SBLC WEEKLY

FOR THE RECORD

Last week, the House passed legislation, H.R. 6079, to repeal the health care reform law by a 244-185 margin. Needless to say, Senate Majority Leader Harry Reid (D-NV) is never going to bring the measure to the Senate floor.

SMALL BUSINESS TAX RELIEF IN SENATE

For months, Majority Leader Reid had promised to bring his version of a small business tax relief bill, S. 2247, to the Senate floor. This past week he did, and the summary is - it came to the Senate floor and it left the Senate floor.

The bill, which included an extension of the depreciation bonus and an employer tax credit for expanding payroll, is - and now was - Senator Reid's answer to the House-passed bill, H.R. 9, which featured a small business reduction in taxable income.

The Senate debate quickly turned into a referendum on former President Bush's tax cuts versus President Obama's call for renewing those cuts for individuals with incomes of $250,000 or less – only the Senate never got to the point of voting on those options.

Majority Leader Reid quickly filled what is known as the "amendment tree," to make sure that only amendments he wanted would be considered. After a little song and dance between Majority Leader Reid and Senator Minority Leader Mitch McConnell (R-KY), what we got was the old standby – a cloture motion to end debate on the bill, followed by Senator Reid failing to get the 60 votes he needed to proceed.

That puts an end to Reid's small business tax relief efforts and essentially means the end of H.R. 9 too since Reid is not about to call up the House bill. As to the referendum on tax cuts, I am sure we will hear more about it during the remaining weeks before the August recess – repeatedly.

And because you asked, this is what our good friends at the Congressional Research Service (CRS) say about the amendment trees:

> "'Amendment trees' are charts that illustrate certain principles of precedence which guide the Senate amendment process. When all of the amendments permitted simultaneously by these principles have been offered and are pending, an amendment tree is said to be 'filled,' and no additional amendments may be offered until one or more of those pending is disposed of or laid aside. Given that the presiding officer traditionally affords the Senate majority leader priority over all others in being recognized, a majority leader can repeatedly secure recognition and 'fill the amendment tree' himself by sequentially offering all of the amendments permitted under applicable circumstances. By doing so, a leader can 'freeze' the amendment process in place, blocking additional floor amendments, at least temporarily. A majority leader might 'fill the tree' in this way to prevent the offering of or voting on of non-germane amendments, to try speed consideration of a measure, or to control the subject or sequence of amendments that may be offered.

> "These principles of precedence are reflected in four amendment tree charts published in the official compilation of Senate precedents which depict the maximum number and type of amendments that may be offered and simultaneously pending under various circumstances during consideration of a bill. Which of the four amendment tree

charts will be applicable at a given point during consideration of a measure is dictated by the form of the first amendment that is offered— be it a motion to insert, to strike, to strike and insert, or in the nature of a substitute. Depending on which tree applies in a given floor situation, an amendment tree might be filled by as few as three, or as many as 11 amendments.*"

An example of one tree:

With an amendment to strike out and insert pending
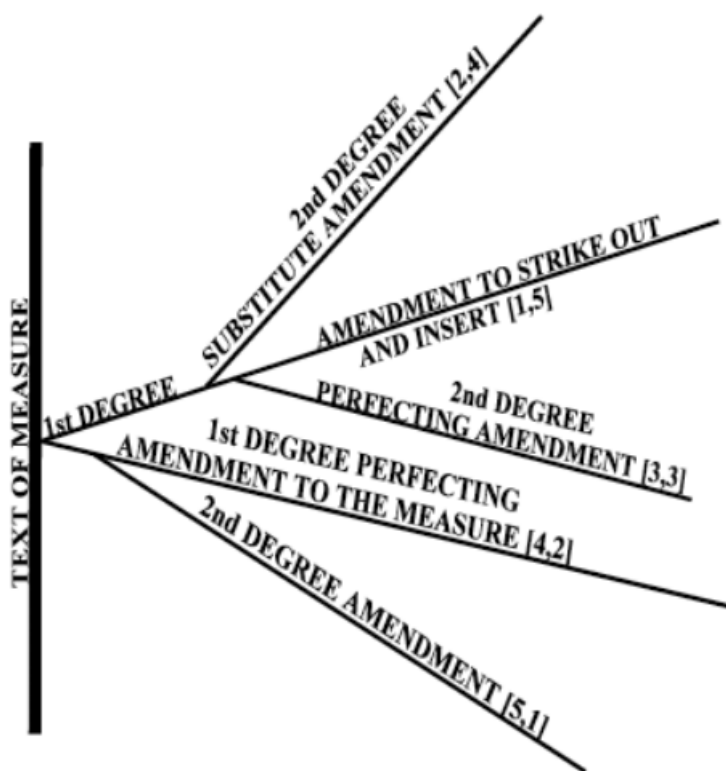
[x,y] = order of offering, order of voting

Now you know.