale plays located in the U.S. Midcontinent and East, where most land is owned privately, with minimal political wrangling. The fact that shale developments can cover entire counties means that royalties are spread among thousands of individual landowners, often aligning them with operators."

Before we wallow in self-congratulation, let's note the impossibility of equivalent transformations in other areas of American life. Our air traffic control system is controlled by government and has failed miserably to keep up with traffic growth. Our public schools are laboratories of stasis. Detroit is bound by a monopolistic labor regime from the 1930s. To touch on an especially sore point, federal and state regulation of health insurance has all but extinguished innovation in health insurance, even as government policy has made us more and more reliant on these third-party payers.

The shale gas revolution has been a surprise, in a sector where surprises are still permitted. Nobody "planned" it. There's a lesson here for every kind of reformer: Often the only plan needed is a plan to remove obstacles to innovation.

Sources: Library of Congress, Investors Business Daily, Houston Chronicle, Wall Street Journal, New York Times