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Senate Fails to Pass Extenders Bill with Energy Tax Credit Extensions Two More Times

On July 30, 2008, the Senate, by a vote of 51 to 43, failed to invoke cloture on S. 3335, the "Jobs, Energy, Families, and Disaster Relief Act of 2008" (the "[Senate Bill](#)"), introduced last week by Senator Baucus. Even if the measure had passed the Senate, the Administration issued a [Statement of Administration Policy](#) stating that the President's advisors recommended a veto of the Senate Bill.

In May, the House of Representatives passed an extenders bill which was described in a [previous alert](#) (the "House Bill"). On July 29, the Senate, by a vote of 53-43, also failed to invoke cloture on the House Bill for the third time. Congress adjourned on Friday, August 1 and is not scheduled to return for substantive work

until the second week of September. Thus, the legislative days remaining in the session to pass an extension of the expiring energy tax credits are limited.

The energy tax credit provisions in the Senate Bill and House Bill are substantially similar, which suggests that the House and Senate have reached tentative agreements on the substance of the energy tax credit extensions. However, differences still remain that continue to frustrate the enactment of the extensions, including the debate over whether the extensions should be offset and how. Specifically, several Senate Republicans have expressed concern over adopting permanent changes to the tax code to pay for temporary extensions of the energy tax provisions.

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