PRESS CONFERENCE WITH MAJORITY LEADER,

STENY H. HOYER

***

Tuesday, February 26, 2008

11:00 a.m.

Mr. Hoyer. Good morning. Thank you for being here. We are meeting at 10:30 for morning hour, which I guess we are already doing, 12:00 for legislative business. Today, as you know, we are going to consider the public housing asset management bill. There are two amendments made in order under the bill. Tomorrow we will meet at 10 a.m. We will consider the Renewable Energy and Energy Conservation Tax Act, subject to a rule. Then we will consider several suspension bills including the Andean trade preference extension, which was reported out of the Ways and Means Committee. That is a 10-month extension. Thursday we will meet at 10:00 and consider H.Res. 895. That is a rules change dealing with the office of congressional ethics.

Let me discuss two items specifically. When we passed the energy bill over to the Senate and then the Senate struck from it the various provisions dealing with incentives for renewable fuels, we indicated that we would pass that as a freestanding bill. What we are doing this week is consistent with that promise.

Gasoline is now at approximately $3.12 per gallon, I think on average nationally. This bill will not bring that down. But what this bill will do is to move us towards assuring that it is not $6.12, 2 years from now or 4 years from now or 5 years from now. This bill will move us towards what we believe to be in the interest of our national security, our economic security, and our

environmental health, and that is towards energy independence.

I believe there's a broad understanding in both the House and the Senate, we must set our energy priorities and quickly extend tax credits for wind, solar and other renewable industries. The oil companies made $123 billion in profits last year. That's fine. But the tax credits are to give incentives to find product, to develop product. In the free market system, the biggest incentive is getting a good price for your product and having a high demand for your product.

Nobody can gainsay the fact that they aren't getting a very good price and that there isn't high demand for their product, which is, in and of itself, the incentive. And as a result, we don't believe that tax incentives continue to be necessary for the oil companies. This is not a penalty. It is simply a recognition of the reality of the marketplace. What does need incentives is to continue to develop wind, solar electric power, hybrid automobiles, other technologies that will move us towards energy independence.

Secondly, let me refer to the Foreign Intelligence Surveillance Act. A, Democrats are committed to keeping this country safe. We're committed to empowering our intelligence agencies to intercept communications which may be dangerous -- which may reflect conspiracies to cause danger to our country or to individuals, either here or any place in the world.

We obviously passed legislation which would have -- we didn't

pass it, we offered legislation which would have extended the Protect America Act for 21 days while we considered the Senate bill that was Senate to us some 48 hours before we were scheduled to leave on the President's workday -- not workday, but work period. The Republicans to a person voted against that extension. Over 90 percent of Democrats voted to extend that authority.

We have made the case, and we contend the case is indisputable, that the authority that the intelligence community now has will protect us from danger. But the administration continues to raise the specter of fear which we think is irresponsible and inaccurate.

To oppose the Protect America Act extension and then to turn around and say by not extending it we are at risk seems contradictory at best and political double speak at worst.

President Bush says he will delay his trip to Africa, and he doesn't delay his trip. He leaves right on time. Notwithstanding the fact as you know we were here the next day in Washington. Mr. Rockefeller, Mr. Reyes, Mr. Conyers and myself working on moving this process forward.

We have since met on a regular basis. We have since invited the Republicans to participate in these discussions and we've invited the White House to participate in these discussions. So far they have refused to do so. They continue the take-it-or-leave-it position that they have put themselves in.

I would hope that you have review this paper that we have

sent out to you. Mr. McConnell makes assertions that you will recall after we passed the Protect America Act, Mr. McConnell claimed that they were able to affect the stopping of some German terrorists because of the powers in the Protect America Act. The staff, however, reminded him that they did that before the Protect America Act was passed. The significance of that is that the administration trying to use every example it can possibly find to assert its position and regularly then has to retreat when it finds out that their assertion are incorrect.

The most recent example of that is when the DNI claimed that the telephone companies in a relatively lengthy letter -- he and Mukasey, the Attorney General in a relatively lengthy letter -- that the telephone companies weren't cooperating and that we were losing information. Within hours -- I'm not sure whether it was 1 hour or 2 hours or 3 hours -- they came back and said, no, they are cooperating. 6 page letter then an e-mail: Oh, no, they are cooperating.

The bottom line is we want to see legislation passed responding to the technical challenges of having a U.S. switch. We believe foreign-to-foreign communications ought to be intercepted and don't have fourth amendment protection and don't need it. But we also believe that the FISA Act was adopted to protect against abuses of the executive department. For anybody to think that abuses have not happened through the centuries by executive departments, our Founding Fathers knew that to be the

case, which is why they wrote the Constitution as they did.

So that the argument really here is much more about Title II. Title I of the FISA bill, I think we're going to come to agreement on. We made real progress on it. I think we will have agreement on it between the House and the Senate on this issue. The real argument is about the administration's not wanting us to know what happened to respect to this program essentially from '03 to '05, up until the time Attorney General Ashcroft said no, I'm not going to sign this letter because I don't think we're operating properly and his assistant threatened to resign if they continued to do what they had been doing.

This administration likes secrecy. This administration does not like accountability. This administration certainly does not want to deal with the Congress of the United States on issues it believes to be in its sole purview. The Founding Fathers thought differently. We do as well. We are continuing to work. We hope that we will be able to move something in the relatively near future.

Questions?

Q Mr. Leader, on immigration reform --

Mr. Hoyer. Yes?

Q Heath Shuler and the Blue Dogs, he says he has 136 signatures for a discharge petition to bring a scaled down version of the legislation to the floor. If he gets the 218, will you allow a vote on this, or is this an issue you would rather keep on

the back burner until after the election?

Mr. Hoyer. Immigration is a critical issue. We want to deal with it. The prospective presidential nominee on the other side of the aisle thought it was an important issue. His party apparently doesn't agree with him. We think it is an important issue to deal with. We think the security of our borders is absolutely essential. This administration has been in charge of our borders for the last 7 years and they have been porous. And the administration has not gotten a handle on the issue of protecting our borders. And in fact up until recently, wanted to reduce protections in terms of border security, border patrols.

Secondly, because Heath Shuler's efforts are to secure our borders, there is no disagreement on that. You say he's got the signatures. I don't know that there are any signatures on a petition at this point in time.

Q He says he's got 136.

Mr. Hoyer. That would sign. That would sign.

Q That would sign.

Mr. Hoyer. I don't think -- I don't think anything has been filed yet. That is my point. I don't want to quibble with you, but he may say that.

Q Commitments.

Mr. Hoyer. Commitments. We are working towards seeing if we can reach agreement on a bill that can pass both the House and the Senate to address both the security of our borders as well as the

issue of what can be done with those folks who are here.

The Senate failed to pass a comprehensive bill as it had passed last year -- excuse me, in '06. And so we are in a position where the Senate does not seem to be able to pass something, either with 60 votes or perhaps even with 50 votes. But we are pursuing the efforts.

I've talked to Mr. Shuler, I think he's acting in a responsible way. I think he's got a good bill. I think there are some other interests as well that go beyond his bill that need attention and we are trying to attend to those as well.

Q So we will see something on the floor in the coming weeks?

Mr. Hoyer. We are working at it to see whether or not we can put something on the floor that will garner the support of the majority of the House.

Q But isn't immigration legislation, isn't that politically untenable in an election year when you couldn't move it through -- not you, but the Senate -- it has been hard for Democrats and Republicans to do something on this?

Mr. Hoyer. Well, it has been, but of course, Mr. McConnell who cosponsored a bill with Mr. Kennedy, is about to become prospectively the Republican standard bearer. We will see what his thoughts are.

Q Are you making the point to Mr. Shuler that there is no point in doing this; that it will not pass the Senate?

Mr. Hoyer. No, I haven't made that point to Mr. Shuler. But we are having discussions with Mr. Shuler not only on his legislation, but having discussions with others on other components of legislation.

Q On FISA, what is the intent of these ongoing negotiations? There is no sign outwardly that Mr. Rockefeller is going to bend on the Title II issue about immunity and the larger telecom issues. What is on the table?

Mr. Hoyer. Mr. Rockefeller has been -- Mr. Rockefeller and I are good friends. We had a good meeting on the Friday that we left here. We left on a Thursday. Some of us didn't leave, we were here.

As you know Mr. Rockefeller joined with Mr. Reyes, Mr. Conyers and Mr. Leahy in an op-ed piece that appeared in The Washington Post yesterday saying, A, the administration's claims were wrong; and B, that they were working together to come up with legislation that would accomplish the objectives of keeping America safe and assuring full telecommunications cooperation.

By the way, the bill we passed has prospective immunity. I believe they have immunity now if they are acting consistent with any order that was issued under the Protect America Act, and I think they should have such immunity. Furthermore, they will have immunity under any order issued by the FISA Court for them to produce information or cooperate in ways of new threats. So the issue of prospective immunity I don't think ought to be in doubt.

So my point to you is on Title I, I think we're making real progress. On Title II, we're certainly having good discussion -- Title II being the immunity issue, Title I being the protection issue.

Q Do you think there is a third way? Sort of it is neither in or out. Maybe in all of these various prospective efforts at substitution and --

Mr. Hoyer. The purpose of the discussion --

Q Do you think there is a third way? Do you think you can find a way around it?

Mr. Hoyer. The purpose of the discussions is to see whether or not we can reach agreement, compromise between the positions of the two houses.

Q Well --

Mr. Hoyer. We are working on that and we have been working on it very hard over the last 10 days.

Q Well, what does compromise represent? So far both sides are entrenched. It is there -- is there a middle?

Mr. Hoyer. I don't think Mr. Rockefeller represents the other side. He is on our side. He has a different perspective at this point in time from our side but that doesn't mean we are not talking and figure out how we could -- and we would hope that Senator Bond and Congressman Smith and others would participate in that. To this day they have not.

Q Are you pretty clear you will make your previous 21-day

deadline on these negotiations?

Mr. Hoyer. Well, we are certainly working towards that objective. In the House, we are certainly working towards that objective in the House.

Q You just touched on what my question was. Once the Democrats reach a agreement, then you go to the White House and then you go to the Republicans and try to move forward on it?

Mr. Hoyer. Uh-uh. Well, we have invited the White House and the Republicans to participate with us now. To this date -- and I've talked to people in the leadership on the other side of the aisle who are not sure that they would be productive. I understand that. But you don't get anywhere if you don't talk. And we are talking and working and we hope to move this forward.

I think we're going to reach agreement on Title I. I'm certainly very hopeful of that and optimistic about reaching agreement on Title I. Mr. Conyers and Mr. Reyes have been working very hard on it. Mr. Rockefeller has been working hard it. Mr. Leahy has been work hard at it.

Q What about Title II?

Mr. Hoyer. Title II -- let me stress, Title I is about security. Title I is the title that empowers the national security apparatus to intercept communications. I believe we are very close to agreement on that. But that's not what the administration is talking about and that's not what McConnell is talking about. They are all talking about immunity.

Why are they so interested in immunity? My belief is because they think they did something wrong and they don't want it disclosed. State secrets precludes discussion about that. I understand that. That's appropriate. But it has nothing to do with our Nation's security. Title I deals with our Nation's security. Title II deals with what we're going to do as to what was done in the past, not the future, because Title I gives future prospective immunity.

Q Sir, you have seen the documents and it sounds like you are saying that there was something done in the past that was wrong. Are you concerned that the carriers don't deserve immunity now that you have seen the documents?

Mr. Hoyer. No, A, I'm not saying that. Clearly, I don't want to be misinterpreted. I'm not saying that. But yes I've reviewed the documents. I don't believe the documents are dispositive of the issue. I don't want to go beyond that, but that is my own view.

My view is not so much that the telephone companies may have done something -- the telephone companies are in a very difficult position. The telephone companies are regulated by the Federal Government. They are regulated by the Federal Government daily. Uniquely, more than other private sector entities. The purpose of FISA, the purpose of the Constitution is to protect the companies and the people from undue pressure or improper requests from the administration, from the executive department. That's what the

Constitution is about. That's what the Privacy Act is about. That's what FISA was about.

What I am saying to you is that I believe that Ashcroft was undoubtedly correct. That what was -- and the people who said they would resign if the process was not changed were correct -- that things were not done consistent with what the law required. I can't specify it beyond that and don't know it beyond that. But my point to you is, and I think the critical point in this argument is, that we are prepared to reach agreement on Title I, which is protecting America. We have hesitancy in simply forgetting about what happened for 3 years, give or take, without consultation with the Congress, although the administration claims that Jane Harman and others were informed. The Big Four, I guess. Or Eight. I guess it's Four. And obviously the Big Four have differences of opinion about what they knew or should have known.

Q Mr. Hoyer, on the ethics proposal, the Republicans on that task force --

Mr. Hoyer. It is going to come to the floor.

Q The Republicans on that task force didn't endorse the proposal.

Mr. Hoyer. I know.

Q Do you have a sense yet about whether or not the Republicans will be able to offer amendments?

Mr. Hoyer. It is a rule. It is a rules change. I don't think there will be amendments.

Q So they won't be allowed on the floor to do anything to it, even though they don't necessarily agree with it?

Mr. Hoyer. Well, I don't want to speak -- I want to get some further information before I say definitively that that's the case. But as I understand it, it will come as a rules change and will not be subject to amendment. I expect to have a bipartisan vote in favor of the proposal.

Those of you who have attended my Pen and Pad as I -- not facetiously, accurately responded when I was more irrelevant that I am now, heard me for years talking about how I believed we needed to enhance the ability of the American public to have confidence that we were proceeding where wrongdoing was alleged or seen by the Ethics Committee.

This mechanism that Mr. Capuano, after working very strongly with the Republicans and the Democrats and outside groups -- Mr. Wertheim is supporting this, Common Cause is supporting it, other groups are supporting it. Is it perfect? Nothing we would do is perfect, but it does facilitate and give confidence to the public that when wrongdoing is perceived or alleged that it will be given attention in a process that has more visibility for the public. They need to have confidence that we're acting properly.

Q What do you say to people who say that because Democrats are optimistic about their prospects in November, both Congressionally and on a presidential level, that on a lot of issues you may decide to just play out the clock and wait for the

voters to have their say?

Mr. Hoyer. Well, we think the voters you know are going to have their say and will say it definitively. And I think they had it in 2006. I don't know whether I said this here. But the 2006 election elected the House. Two-thirds of the Senate were not on the ballot and the President was not on the ballot. So the American public's desire for change and a new direction was only fully reflected in the House of Representatives. Two-thirds of the Senate was not on the ballot.

What we've done in the House of Representatives is try to effect that change. As you know, last year we didn't fail to pass a proposition we put on the floor. We're not sitting out the clock. That's why we're passing this energy bill. The President's indicated he is going to veto it, but we think it is important -- I don't know whether he has said that, but he certainly implied it the last time around when it was dropped from the Senate bill.

We believe we have a responsibility to protect America. That's why we are moving on national security issues. We are very concerned about defense readiness. We're going to continue to effect oversight on Iraq, Afghanistan, and our readiness posture.

We are concerned about the economy, which is now in a slump. I don't know -- I use that term advisedly because it is not a precise term. It has slowed down beyond what we wanted. So we are concerned about that and we're continuing to address it.

So the answer is no, we're not just in a wait-till-next-year posture. We want to pass legislation we think is good policy. Whether it's dealing with health care, whether it is dealing with education, whether it is dealing with housing, whether it is dealing with any other issues and energy I've just talked about. National security.

Q Do you need to wait at all for a nominee to make sure that your message is coordinated there?

Mr. Hoyer. No. When we have a nominee, obviously we will coordinate our efforts with the nominee. But we certainly don't need to wait for a nominee any more than we're waiting for a nominee with this energy bill or working on FISA or housing or stimulus.

As you heard me say in the press conference I guess month and a half ago or something that somebody asked us whether are you waiting for the nominees to tell you what to do, and I said as soon as they become President we're going to work closely with them.

Q The Senate might begin debate today on the foreclosure bill.

Mr. Hoyer. Right.

Q How confident are you that you will find the House and the Senate reach agreement on a bill? Are you confident that will happen when you see it this time?

Mr. Hoyer. When do I see it happening?

Q Yes.

Mr. Hoyer. I think we can reach agreement. Between the House and the Senate on a bill. I think there are issues. I have not talked to Mr. Frank specifically about this bill that the Senate is now considering. Obviously there are a number of facets to it. I am not fully familiar with all of them. We discussed it yesterday. But assuming the Senate signs it, I'm sure that we will address it and sooner rather than later.

Q Do you think you could reach an agreement that the President would sign?

Mr. Hoyer. I don't know the answer to that question because I don't know whether Frank's had communications or Dodd has had communications with the administration on what they would or would not sign.

Let me say that we're all very concerned about the plight of people whose housing values have dropped and are unable to refinance. They are losing financing opportunities. Very tight credit market. That's a real concern, because we have seen that the housing credit crunch, the subprime crisis, has spilled over very substantially into a lot of other sectors and we have seen a real slowdown in our economy.

That combined with the fiscal irresponsibility that was pursued at Federal level I think has compounded the problem. But we are very concerned about housing and the stability of the housing market and the availability of credit for people who

either want to refinance or who want to purchase homes.

Q But you are saying that there might not be enough -- you may not be able to reach an agreement with the White House this year?

Mr. Hoyer. With the White House? I'm not saying that. I'm saying I don't know.

Q Okay.

Mr. Hoyer. I have not had discussions with the White House on that, either Bolten or anybody else, and I don't know whether Frank has. So I can't tell you the answer to that question.

Clearly if we can reach agreement between the House and the Senate, Secretary Paulson -- we have had a great working relationship with Secretary Paulson and I would hope -- I would think that would continue. Hank Paulson Secretary Paulson is somebody who wants to get a job done. So I think we have a receptive ear over there and we will see -- obviously if they pass a bill and we pass a bill or we respond to their bill and we have a conference, the administration clearly is going to be involved.

Q Just to clarify that, when the Senate first announced -- Senate Democrats first announced their deal, the Speaker said, Well, we have eye on some different legislation and we will move those bills. It seems like you are saying today is that you might respond also with a packaged bill that includes several different elements from several different areas. Is that right, or am I reading more into it?

Mr. Hoyer. I think you are reading more into it than what I said. That may be accurate, but what I said was we will respond to the Senate bill. And when I say we will respond to it, clearly Chairman Frank will be looking at the bill. We will want his advice on what elements he believes they can reach agreement on or whether or not we have a different view that we're going to press.

But we will certainly respond to it in the sense that if they pass a bill that deals with an item that is of great concern in every community in America, we will respond to it and we will have our own initiatives. I think the Speaker is absolutely right on that. Mr. Frank really is not without ideas of his own.

Q Mr. Blunt talked earlier about the ethics proposal and said it could be abusive because it would allow two members, two people on that panel to start an investigation, but four to stop an investigation. Is that an objection that you have heard?

Mr. Hoyer. Well, it's an objection that I heard, yes. As a matter of fact, a reporter asked me about it yesterday. I agree with the proposal. Let me tell you why I agree with the proposal. The American public was very disconcerted, rightfully so, when they saw an Ethics Committee divided equally along partisan lines stopping an investigation from going forward.

And in this instance you don't want just one person, but if two people -- you could even do it on a partisan basis. I would hope that under the proposal that Mr. Boehner and Speaker Pelosi would cooperate very closely to appoint six consensus choices of

people who are perceived to be and are, in fact, responsible, commonsense people of great integrity to consider what can be -- Mr. Blunt is absolutely correct -- specious. When you are in politics, you can get a lot of stuff thrown at you with the hopes that some will stick.

So we need to be careful on that, and I think this proposal is careful. Obviously this group does not have disposition of issues. It would remain in the Ethics Committee to dispose of issues. But what this group will do is to give assurance as I said earlier that actions are being taken. And the fact that you have less than -- either three or four, it will ensure that you won't have partisan gridlock on this.

And I would hope, frankly, that the six members appointed by the Speaker and Mr. Boehner together -- as you know, 90 days later, if they can't reach agreement, then they each would appoint three people apiece. However, I would hope that would not happen and I would hope that they would arrive at agreement. Because we all know what we want. We want people of great integrity. This is not about partisanship; this is about integrity and Americans' trust in their Congress.

[Whereupon, at 11:35 a.m., the press conference was concluded.]