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House of Representatives

COMMEMORATING INDEPENDENCE OF AND EXPRESSING SENSE OF CONGRESS THAT THE PRESIDENT SHOULD ESTABLISH DIPLOMATIC RELATIONS WITH EAST TIMOR

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 405) commemorating the independence of East Timor and expressing the sense of Congress that the President should establish diplomatic relations with East Timor, as amended.

The Clerk read as follows:

H. CON. RES. 405

Whereas on May 20, 2002, East Timor became the first new country of the millennium;

Whereas the perseverance and strength of the East Timorese people in the face of daunting challenges has inspired the people of the United States and around the world;

Whereas in 1974 Portugal acknowledged the right of its colonies, including East Timor, to self-determination, including independence;

Whereas East Timor has been under United Nations administration since October 1999 during which time international peacekeeping forces, supplemented by forces of the United States Group for East Timor (USGET), have worked to stabilize East Timor and provide for its national security;

Whereas the people of East Timor exercised their long-sought right of self-determination on August 30, 1999, when 98.6 percent of the eligible population voted, and 78.5 percent chose independence in a United Nations-administered popular consultation despite systematic terror and intimidation by the Indonesian military and its militia;

Whereas the East Timorese people again demonstrated their strong commitment to democracy when 91.3 percent of eligible voters peacefully participated in East Timor's first democratic, multiparty election for a Constituent Assembly on August 30, 2001, and when 86.3 percent of those eligible participated in the first presidential election on April 14, 2002;

Whereas East Timor adopted a constitution in March 2002;

Whereas East Timor is emerging from over 400 years of colonial domination and a 24-year period of occupation by the Indonesian military;

Whereas, as the people of East Timor move proudly toward independence, many still struggle to recover from the scars of the military occupation and the 1999 scorched-earth campaign that resulted in displacement which, according to the United Nations and other independent reports, exceeded 500,000 in number and widespread death, rape, and other mistreatment of women, family separation, and large refugee populations and the destruction of 70 percent of the country's infrastructure;

Whereas efforts are ongoing by East Timorese officials and others to seek justice for the crimes against humanity and war crimes that have been perpetrated in recent years, efforts which include the work of the United Nations Serious Crimes Investigation Unit and the East Timorese Commission for Reception, Truth, and Reconciliation to document and assess responsibility for these crimes;

Whereas recommendations by the Indonesian National Human Rights Commission and the United Nations Security Council to investigate and prosecute senior Indonesian military and civilian officials for their roles in promoting the 1999 anti-independence violence in East Timor have not yet been fully implemented;

Whereas, although the people of East Timor are working toward a plan for vigorous economic growth and development, the Government of East Timor faces a substantial shortfall in its recurrent and development budgets over the first 3 years of independence, and is seeking to fill the gap in full with grants from donor countries;

Whereas a large percentage of the population of East Timor lives below the poverty line with inadequate access to health care and education, the unemployment rate in East Timor is estimated at 80 percent, and the life expectancy in East Timor is only 57 years; and

Whereas Nobel Peace Laureate Carlos Ximenes Belo, Roman Catholic Bishop of Dili, East Timor, has appealed to the international community and the United States for increased economic and development assistance for the fledgling nation: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That—

(1) Congress—

(A) congratulates and honors the courageous people of East Timor and their leaders;

(B) welcomes East Timor into the community of nations as a sovereign state and looks forward to working with East Timor as an equal partner;

(C) supports United Nations and international efforts to support reconstruction and development in East Timor, and United Nations and international peacekeeping forces to safeguard East Timor's security;

(D) remains committed to working toward a debt-free start to East Timor and just, sustainable, and secure development programs as well as adequate resources for the judicial system for East Timor for the foreseeable future beyond independence;

(E) expresses continued concern over deplorable humanitarian conditions and an environment of intimidation among the East Timorese refugees living in West Timor;

(F) strongly supports prompt, safe, voluntary repatriation and reintegration of East Timorese refugees, in particular those East Timorese still held in militia-controlled refugee camps in West Timor, especially reunification of East Timorese children separated from their parents through coercion or force;

(G) expresses a commitment to maintaining appropriate restrictions and prohibitions in law on military assistance, training relations, and technical support to the Indonesian Armed Forces;

(H) acknowledges that a United Nations International Commission of Inquiry found in January 2000 that justice is ''fundamental for the future social and political stability of East Timor'', and remains deeply concerned about the lack of justice in the region; and

(I) commends the President for immediately extending to East Timor diplomatic relations afforded to other sovereign nations, including the establishment of an embassy in East Timor; and

(2) it is the sense of Congress that the President and the Secretary of State should—

(A) maintain a level of United States assistance for East Timor commensurate with the challenges this new nation faces after independence;

(B) work to fund in a generous and responsible way East Timor's financing gap in its recurrent and development budgets, and coordinate with other donors to ensure the budget gap is addressed;

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(C) focus bilateral assistance for East Timor on the areas of employment creation, job training, rural reconstruction, micro-enterprise, environmental protection, health care, education, refugee resettlement, reconciliation and conflict resolution, and strengthening the role of women in society;

(D) strongly urge the Indonesian Government to step up efforts to disarm and disband all militia, hold them accountable to the rule of law, ensure stability along the border, and promptly reunite East Timorese children separated from their parents through coercion or force; and

(E) review thoroughly information from the East Timorese Commission for Reception, Truth, and Reconciliation and use all diplomatic resources at their disposal to ensure that those officials responsible for crimes against humanity and war crimes against the East Timorese people are held accountable and that the Indonesian Government fully cooperates with the East Timorese judicial system.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

GENERAL LEAVE

Mr. SMITH of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 405.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just let me say at the outset, I want to welcome the Bais Faiga Lakewood school eighth grade students who are here and Mrs. Faigy Uhr, who is the assistant principal, notwithstanding the admonishment from the Speaker, and let them know how welcome they are to be here today.

Mr. Speaker, I rise to extend my congratulations in support of the brave and courageous people of East Timor. Yesterday May 20, 2002, was their independence day. East Timor is now officially the first new nation of the third millennium.

The people of East Timor have every right, Mr. Speaker, to be proud of their newly won independence, because their road to freedom was long and arduous, full of intense suffering and death. It entailed not only 400 years of colonial rule, but also 24 years of brutal military occupation by Indonesia that included massacres, forced sterilization, and attempts at cultural annihilation.

Indonesia's tyrannical rule over East Timor reached its zenith during the 1999 Scorched Earth campaign conducted by the Indonesian-backed militia with ties to the Indonesian military. Women were beaten and raped, families were separated, and nearly three-fourths of the nation's infrastructure was destroyed. According to U.N. estimates, over 500,000 people were displaced.

Against tremendous odds, however, the brave people of East Timor persevered and triumphed. Despite terror, beatings and threats from the Indonesian military, the East Timorese people overwhelmingly chose independence in August of 1999. Ninety-eight percent of the eligible population voted, and almost eight out of ten chose independence.

Under almost 3 years of U.N. guidance, they continually embraced democracy with very high voter turnouts, electing an assembly in August of 2001 and on April 14, their first President, their heroic independence leader, Xanana Gusmao.

Mr. Speaker, when I was chairman of the Subcommittee on International Operations and Human Rights, my good friend, the gentleman from California (Mr. LANTOS), and I worked on held hearings on Indonesia and East Timor.

□ 1300

I had the privilege of joining Joseph Reese, the general counsel and staff director of the subcommittee, on a visit with Xanana Gusmao in Cipinang prison. I was struck by his sense of poise. He radiated strength and confidence. I was struck by his determination, and his fervent belief that one day East Timor would be an independent, free state where democracy would flourish. I found that even the warden of that prison in Jakarta had an enormous amount of respect and admiration for this man who is now president.

Mr. Speaker, I introduced this resolution, H. Con. Res. 405, and I am very proud that the distinguished Democratic leader, the gentleman from California (Mr. LANTOS), also a cosponsor, along with the gentleman from Massachusetts (Mr. MCGOVERN), the gentleman from Virginia (Mr. WOLF), the gentleman from Massachusetts (Mr. FRANK), and the gentleman from Rhode Island (Mr. KENNEDY) and other Members of this body who have joined us in this effort to say, in a bipartisan way, congratulations on a job well done. I especially want to thank Chairman Henry Hyde for both his strong support of this resolution and his indefatigable and tenacious promotion of human rights everywhere.

Mr. Speaker, while our resolution commemorates East Timor's independence, it also addresses the serious challenges this new nation faces. It is not going to be easy. These include development of a stable economy, holding accountable those who carried out crimes against humanity and the crime of genocide during Indonesia's reign of terror, and caring for those many victims who still suffer tremendously from the scars of war and poverty.

Obviously, the United States has an interest, Mr. Speaker, in ensuring that those who carried out war crimes are brought to justice. Crimes committed against the East Timorese have been well documented by the United Nations and other international organizations, yet most of their perpetrators reside in Indonesia with impunity, while the Indonesian government fails to cooperate with the international justice system.

Indonesia refuses, for example, to extradite alleged war criminals, and the jurisdiction of its own ad hoc tribunal is so severely limited that Indonesian human rights advocates seriously doubt whether the most egregious violators of human rights will be brought to justice. H. Con. Res. 405 expresses deep concern over the lack of justice in the region, and calls on the President to use all diplomatic resources necessary to ensure that those responsible for these grave human rights abuses are held accountable.

Similarly, given the well-documented linkages between human rights abuse in East Timor and the Indonesian military, our resolution expresses the need for continued restrictions on U.S. military assistance and training for Indonesia's military in the Foreign Operations Appropriation Act for fiscal year 2003.

Mr. Speaker, the humanitarian needs of the East Timorese people are as great as anyone in the world. U.S. foreign aid dollars can do much to assist East Timor in developing agricultural programs, building solid education, health care, and judicial systems, aiding refugees, and repairing the country's infrastructure. Our resolution expresses our hope that Congress and the President will adamantly support these endeavors.

I would point out that in fiscal year 2001 and fiscal year 2002, Congress approved approximately $25 million in aid to East Timor. The President's request for 2003 is about $19 million, and my hope is that we can work together with the President in making sure that that which is needed, and it will probably be more than that, the $19 million, will be made available.

Mr. Speaker, several amendments to the original resolution have been submitted today. These amendments commend the President for immediately establishing diplomatic relations with East Timor and include other technical changes made for the sake of clarity.

Finally, Mr. Speaker, let me say that, as Americans, we will forever honor the brave leaders who founded our Nation by fighting valiantly for freedom and democracy, the great ideals we cherish so greatly. They guided a revolution based on these ideals that is continued on through the ages in so many places throughout the world and, in our time, it has been so ably displayed, so nobly, by the East Timorese. The desire to live in freedom cannot be extinguished, and they are again another people who have risen to that challenge to say we will be free.

Again, I want to congratulate the people and also especially President Gusmao on their independence, because they have set another example for those who continue to live under dictatorship to follow.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I rise in strong support of this resolution, and I yield myself such time as I may consume.

Mr. Speaker, first, I would like to commend my good friend and distinguished colleague, the gentleman from New Jersey (Mr. SMITH), for introducing this important resolution, as well as my colleagues, the gentleman from Massachusetts (Mr. MCGOVERN), the gentleman from Virginia (Mr. WOLF), the gentleman from Massachusetts (Mr. FRANK), and the gentleman from Rhode Island (Mr. KENNEDY) for their leadership roles in moving it forward.

Mr. Speaker, when the Indonesian military invaded East Timor in 1975, it seemed that the hope of the East Timorese people to live in freedom and with dignity had been extinguished forever. Those who subsequently spent more than 2 decades fighting for East Timor's independence, both in East Timor and internationally, were dismissed as hopeless dreamers. East Timor was gone, the argument went, and the United States Congress, nongovernmental organizations, and others were only causing unnecessary tension in our relationship with Indonesia by continuing to fight for justice.

I might point out, Mr. Speaker, that it was our Congressional Human Rights Caucus which held the first hearing on the outrages against East Timorese and spoke out for independence and freedom and religious freedom in East Timor.

Well, Mr. Speaker, standing up for human rights and democracy in East Timor was the right and moral course of action and, as a result of the bravery of the East Timorese people and concerted international pressure, we stand here today welcoming East Timor as the first new nation of the new millennium.

When the United Nations first entered East Timor in the brutal aftermath of the 1999 independence referendum, they found burned-out buildings, a devastated infrastructure, and hundreds of thousands of refugees who desperately wanted to return home. Many questioned whether the international community and the United Nations were up to the task of nation-building.

Mr. Speaker, I am pleased to report that the U.N.'s record in East Timor since October 1999 demonstrates the relevance of the United Nations when it is not blinded by mindless hostility to the state of Israel. I want to pay special tribute to our friends in Australia who led the International Security Force that enabled East Timor to be created.

Mr. Speaker, all this was accomplished in slightly over 2 years. The resolution before us today not only welcomes East Timor into the community of nations, but also expresses strong congressional support for the United Nations' peacekeeping forces, which are safeguarding East Timor's security.

Some administration officials recently threatened to hold up the renewal of the enormously successful East Timor peacekeeping mission because of professed concerns regarding the International Criminal Court. I am very pleased that with the passage of this resolution, Congress is standing strongly in support of the U.N. mission which does include U.S. personnel.

There is much work left to be done, Mr. Speaker. The House has already approved the East Timor Transition to Independence Act, legislation I introduced last year, to guide the U.S. political security and economic relationship with East Timor in the coming years. Our bill will ensure that the United States provides the foreign assistance and investment that East Timor so desperately needs, as well as help in establishing adequate armed forces so it can defend its own borders. I hope that our legislation will be signed into law as part of the State Department authorization bill in the very near future.

Mr. Speaker, I strongly believe that East Timor has a bright future. East Timor citizens have a democratic government; they enjoy the rule of law; they have the support of the international community and the strong desire to succeed. I am confident that the United States will have a strong friend in East Timor's people and its government. I strongly support H. Con. Res. 405, and I urge all of my colleagues to do so.

Mr. Speaker, I am delighted to yield 4 minutes to the gentleman from Oregon (Mr. BLUMENAUER), my good friend and distinguished colleague.

Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy in yielding me this time.

One of the most inspirational moments that I enjoyed as a Member of this body was meeting with now-President Gusmao when he was in prison in Jakarta in Indonesia, having an opportunity to join with some of my congressional colleagues to give, hopefully, in a small way, testimony of support and interest in this struggle of a gentleman who is one of great courage, great dignity, and insight, and to see what has transpired in the course of the last couple of years.

The gentleman from California (Mr. LANTOS) outlined the focus of the people around the world who have been engaged in this. I was struck by the dozens of people in Oregon, this little State on the West Coast, where there were people that invested personally in this, who traveled, who ministered to the people, who helped with humanitarian efforts, and helped to put the world spotlight on the atrocities that were occurring there; to be able to reflect on the dozens of people who sacrificed their lives simply to vote on behalf of independence.

I am having an Election Day in my State today, Mr. Speaker. Oregon is a State where we send out the ballots to people, they get it in their home, they can vote at their leisure, drop it into mailbox. No risk, no harm. Luckily, maybe we will have 25 percent, 30 percent of the people dealing with issues that are so critical to the future of our community.

In contrast, I think about what happened in East Timor where people literally gave their lives to be able to cast a vote to move that country towards democracy.

I am hopeful, Mr. Speaker, that we will move forward. This resolution today is a symbol of our efforts to be focused on making sure that we finish the job on behalf of the people in East Timor; that we continue to be a strong friend, a supporter; that we help provide with the rest of the international community some modicum of resources to help them rebuild this shattered country and, last but not least, that this is a signal that we will continue to engage the country of Indonesia.

Sadly, Indonesia at times appears to be defined by basically the concept of whatever the Dutch ruled 50 years ago is an appropriate nation state. Well, there are issues that are going on in Irian Jaya, in Atjeh, that will test whether that vast country is going to be able to adopt a system to deal with those individual differences.

What we have seen in East Timor is that one can make a modest adjustment and not have the whole country spun apart, but it also means that the United States is going to have to continue to be engaged.

It was my privilege to journey to Indonesia with my colleague, the gentleman from Nebraska (Mr. BEREUTER), whom I see on the floor, who helped lead this effort, along with the gentleman from Arizona (Mr. KOLBE), and it underscored the need for us to be vigilant for these needs in Southeast Asia, in Indonesia, helping the transition. It is not just East Timor, but it is really the stability of this vast stretch of the world that is a source of problems with terrorism, problems of threats to the environment, and governmental instability, and I hope this is a chapter of how we can do it right.

□ 1315

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 1 minute.

Again, Mr. Speaker, I want to thank the gentleman from Illinois (Mr. HYDE), chairman of the Committee on International Relations, for his leadership in bringing this resolution to the floor today. Without his personal and strong support, there would not be a resolution.

But that is only the half of it. I have been in Congress now 22 years, Mr. Speaker, and I have known Chairman HYDE all those years. He is a champion of human rights anywhere and everywhere. Including East Timor. He is also a champion in the cause of promoting the sanctity of life wherever and whenever it is threatened.

East Timor, finally, Mr. Speaker, has an extraordinary future. Its leadership has overcome incredible odds, and they

possess an indomitable spirit and an enormous amount of courage. Our prayers and hopes are with President Gusmao and Nobel Peace Prize winner Bishop Belo and so many others who are now on the cutting edge of ensuring that a beleaguered population which has suffered so much finally enjoys the blessings of liberty and freedom.

Mr. Speaker, I yield the balance of my time to the gentleman from Nebraska (Mr. BEREUTER) and ask unanimous consent that he be permitted to control the time.

The SPEAKER pro tempore (Mr. LINDER). Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. BEREUTER. Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I am very pleased to yield 4 minutes to my good friend and distinguished colleague, the gentleman from Massachusetts (Mr. MCGOVERN).

Mr. MCGOVERN. Mr. Speaker, I thank the gentleman from California (Mr. LANTOS) for yielding time to me. I also want to thank him for his strong advocacy for human rights, and especially in East Timor.

I also want to acknowledge the leadership of the gentleman from New Jersey (Mr. SMITH); and I, too, appreciate his long leadership on behalf of the people of East Timor. I want to thank the leadership of this House, including the gentleman from Illinois (Chairman Hyde), for helping to move this bill to the floor in such a timely manner.

Mr. Speaker, May 20 was a day of celebration when the people of East Timor joined the international community as a sovereign, independent nation. This bill congratulates and honors the courage of the East Timorese people and calls upon the United States and the international community to provide the necessary resources to help develop this fledgling nation.

As many of my colleagues know, the Bush administration announced yesterday that the United States will open a full embassy in Dili, which is the capital of East Timor. This bill commends the administration for this important act.

In September of 1999, the people of East Timor voted for their independence. I had the great privilege to be in East Timor 10 days before this historic referendum took place. I witnessed the escalating violence and the intimidation against the people and the voters of East Timor.

I traveled to the area bordering West Timor to the communities of Suai and Maliana. In Suai, I met with Father Hilario Madeira and Father Francisco Soares, who were protecting nearly 2,000 people in the compound of their church. These were people hoping to participate in this historic vote for independence.

These people introduced me to their world, one filled with worry and tension and daily violence; yet they were filled with hope and looked forward to voting for their independence. Ten days later, the East Timorese people went to the polls. Over 78 percent voted for independence.

Their courage and commitment to freedom were met with a deliberate and planned campaign of slaughter. Father Hilario and Father Francisco are not with us today to celebrate East Timor's entry into the community of nations. Rampaging militias following the 1999 vote murdered them and most of the others who were seeking refuge in their church.

As we vote today to honor the courage and spirit of the East Timorese people, I want to also remember and honor all of the East Timorese whose lives were lost during the long decades of struggle to make East Timor free. I want to remember and honor these two dedicated priests who died protecting their people.

The subsequent rebuilding of East Timor demonstrates how vital it is that the international community, especially the United States, remain involved and engaged in East Timor. East Timor faces many challenges, including the economic development of the country, establishing an effective judicial system, and securing the safe return of those refugees still held in camps in West Timor.

The international community, along with East Timor, must also find a way to bring to justice those accountable for the campaign of violence leading up to and following the 1999 referendum.

This resolution calls upon the United States and other nations to provide East Timor with the necessary resources and support to successfully meet these challenges.

Nobel Peace Laureate Bishop Carlos Belo has called upon the international community to increase the level of development aid to help his country through its first years. I hope that this Congress will respond to Bishop Belo's call and increase our own levels of aid.

Mr. Speaker, in closing, let me also pay tribute to the many human rights activists in the United States and around the world who refused to let the East Timorese struggle fade from our memory. They also deserve our praise on this special day. My prayers and my good wishes are also with President Gusmao and the people of East Timor.

Mr. Speaker, this is a proud time for East Timor, and I urge my colleagues to support this bill.

Mr. LANTOS. Mr. Speaker, I am pleased to yield 2 minutes to my good friend, the gentleman from Guam (Mr. UNDERWOOD).

(Mr. UNDERWOOD asked and was given permission to revise and extend his remarks.)

Mr. UNDERWOOD. Mr. Speaker, I thank my colleague, the gentleman from California, for yielding me the time.

Mr. Speaker, I rise today in support of House Concurrent Resolution 405 commemorating the independence of East Timor.

I would also like to take the opportunity to commend the leadership of the gentleman from New Jersey (Mr. SMITH) for his support of the resolution, and to thank our colleagues, the gentleman from Rhode Island (Mr. KENNEDY) and the gentleman from Nebraska (Mr. BEREUTER), for their unyielding support and leadership in the effort by the East Timorese in their struggle for independence.

Yesterday, May 20, 2002, marked the celebration of the birth of the world's newest democracy and is a triumph of the full exercise of the unalienable right of self-determination. It is also a triumph for the work of the United Nations in seeking the right of self-determination for non-self-governing territories. East Timor, like my home island of Guam, has been on the list of the U.N. list of non-self-governing territories.

As has been already recounted, East Timor had been annexed by Indonesia for nearly 2 decades, until September of 1999. In 1999, the East Timorese exercised their voice for freedom by overwhelmingly voting in favor of independence from Indonesia, despite all the terrible things that the Indonesian Government was doing, officially and unofficially, to dissuade them from that effort.

Today we join in our support for East Timor, which has become the first new country of the millenium and stands as a beacon of democratic values. East Timor had been under U.N. administration since October 1999, during which time international peacekeeping forces, supplemented by the forces of the U.S. Group for East Timor, have worked to stabilize East Timor and provide for its national security.

The international community and the U.S. Congress have been active and vocal in their support for the political freedom of the East Timorese. As the Member who represents the closest U.S. jurisdiction to East Timor, the independence is of special interest to our region.

There is much work to be done. There is the need to help them mature as a democracy. Mr. Speaker, I urge Members to continue their support for the new East Timorese government and urge that the resolution be passed unanimously.

Mr. LANTOS. Mr. Speaker, I am pleased to yield 2 minutes to my good friend and distinguished colleague, the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in joining to celebrate this event. It is a wonderful event to see people determine what they want to be and have the opportunity to become independent.

But there is a cautionary tale here. There are not very many of us in this House who were here when the Indonesians marched in and took East Timor. And we did not do anything

then. We let that happen because we felt that our relationship with Mr. Sukharno or whomever was such an important thing that we were not going to tell them that we did not approve of what they were doing to the East Timorese.

Only because of human rights activists in this country has that issue been alive at all. They are to be commended. Sometimes they think that they are not heard, they think no one is paying attention, but in fact we have come to the point where in fact Congress actually supported the East Timorese in becoming independent. It happened because grassroots people had a desire to make this wrongness right, or right this wrong, and they did it by talking to their Members of Congress.

We as Americans have to think carefully about what kinds of decisions we make in order to keep a certain leader in place in a certain place, when we have other concerns at the same time about the people who are experiencing that leadership. It is a very difficult task that the United States has, but we cannot overlook what is happening at something like East Timor. We did for almost 20 years, until it got out of control. Then, the Australians took the lead, and we are grateful for that, and we followed.

I think that it is a happy day for everybody who lives in East Timor, but it is not over. They still have a long way to go in developing their economy.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEREUTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend the sponsors of this legislation for bringing it to us here today. We do commend and congratulate East Timor on their independence.

The gentleman from Oregon (Mr. BLUMENAUER) reminded me of the time when we met Mr. Gusmao in prison; he was very obviously a very calm, and distinguished man. We knew that, given an opportunity, he could lead his home region of East Timor when it became a nation.

East Timor is not a wealthy country, and that is stating the obvious. They have very few developed resources. The devastation that was brought to the infrastructure of the country means they have an even worse condition. Therefore, the international community, with the United States playing a significant part, does need to assist East Timor in these early days of its nationhood.

Hopefully, the agreement now concluded between Australia and East Timor with respect to potential offshore oil will be a source of revenue that is very important to that country's continued prosperity. We certainly hope that is the case.

In any case, I believe that the independence of East Timor can now lead us to improved relations with Indonesia. The East Timor problem certainly had a negative effect upon our relationship, and understandably so. But I would suggest that we have taken a step in the right direction by supporting independence for East Timor. Certainly we wish them the very best in their independence.

Mr. KUCINICH. Mr. Speaker, I rise in support of H. Con. Res. 405, an act which congratulates the people of East Timor on the occasion of their national independence and establishes official U.S. relations with the new country.

We, in the United States, should take proper account of the enormous accomplishment East Timor independence represents, and with great humility, honestly recognize America's role in the suppression of East Timor.

The United States government was not a reliable ally of the Timorese independence cause. Quite the opposite, in fact. The United States government consistently sided against the East Timorese people. Recently declassified documents reveal that Secretary of State Kissinger gave the go ahead to Indonesia's then-President Suharto to invade East Timor in 1975. The United States furnished Indonesia with about 90 percent of its military hardware. Over the course of the next 23 years, Indonesia occupied East Timor, and the United States continued to furnish arms and provide training to Indonesia. In all, more than 200,000 East Timorese were murdered by the Indonesian military during the occupation. The proportional scale of the killing was without rival in the 20th century. One-third of the East Timorese population was murdered. Unfortunately, in the name of anti-communism, then later global stability, the United States abetted mass murder.

Apart from official Washington, the American people have been a reliable friend of the East Timorese. Americans established the East Timor Action Network, participated in Peace Brigades International, dedicated their personal savings through individual foundations and trusts—all with the goal of helping the East Timorese people overcome great odds. Americans gathered in living rooms and lecture halls throughout the country to learn the truths about the oppression of East Timor; they demonstrated on sidewalks and lobbied their Congress, they met with newspaper editors and other journalists in order to bring out the truth; and a few brave Americans sacrificed their personal safety in East Timor to shed light on the reality of Indonesian government oppression.

Constructive change in U.S. policy came in late 1999, after the East Timorese had voted for independence, and after the Indonesian military invaded again to punish the people for daring to choose independence. Over 2,000 East Timorese were killed, and a large share of the population was forcibly relocated to refugee camps in Indonesia. But the impact of the American people and the confluence of world events finally forced a change in U.S. policy. The effect was dramatic. The U.S. barred Indonesia from further purchases of weapons and training, and immediately the Indonesian Government withdrew from East Timor and permitted international peacekeepers to enter. This demonstrates the importance and effectiveness of withholding U.S. military support from anti-democratic governments that oppress their people.

The United States government has a moral debt to repay the East Timorese people. I consider today's Concurrent Resolution as a very modest down payment on that debt. We should faithfully make the next installations. We should start with generous, unconditional financial grants to the newly independent government of East Timor for healthcare, education, rural reconstruction, refugee resettlement, reconciliation and conflict resolution, environmental protection and the judicial system. The United States should further use its influence with international financial institutions to guarantee Timorese sovereignty and, in a departure from IFI practice, permit the Timorese to design and implement their own economic policies as they see fit. This is the least the United States can do. Let us repay our moral debt to the East Timorese people fully and expeditiously.

Mr. HALL of Ohio. Mr. Speaker, I rise in strong support of H. Con. Res. 405, Commemorating the Independence of East Timor on May 20, 2002. Yesterday's independence of East Timor will make it the first new country of the millennium. I extended my full congratulations to all of the people of East Timor, their new President, Xanana Gusmao, and Nobel Peace Prize Laureates Carlos Xinenes Belo, the Roman Catholic Bishop of Dili, and Jose Ramos-Horta who have both worked tirelessly on behalf of the people of East Timor. Yesterday was a day which many of us thought would never come in our lifetimes.

Mr. Speaker, I want to take this opportunity to acknowledge the extraordinary contributions of one individual—Arnold S. Kohen—who has made a difference in working for peace and justice in East Timor. He is not often recognized but Arnold has worked behind the scenes or over 20 years raising the issue of East Timor within the U.S. Congress and throughout the world. He wrote a book documenting the epic struggles of Bishop Belo. Arnold's work has made a contribution to this historic day and is a model for me on how one individual can truly make a difference in the world. I also want to recognize the hard work and dedication of the East Timor Action Network.

The work in East Timor is not yet finished. (Bishop Belo clearly points this out in the following the Washington Post editorial.) However, yesterday was a day in which we all can rejoice because an oppressed people have now been set free.

[From the Washington Post, May 18, 2002]

FREEDOM IS NOT ENOUGH

(by Carlos Ximenes Belo)

DILI, East Timor.—East Timor will become independent on Monday, the first new nation of the 21st century. We are most fortunate to have reached this juncture: In 1999, ours was an utterly devastated land, after militia forces sponsored by the Indonesian military went on a calculated rampage. Their action was in response to a vote in which nearly 80 percent of the registered voters of East Timor opted for independence after nearly a quarter-century of Indonesian occupation.

As the United Nations flag comes down and the banner of our new nation ascends, these long-suffering people face a new set of challenges. East Timor is becoming independent at a time when issues of foreign assistance, poverty and debt are high on the international agenda. Efforts should be greatly increased to eradicate poverty from this martyred nation while peace and security are reinforced.

Militia groups remain in Indonesian territory, vowing to strike once international

peacekeeping forces have left. After the terrible price East Timor has paid for its independence, the world must not permit such attacks to take place. It must never be forgotten that 24 years of armed conflict and the tragic loss of more than 200,000 lives—one-third of our original population—from war-related causes were followed by further killing and destruction in 1999 that left few families unaffected. Hundreds of thousands were forcibly uprooted while militias destroyed most of their meager possessions. And most of the territory's buildings and infrastructure were also razed.

The people of East Timor are grateful for the generous support provided by the United Nations and many countries, including the United States, to protect and rebuild their homeland over the past 2½ years. But the scale of the destruction in 1999 was so huge that much of East Timor, especially the countryside, remains in ruins, with most of the population unemployed. This devastation will require many years to overcome, and any sensible development plan must first focus on putting people to work in reconstruction and road-building.

Treasury Secretary Paul O'Neill was right when he said recently that American carpenters and plumbers shouldn't be asked to pay for ill-conceived foreign aid projects. But what I am suggesting is something practical and of proven value that is in the spirit of what my religious order, the Salesians of St. John Bosco, has done for more than a century: job training. Let us train East Timorese as carpenters, plumbers, auto mechanics, electricians and the like.

Subsidizing on-the-job training for companies willing to invest in East Timor would also foster a good atmosphere for business. This is important not only because of the dignity of work but because unemployment, especially among youth, breeds instability. Many areas in our small but beautiful island nation are rich in species of wildlife and plants. Jobs for youths to protect the environment in these sensitive rural areas, and to beautify the devastated towns, would make a wonderful contribution to the development of our new nation.

Our national budget provides little money for employment or job training. At independence, East Timor will be one of the poorest nations in the world, with few resources. Most East Timorese will have less-than-adequate food, housing and health facilities; our country has one of the highest infant mortality rates in the world. Closely related to the question of jobs and sustained economic growth in East Timor and many other places is the need to create the capacity to develop. That means there is a need for strong support of basic literacy, putting all young children in primary school, and for health efforts aimed at preventing easily preventable diseases.

The last thing that East Timor needs is to incur debt, which would make it much more difficult to rebuild our country and eradicate poverty. If the Untied States could increase the $25 million it provided last year in bilateral assistance to East Timor to $40 million per year over the next three years, it would be of great help in creating jobs and encouraging others to do the same.

Finally, an independent body should be set up to coordinate employment-related efforts in East Timor on the basis of merit and common sense. By now, many developing nations have learned hard lessons about the costs of corruption. I am determined to fight these maladies before they arise. If we are asking for support from the international community, we must be prepared to meet high standards of performance and transparency in all areas. Nothing less will suffice.

Mr. BENTSEN. Mr. Speaker, I rise in strong support of H. Con. Res. 405, commemorating the independence of East Timor and expressing the sense of Congress that the President should establish diplomatic relations with East Timor. As the first new nation of the millennium, East Timor now strives to leave behind the effects of an oppressive occupation by the Indonesian military and Indonesian-backed militias.

Today's important resolution honors this very struggle, and calls on the President to begin diplomatic relations and make the U.S. a partner to promote freedom. East Timor, a former Portuguese colony invaded by Indonesia in 1975, now celebrates its independence from the brutal Indonesian military and Indonesian-backed militias, and a promise of a better life for all its citizens. As a member of the Congressional Human Rights Caucus, I have been concerned about the situation for East Timor for quite some time. I am pleased to note that this resolution embodies legislation I cosponsored in the 106th Congress, the East Timor Repatriation and Security Act of 2000 (H.R. 4357), which prohibited resumption of U.S. military assistance to Indonesia until the President certified to Congress that the government of Indonesia recognizes the territorial integrity of East Timor. Additionally, this legislation called for the safe return of refugees, and the prosecution of the militias and government supported forces responsible for the violence following a September 1999 United Nations-sponsored referendum where the people voted to relinquish Indonesian rule. H.R. 4357 built on legislation I introduced in September 1999, H.R. 2822, to direct the U.S. representative to the International Monetary Fund and the World Bank to oppose any new monetary assistance to Indonesia including until the President certified that the crisis in East Timor has been resolved.

More importantly, today's resolution recognizes an end to the reign of terror of Indonesia, a regime that employed armed militia violence and slaughter as its method of rule. During years of combat and armed conflict, the Indonesian military and armed militias displaced the East Timorese, prevented their settling in housing camps, murdered U.N. workers, and refused to hold accountable those who caused this widespread harm. Now that this oppressive regime no longer reigns and East Timor begins its independence, I am hopeful that the people of East Timor will prosper as a nation, and can count on the support of the United States in preserving their newfound freedom.

For all these reasons, Mr. Speaker, I urge my colleagues to join me in support for H. Con. Res. 405, to honor the will and determination of the people of East Timor, and to support their efforts to foster new hope for all East Timor citizens.

Mr. FALEOMAVAEGA. Mr. Speaker, I am honored to rise in strong support of House Concurrent Resolution 405, which commemorates the independence of East Timor and supports the establishment of diplomatic relations with the newest member state of the international community.

Mr. Speaker, I congratulate the good people and leaders of East Timor for their perseverance in overcoming centuries of colonization and decades of occupation by Indonesia to gain independence yesterday. With a tremendous sacrifice of blood and lives, the East Timorese people fought to exercise their right to self-determination, voting overwhelmingly in 1999 for independence. Today, their dream has become reality.

Through the legislation before us, the Congress honors the achievement of the people of East Timor, urges diplomatic relations with the new government, and pledges continued U.S. support and assistance for the nation's economic and political development. The legislation further calls upon Indonesia for the release of East Timorese refugees held captive in West Timor camps and that our nation should maintain appropriate restrictions and prohibitions on engagement with Indonesia's military until accountability for the atrocities committed against the East Timorese people is reached.

Mr. Speaker, while I share in the international community's joyous celebration for the East Timorese people, it is unfortunate that little attention has been paid to the people of West Papua New Guinea, who have similarly struggled in Irian Jaya to throw off the yoke of Indonesian colonialism.

As in East Timor, Indonesia took West Papua New Guinea by force in 1963. In a truly pathetic episode, the United Nations in 1969 sanctioned a fraudulent referendum, where only 1,025 delegates handpicked by Jakarta were permitted to participate in an ''independence'' vote. The rest of the West Papuan people, over 800,000 strong, had absolutely no voice in the undemocratic process. Recently, the U.N. official in charge of the West Papua referendum, United Nations Undersecretary-General Chakravarthy Narasimhan, stated that the process which resulted in a unanimous vote was a ''sham'' and ''whitewash.''

Since Indonesia subjugated West Papau New Guinea, the native Papuan people have suffered under one of the most repressive and unjust systems of colonial occupation in the 20th century. Like in East Timor where 200,000 East Timorese are thought to have died, the Indonesian military has been brutal in Irian Jaya. Reports estimate that between 100,000 to 300,000 West Papuans have died or simply vanished at the hands of the Indonesian military.

While we in Congress celebrate the attainment of independence, peace and justice in East Timor, Mr. Speaker, we should not forget the violent tragedy that continues to play out today in West Papua New Guinea. I would urge my colleagues, our great nation, and the international community to revisit the status of West Papau New Guinea to ensure that justice is also achieved there.

Mr. Speaker, I strongly support the legislation before us and request that it be adopted by our colleagues.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise today in strong support of H. Con. Res. 405.

This week, on the other side of our Globe, the world celebrates the creation of a new democracy, the Democratic Republic of East Timor.

I congratulate and honor the people of this island nation for their perseverance and for their triumph of freedom over oppression.

The effort to bring self-determination to East Timor was a dream back in 1994 when I arrived in Congress, but now it is a reality.

Since coming to Congress, I have seen how the East Timorese people, against tremendous odds, resisted military rule despite the killing of one-third of the population in the 1970s and the oppression and massacres of subsequent years.

There have been many of us in Congress dedicated to the plight of the East Timorese largely because of the information we learned over years of meetings and visits with the residents of Timor.

They were willing to risk their lives and futures to share their stories with those of us in the Congress who had the ability to help.

It has been a team effort, and the Members who have been leaders on this issue have been assisted in our efforts by the international support movement led by groups such as Human Rights Watch, Amnesty International, the US Catholic Conference of Bishops, the Indonesian Human Rights Network, and of course the East Timor Action Network.

As we move forward, however, we cannot forget the need to continue to show our support for East Timor's sustainable development and a positive future.

The United States should work with the United Nations and its members to make sure that the job of preparing East Timor for self-rule is completed.

Enough proper expertise and funds must be provided to ensure a smooth transition in government services and to train East Timorese to fully manage their own affairs.

After decades of tremendous suffering under military occupation, we need to give generously to East Timor to ensure that children are guaranteed a quality education, adequate healthcare and shelter, and that other needs for a decent standard of living are met.

This is especially crucial in light of the recently released United Nations Development Program Report that classified East Timor as one of the twenty poorest countries in the world and the poorest in Asia.

Life expectancy in the island nation is just 57 years, and nearly half the population lives on less than fifty five American cents per day.

This burgeoning democracy will need our hand as we move into the Twenty First Century.

I look forward to working with my Colleagues in Congress on these issues and these challenges.

But today, we celebrate the perseverance and the spirit of the East Timorese and we celebrate the creation of democracy,

I urge my colleagues to support H. Con. Res. 405.

Mr. BEREUTER. Mr. Speaker, I yield back the balance of my time, and I urge my colleagues to support the legislation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 405, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SMITH of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on motions to suspend the rules on which further proceedings were postponed earlier today. Votes will be taken in the following order:

H.R. 3833, by the yeas and nays;

H.R. 1877, by the yeas and nays;

H.R. 3375, by the yeas and nays;

H.R. 4626, by the yeas and nays; and

House Concurrent Resolution 405, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

DOT KIDS IMPLEMENTATION AND EFFICIENCY ACT OF 2002

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3833, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. UPTON) that the House suspend the rules and pass the bill, H.R. 3833, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 406, nays 2, not voting 26, as follows:

[Roll No. 174]

YEAS—406

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—2

Filner
Paul

NOT VOTING—26

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Callahan
Conyers
Cox
Deutsch
Emerson
Frank
Greenwood
Johnson, Sam
Lewis (GA)
Lipinski
Mascara
Matsui
Menendez

Morella
Murtha
Pombo
Riley
Snyder
Stump
Traficant
Watkins (OK)

□ 1354

Messrs. COLLINS, TANCREDO and FLAKE changed their vote from ''nay'' to ''yea.''

Mr. ADERHOLT changed his vote from ''present'' to ''yea.''

So, (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GILLMOR). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

CHILD SEX CRIMES WIRETAPPING ACT OF 2002

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1877, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 1877, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 396, nays 11, not voting 27, as follows:

[Roll No. 175]

YEAS—396

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—11

Dingell
Hastings (FL)
Jackson (IL)
Kilpatrick
McDermott
Olver
Owens
Paul
Scott
Stark
Watt (NC)

NOT VOTING—27

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Callahan
Conyers
Cox
Deutsch
Emerson
Farr
Frank
Greenwood
Johnson, Sam
Lewis (GA)
Lipinski
Mascara
Matsui
Menendez
Murtha
Pombo
Riley
Sandlin
Snyder
Stump
Traficant
Watkins (OK)

□ 1403

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EMBASSY EMPLOYEE COMPENSATION ACT

The SPEAKER pro tempore (Mr. GILLMOR). The pending business is the question of suspending the rules and passing the bill, H.R. 3375.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the bill, H.R. 3375, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 391, nays 18, not voting 25, as follows:

[Roll No. 176]

YEAS—391

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Barcia
Barr
Barrett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Combest
Condit
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Gordon

Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—18

Ballenger
Bartlett
Coble
Collins
Deal
Everett
Flake
Goode
Gutknecht
Jones (NC)
Kingston
Manzullo
McInnis
Norwood
Paul
Smith (MI)
Terry
Thornberry

NOT VOTING—25

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Conyers
Cox
Deutsch
Emerson
Frank
Greenwood
Johnson, Sam
Lewis (GA)
Lipinski
Mascara
Matsui
Menendez
Murtha
Pombo
Riley
Schrock
Snyder
Stump
Traficant
Watkins (OK)

□ 1413

Mr. JONES of North Carolina changed his vote from ''yea'' to ''nay.''

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. SCHROCK. Mr. Speaker, on rollcall No. 176 I voted and checked my vote, but apparently the computer didn't register my vote. I would like the RECORD to reflect I intended to vote, ''yea.''

ENCOURAGING WORK AND SUPPORTING MARRIAGE ACT OF 2002

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4626, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. WELLER) that the House suspend the rules and pass the bill, H.R. 4626, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 409, nays 1, not voting 24, as follows:

[Roll No. 177]

YEAS—409

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Mollohan

NOT VOTING—24

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Cannon
Conyers
Cox
Deutsch
Emerson
Frank
Greenwood
Johnson, Sam
Lewis (GA)
Mascara
Matsui
Menendez
Murtha
Pombo
Riley
Snyder
Stump
Traficant
Watkins (OK)

□ 1421

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

COMMEMORATING INDEPENDENCE OF AND EXPRESSING SENSE OF CONGRESS THAT THE PRESIDENT SHOULD ESTABLISH DIPLOMATIC RELATIONS WITH EAST TIMOR

The SPEAKER pro tempore (Mr. GILLMOR). The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 405, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 405, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 405, nays 1, not voting 28, as follows:

[Roll No. 178]

YEAS—405

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Combest
Condit
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Stark
Stearns
Stenholm
Strickland
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Paul

NOT VOTING—28

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Cannon
Collins
Conyers
Cox
Delahunt
Deutsch
Emerson
Frank
Greenwood
Johnson, Sam
Lewis (GA)
Mascara
Matsui
Menendez
Murtha
Olver
Pombo
Riley
Snyder
Spratt
Stump
Traficant
Watkins (OK)

□ 1430

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

The title was amended so as to read: ''Concurrent resolution commemorating the independence of East Timor and commending the President for promptly establishing diplomatic relations with East Timor.''.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on the bill, H.R. 3994, the Afghanistan Freedom Support Act.

The SPEAKER pro tempore (Mr. GILLMOR). Is there objection to the request of the gentleman from Illinois?

There was no objection.

AFGHANISTAN FREEDOM SUPPORT ACT OF 2002

The SPEAKER pro tempore. Pursuant to House Resolution 419 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3994.

□ 1432

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3994) to authorize economic and democratic development assistance for Afghanistan and to authorize military assistance for Afghanistan and certain other foreign countries, with Mrs. BIGGERT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) each will control 30 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Madam Chairman, I yield myself such time as I may consume.

Madam Chairman, I rise in support of H.R. 3994, the Afghanistan Freedom Support Act of 2002.

The gentleman from California (Mr. LANTOS), the ranking Democratic member of the committee, and I introduced this bipartisan bill in support of the President's agenda in Afghanistan. The bill authorizes a broad range of development, economic, and security assistance over a 4-year period through fiscal year 2005.

The United States is currently supporting peace and recovery in Afghanistan through its assistance efforts on the ground and through its leadership in international organizations and among the members of the coalition against terrorism. Since the beginning of fiscal year 2002, the United States has provided more than $374 million in food, humanitarian, refugee and other nonmilitary assistance provided to support the relief and recovery of the Afghan people. In order to be fully successful, this recovery effort must be sustained in the months and years ahead. Legislation is required to provide the President with a framework to ensure our success in meeting U.S. objectives in Afghanistan and in the region.

H.R. 3994 authorizes an additional $300 million in assistance for fiscal years 2002 through 2004, with $250 million authorized for fiscal year 2005. The additional $300 million authorized for fiscal year 2002 is consistent with provisions included in the emergency appropriations bill currently under consideration by the Committee on Appropriations and represents a $50 million increase over the President's request of $250 million.

H.R. 3994 will assist the administration in developing a strategic approach to the assistance needs of Afghanistan. By authorizing a significant 4-year fund for the purpose of dealing with the special situation we find in Afghanistan, this legislation will give the administration great flexibility to design and implement a comprehensive assistance strategy in line with U.S. priorities and objectives in that troubled country.

Madam Chairman, H.R. 3994 was drafted in consultation with the administration and provides the President with great flexibility, taking into account the fluid situation in Afghanistan and the variety of economic, humanitarian, and security assistance needs. H.R. 3994 was reported out of the Committee on International Relations with broad bipartisan support.

The President has asked Congress to make available funds to support the reconstruction and development of Afghanistan and has requested $250 million in emergency supplemental fiscal 2002 appropriations for Afghanistan. This supplemental assistance, if appropriated by Congress, will be in addition to the fiscal year 2002 funding already announced and allocated from existing accounts this fiscal year.

H.R. 3994 will promote the reconstruction of an independent, prosperous, and democratic Afghanistan. The primary goal of this legislation is to provide for the national security of the United States and other nations by eliminating Afghanistan as a source of terrorism and instability in the region. By providing assistance to the people of Afghanistan, the United States will alleviate suffering, aid recovery, bolster stability, and promote democratic civil government. By reducing the amount of narcotics grown in or trafficked through Afghanistan, the U.S. will assist in Afghanistan's recovery, but will also provide for the security of the United States and other nations.

This bill authorizes assistance to meet urgent humanitarian needs, such as the provision of food aid and disaster relief. It also emphasizes the need to assist refugees in returning to their home communities in Afghanistan when it is safe to do so.

H.R. 3994 provides for aid in reconstruction and rehabilitation of basic infrastructure and assistance to the civil society and interim authority in Afghanistan. It underscores the importance of eradicating poppy cultivation in order to reduce supply and demand for illicit narcotics in Afghanistan and the region. The bill emphasizes the importance of supporting stability through employment programs and of improving food security, the health system, and the agricultural sector. This act will promote efforts already under way to improve the education system and support the transparency, accountability, and participatory nature of governmental institutions in Afghanistan.

Madam Chairman, H.R. 3994 also supports the President's plan for equipping and training an indigenous Afghan force, as well as efforts by other countries, in providing security assistance for Kabul by authorizing the provision of security assistance to Afghanistan, as well as to countries and international organizations supporting efforts to control terrorism.

H.R. 3994 exercises proper congressional oversight of U.S. foreign assistance programs by establishing 2 conditions for providing reconstruction development assistance to Afghanistan, exempting humanitarian, human rights and refugee assistance from conditionality. The first condition is that the government of Afghanistan must fully support counternarcotics efforts. The second is that the people of Afghanistan must follow through on commitments to peace made in Bonn, Germany in December 2001.

The U.S. has an essential role to play in Afghanistan's recovery from the horrific conflict and devastation of the past 30 years, but the administration needs a coherent strategy and structure in place in order to achieve our objectives of eliminating terrorism, securing the peace, combating drugs, and safeguarding the human and civil rights of all, particularly women and children. I urge Members to support H.R. 3994.

Madam Chairman, I reserve the balance of my time.

Mr. LANTOS. Madam Chairman, I yield myself such time as I may consume.

I want to thank my good friend and distinguished colleague, the gentleman from Illinois (Mr. HYDE), the chairman of our committee, for his leadership in bringing this bill to the floor. I also want to commend the bipartisan manner in which he and his staff have worked with us to draft this legislation.

Our legislation includes many of the ideas and issues put forward in legislation which was introduced last December by myself and the gentleman from New York (Mr. ACKERMAN), my friend and colleague, and some 15 members of the Committee on International Relations of both political parties. I thank the chairman for working with us in including these provisions.

Madam Chairman, the legislation we are considering today is essential for America's national security. We have a strong interest in ensuring the reconstruction of Afghanistan and the establishment of democratic governmental institutions. An economically viable and democratic Afghanistan will no longer serve as an incubator for homegrown extremists such as the Taliban. It will no longer be a base of operations for foreign terrorists such as al Qaeda. It will no longer be the source of a huge proportion of the heroin that destroys lives around the world.

The United States, Madam Chairman, made a grave foreign policy mistake in 1991. After the implosion of the Soviet Union, the United States simply withdrew from Afghanistan. With the Soviet Union no longer a threat, the first Bush administration mistakenly assumed that there was no longer a threat to America. On September 11, our Nation suffered a horrendous blow for that misguided assumption.

Madam Chairman, as we move into the next phase in the war against terrorism, we must finish the job that our military forces have begun in Afghanistan. The legislation we are considering today is a critical element in that effort.

Our bill authorizes funding and makes statutory changes necessary for us to assist in establishing an economically viable, stable, and democratic Afghanistan. Our legislation authorizes $1.3 billion over a 4-year period, a modest sum in relation to the amounts we are spending currently every single month for our military forces to continue this vital struggle. These funds and programs are essential to assure that our young men and women will not have to remain in Afghanistan to protect the security of Americans in New York and Washington and San Francisco, and everywhere throughout our Nation.

Madam Chairman, this bill comes before the U.S. House of Representatives at a critical time. As soon as this week, our House will consider supplemental appropriations for the current fiscal year. The President has requested $250 million for Afghanistan in

this supplemental. However, only $40 million of these funds are requested for USAID to fund the humanitarian and development needs in Afghanistan. It is my understanding that the Committee on Appropriations will increase the amount of money for USAID in Afghanistan, and I strongly support such a move.

Our bill emphasizes the development of Afghanistan's agricultural sector by promoting land mine removal, quick-impact public works programs to divert labor from narcotics production, and the development of water and sanitation systems in rural areas.

□ 1445

We expect that this aid will help stem further poppy cultivation.

Our legislation also contains strong language on the provision of assistance to meet the educational, health, and vocational needs of Afghanistan's long-abused and discriminated-against women, and it will promote the participation of women in government and civil society.

Finally, Madam Chairman, our bill underscores the need for security in Afghanistan, and provides military assistance to help establish a modern Aghan military and police force. It also provides support for those countries that are participating in the International Security Assistance Force in Afghanistan, and it authorizes military assistance to other countries helping in the war effort against al Qaeda.

Madam Chairman, the lack of security is perhaps the single biggest challenge facing the government and people of Afghanistan as they try to rebuild their lives and reclaim their country from the grasp of terrorists. It is vital to the United States that we work for a security environment in Afghanistan in order to prevent the return to power of al Qaeda and the Taliban.

Our bill makes a contribution to providing security in Afghanistan, but since the markup of this legislation in the Committee on International Relations, it has become clear that we must do more. Later in this debate, I will be offering an amendment to address this critical issue; and I hope all of my colleagues will support it. As the situation evolves, the needs in Afghanistan will change. Our legislation gives the administration the flexibility to adapt our assistance to the changing needs and priorities.

Madam Chairman, I believe this legislation will help ensure that the United States remains engaged to provide a secure future for Afghanistan. We can and we must play a critical role in Afghanistan's transformation into a stable, prosperous, and pluralistic nation.

Madam Chairman, I reserve the balance of my time.

Mr. HYDE. Madam Chairman, I am pleased to yield 3 minutes to the gentleman from Nebraska (Mr. BEREUTER).

(Mr. BEREUTER asked and was given permission to revise and extend his remarks.)

Mr. BEREUTER. Madam Chairman, I rise in strong support of H.R. 3994. I thank the chairman for yielding me this time, and for crafting, along with the distinguished ranking member, very important bipartisan legislation.

Specifically, I would also express my appreciation that the modest Bereuter amendment will be included in the en bloc manager's amendment. Specifically, this Member's amendment encourages the administration to maximize the use of the research capacity and technical expertise of U.S. land grant colleges and universities as it provides U.S. humanitarian assistance to Afghanistan.

Madam Chairman, this legislation includes important provisions which would authorize assistance to help the people of Afghanistan rebuild the capability to feed themselves. Indeed, the long-term stability of Afghanistan greatly depends on the country's ability to at least restore the subsistence level of agriculture in the area of food production.

Unfortunately, over 20 years of civil war and political unrest have destroyed nearly all of the indigenous tools and infrastructure for food production and rural development in Afghanistan. The people of this country have eaten their feedstocks, and most have slaughtered all of their livestock to meet their immediate food needs. Additionally, the country's limited basic irrigation systems largely have been destroyed.

Until these very basic components are restored, the people of Afghanistan will turn to other endeavors to survive, including the cultivation of poppies for producing drugs.

Madam Chairman, many land grant institutions have conducted very relevant world-class research in agricultural and rural development. Therefore, the following represents only a few of the areas in which the highly trained professions at these institutions could contribute to the assistance programs for Afghanistan: soil rehabilitation, water conservation, livestock breeding and herd maintenance, irrigation, and basic rural infrastructure constructions.

Furthermore, these professionals will have strong incentives to find innovative solutions for the massive challenges facing Afghanistan, and to continue their research if these land grant institutions are given a substantial opportunity to contribute to the reconstruction efforts.

Additionally, the use of land grant colleges and universities in assistance will serve, by experience, various similar projects in communities across our country. Too frequently, USAID grants are distributed among contractors based within the Beltway, or with those entities that have the best connections within the Beltway.

Madam Chairman, this legislation makes a very important contribution in so many areas, but I think it also helps provide the basis for the people of Afghanistan to begin to feed themselves again and avoid drug production. I urge support of the legislation.

Madam Chairman, it is clear that using U.S. land grant colleges and universities to implement U.S. assistance projects in Afghanistan would benefit the people of Afghanistan as they would be advised and trained by some of the world's leading experts in the fields of agriculture and rural development. In turn, land grant colleges and universities would benefit from participation in these projects, as they would have an opportunity to share their expertise and to encourage their professors and researchers to pursue creative projects. Finally, U.S. foreign policy certainly would benefit when U.S. land grant colleges and universities implementing assistance projects, as Americans from across the country would be contributing to the programs and subsequently feel a higher interest and satisfaction in the success of those programs.

Madam Chairman, before concluding this statement, this Member would like to bring to the attention of his colleagues other provisions within H.R. 3994 which would authorize the use of overseas cooperatives and microenterprise systems as development mechanisms in Afghanistan. For several decades, United States cooperative development organizations which operate overseas as well as microenterprise institutions, have served as effective grassroots mechanisms to promote democratic development and build economies in underserved areas. Certainly, rural areas of Afghanistan would benefit from experience with Americans from community-owned, member-controlled cooperative and microenterprise programs, particularly those which focus on micro-savings and credit, village infrastructure, and such community services as rural electrification and rural telecommunications. Indeed, these projects also would serve to complement the agriculture and other rural reconstruction activities which would involve America's land grant colleges and universities.

Madam Chairman, in conclusion, this Member encourages his colleagues to vote for H.R. 3994.

Mr. LANTOS. Madam Chairman, I am delighted to yield 3 minutes to my distinguished friend and colleague, the gentleman from New York (Mr. ACKERMAN), who has played such a pivotal role in shaping intelligent, far-sighted foreign policy vis-a-vis Afghanistan.

Mr. ACKERMAN. Madam Chairman, I rise in strong support of H.R. 3994, the Afghanistan Freedom Support Act.

At the outset, I want to thank the gentleman from Illinois (Chairman HYDE) and the ranking member, the gentleman from California (Mr. LANTOS), for their tremendous efforts to craft a bipartisan bill supporting rehabilitation and reconstruction assistance in Afghanistan.

It is important for the Congress to speak loudly and clearly regarding a long-term commitment to Afghanistan, and I think the bill before us today does just that. In addition, the bill answers the President's call last October for the Congress to support reconstruction assistance for Afghanistan.

As has been noted, the bill provides over $1 billion for humanitarian relief, refugee assistance, rehabilitation, and reconstruction in Afghanistan. This assistance is linked to adherence to the

Bonn process and to progress on eradicating poverty, but in neither case is the aid so closely linked that it deprives the President of the flexibility necessary to pursue U.S. objectives in that country.

Throughout the bill, the importance of the role of women is emphasized, from the structure of the future government to health care and education programs specifically for women and girls. In addition, the assistance has a particular focus on the agricultural economy in Afghanistan. I think this is especially important given that the vast majority of Afghans live in rural areas and depend on agriculture for their livelihood.

The emphasis also dovetails nicely with our efforts to eradicate poppy by giving farmers a viable alternative to the narcotics trade.

Madam Chairman, the bill also authorizes military assistance to support the formation of an Afghan police force and a national army. In addition, this assistance is available to foreign countries or international organizations who are directly supporting our military activities in Afghanistan, or are participating in peacekeeping or policing operations there. I believe that the military assistance provisions are appropriate and are focused on the needs of U.S. policy.

Madam Chairman, this bill is an excellent example of what can be accomplished through bipartisan efforts. I commend the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) for their leadership on this issue, and I urge all of our colleagues to support the bill.

Mr. HYDE. Madam Chairman, I am pleased to yield 2 minutes to the distinguished the gentleman from New York (Mr. GILMAN), the chairman emeritus of the Committee on International Relations.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Madam Chairman, I thank the chairman for yielding time to me.

Madam Chairman, I want to thank our distinguished chairman, the gentleman from Illinois (Mr. HYDE), and the ranking minority member, the gentleman from California (Mr. LANTOS), for bringing this measure so expeditiously to the floor.

The Afghan Freedom Support Act is an important measure. Afghanistan and the Afghan people are at a critical crossroads today in their survival. Afghanistan has been torn apart by hostilities, by drought, by regional disputes. It has caused a humanitarian crisis that has left millions of Afghans with little hope and too much despair.

The Afghanistan Freedom Support Act before us attempts to help Afghans help themselves. This bill authorizes $1.05 billion over a 4-year period for a broad range of development, economic, anti-narcotics, and security assistance for Afghanistan that will assist its administration in its efforts to build a better future for their people.

Madam Chairman, the former King of Afghanistan, Zahir Shah, recently returned to Afghanistan to help lead a Loya Jirga, a grand assembly. The Afghanistan Freedom Support Act will help the former King and will help Chairman Karzai, Dr. Abdullah, the Afghan foreign minister, and other representatives of the Afghan community to start a long-needed process and a discussion of renewal on all of their issues.

The Afghan Freedom Support Act will also help bring stability to Afghanistan and to the region. Accordingly, I urge my colleagues to fully support this important legislation, H.R. 3994, the Afghanistan Freedom Support Act.

Mr. LANTOS. Madam Chairman, I am pleased to yield 3 minutes to my good friend and distinguished colleague, the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Madam Chairman, I thank the gentleman for yielding time to me.

Madam Chairman, I rise today in strong support of H.R. 3994, the Afghanistan Freedom Support Act, and the Lantos amendment addressing the immediate security concerns in Afghanistan.

Last March I had the opportunity to accompany a delegation led by the gentleman from California (Chairman ROHRABACHER) to Afghanistan and assess some of the desperate needs of that country.

The challenges there were immediate and were very apparent. The day after our arrival, 300 people were arrested for attempting to overthrow the Karzai government. Three days after that, there was an effort to blow up the defense minister. Two weeks after that, a bumper opium crop was ready for harvest. As we drove through the country, rocks were painted red and painted white, one side that had been demined, another side that had not.

The challenges before that country are immense, but none was pointed out I think more graphically than the reports we received while we were there that al Qaeda and Taliban were circulating pamphlets in some of the small villages that said, ''The Americans will leave. They will be here a few years and then they will leave. We are Muslims; we do not leave. If we find you working with the Americans, talking with the Americans, we will kill you and we will kill your family. We do not leave.''

This, indeed, is the challenge for this country. The challenge for us is to support to rebuild the economy in Afghanistan, the infrastructure in Afghanistan, the educational system in Afghanistan, to make sure that this country never again becomes a haven for terrorists like al Qaeda and the Taliban.

The rap on any democracy and the rap on the United States is that we have no staying power, and we must prove this wrong. We must demonstrate that we have the commitment; that we have seen history and we are determined not to repeat it. This act goes a long way to providing the building blocks to restore that nation to its people and to protect our country from any future September 11.

Mr. HYDE. Madam Chairman, I am very pleased to yield 2 minutes to the distinguished gentleman from New Jersey (Mr. SMITH), the Vice Chair of the Committee.

Mr. SMITH of New Jersey. Madam Chairman, I thank my good friend for yielding time to me and applaud him for this very, very important piece of legislation, H.R. 3994. The gentleman from Illinois (Chairman HYDE) and the gentleman from California (Mr. LANTOS) have crafted a very important piece of pro-democracy humanitarian legislation.

Were Members here in 1989 when the Soviet Union withdrew its troops from Afghanistan, those who were, will remember that with the Soviet expansionist designs thwarted at the end of the Cold War, most Americans, including Congress, promptly forgot about Afghanistan. Foreign aid levels were slashed, and interest in the region plummeted.

For over a decade, Madam Chairman, Afghanistan festered in a mire of factional in-fighting, international neglect, and drug trafficking. Untold thousands were killed and others were crippled by landmines and unexploded ordnance left over from the Soviet occupation. Women were systematically degraded and exploited and reduced to chattel.

While Kabul was systematically reduced to rubble, the United States and the rest of the international community essentially stood by on the sidelines. While the West was trying to spend the peace dividend on other priorities, the vacuum of Afghanistan was filled with extremists who thrived on conditions of hopelessness.

One of the lessons, and especially post-September 11, that America has learned is that we can no longer afford to sit by and watch as developing nations collapse into chaos and anarchy.

This legislation, Madam Chairman, and the money that it will provide, will tangibly assist a suffering people. The Bush administration has it right and is doing a magnificent job in Afghanistan. They will help the people of Afghanistan to realize their hopes, their aspirations, and their dreams.

□ 1500

The people of Afghanistan deserve to be one of the nations among the democracies. Now they have the opportunity, this legislation will help to facilitate that.

Mr. LANTOS. Madam Chairman, I yield 1½ minutes to the gentlewoman from California (Ms. LEE), my good friend and distinguished colleague.

Ms. LEE. Madam Chairman, I thank the gentleman for yielding me time.

I rise today in full support of the Afghanistan Freedom Support Act. This bill provides very important humanitarian, development and economic assistance. Afghanistan is a country that has been torn apart by war for decades. The seeds of terrorism grow where there is despair and poverty.

Manmade disasters have been compounded by nature. Afghanistan has been suffering from a terrible drought, for example, for several years, adding to the already extreme misery in that country. So we must remain committed to Afghanistan's reconstruction. It is not only for humanitarian reasons, but it is also in the United States' security interests as well.

We also must make sure that our assistance to Afghanistan recognizes the suffering of Afghan women in particular and in the importance of reintegrating women into the civic life of the country.

I submitted an amendment in committee authored by my colleague, the gentlewoman from California (Ms. MILLENDER-MCDONALD) calling for resources to be sent to the Afghan Ministry of Women's Affairs to carry out its responsibilities for legal advocacy, education, vocational training and women's health programs. I want to thank the gentlewoman from California (Ms. MILLENDER-MCDONALD) who is the vice chair of the Women's Caucus for her leadership and also for the bipartisan support of the committee's adoption.

I want to thank the gentleman from Illinois (Mr. HYDE) and our ranking member, the gentleman from California (Mr. LANTOS), for crafting this very common-sense, yet, I believe far-reaching legislation. I urge support for the bill. The United States must remain engaged in helping support the nation-building efforts in Afghanistan.

Mr. HYDE. Madam Chairman, I yield 2 minutes to the distinguished gentleman from California (Mr. ROYCE).

Mr. ROYCE. Madam Chairman, I rise in support of the bill. I commend the chairman of the committee and the ranking member for their work.

Last March I traveled to Afghanistan to meet with our troops there and to meet with government officials. I think Americans are rightly proud over the efforts of our servicemen and women. But one thing was absolutely clear; the battle in Afghanistan is far from over. We met with Interim Chairman Hamed Karzai, and he has struck a delicate balance in heading up the multi-ethnic Afghan administration. A Loya Jirga will soon be held to appoint a transitional authority there. The United States must stand firmly behind Chairman Karzai and the interim government.

This legislation that the chairman and the ranking member have directed to us, this will help us better do this. I had the opportunity to travel to Kabul and visit a local orphanage where I spoke with a little girl who told me she wanted to be a doctor when she grew up. Now with the liberation of her country from the Taliban regime, this dream has a chance.

Madam Chairman, thanks to the work of our armed services and thanks to Chairman Karzai, there is a window of opportunity there. The battered Afghan people are desperate for a brighter future, for a unified country that they can believe in. But that window is closing. And suspicion, cynicism, and self-interest are filling the gap. There are too many characters looking to bring Afghanistan back into chaos. The other week our forces fired a missile from an unmanned Predator plane that just missed Hekmatyar. Hekmatyar has been plotting attacks against the interim government and against American troops.

The U.S. training of an Afghan national army formally started this week. Although this is a welcome development, it will take some time to develop this force into one that can provide security nationwide. Turkey will be assuming command of the international security assistance force. Now that is confined to the Afghan capital. It is critical that we encourage Turkey to expand its force outside of Kabul to counter the regional warlords.

Mr. LANTOS. Madam Chairman, I yield 2½ minutes to the gentleman from New York (Mr. CROWLEY), our good friend and distinguished colleague.

(Mr. CROWLEY asked and was given permission to revise and extend his remarks.)

Mr. CROWLEY. Madam Chairman, I am pleased to rise today in support of the Afghan Freedom Support Act. I thank the chairman and the ranking member for their work on this very, very important act.

The Afghanistan Freedom Support Act is a critical step towards the reconstruction of Afghanistan. Among its notable provisions, the bill calls for a significant amount of humanitarian assistance to help deliver food, medical care and basic supplies to the people of Afghanistan; provisions to promote counternarcotics efforts; the need to develop the agricultural sector, both as a step towards economic development and self-sufficiency, but also as a means of stemming poppy cultivation; the furtherance of a bond process which provides a framework for Afghanistan's political factions to decide their country's political future; and strong language on the provision of assistance to meet the educational, health and vocational needs of women.

I am also strongly supporting the measures required by the amendment introduced by my good friend and colleague, the gentleman from California (Mr. LANTOS). While giving the President broad latitude to craft the most effective approach, this amendment would require the administration to develop a strategy to meet the immediate and long-term security needs of Afghanistan in order to promote the delivery of humanitarian assistance, further the rule of law and support the formation of a representative government in Afghanistan.

Improved security is a necessary precondition for achievement of the U.S. pledge to help build a stable and peaceful Afghanistan. Since the current government led by Hamed Karzai is not able to provide security throughout the country outside of Kabul, in fact, other parts of the country seem like the Wild Wild West, fighting between rival factions who are vying for regional control, human rights abuses and corruption, and the problems will continue to hinder the delivery of humanitarian aid, delay economic reconstruction and development, and undermine the delicate process by which factions are trying to create a stable, democratic, central government.

Uncontrolled violence also puts U.S. and allied soldiers throughout Afghanistan at risk. It is, therefore, critical for the administration and Congress to work together to find ways to improve security in Afghanistan. I believe the Lantos amendment provides a reasonable and speedy method for addressing this important issue, but once again I rise in support of the Afghanistan Freedom Support Act and I thank the chairman and ranking member again for their work on this important piece of legislation.

Mr. HYDE. Madam Chairman, I yield 2 minutes to the distinguished gentleman from Texas (Mr. PAUL).

(Mr. PAUL asked and was given permission to revise and extend his remarks.)

Mr. PAUL. Madam Chairman, I thank the chairman for yielding me time.

Madam Chairman, I rise in opposition to this bill. The President has not asked for this piece of legislation; he does not support it. We do not anticipate that it will be passed in the other body. But there is one good part of the bill, and that is the title, ''Freedom Support.'' We all support freedom. It is just that this bill does not support freedom. Really, it undermines the liberties and the taxes of many Americans in order to pump another in $1.2 billion into Afghanistan.

One of the moral justifications, maybe, for rebuilding Afghanistan is that it was the American bombs that helped to destroy Afghanistan in our routing of the Taliban. But there is a lot of shortcomings in this method. Nation-building does not work. I think this will fail. I do not think it will help us.

I do not think for a minute that this is much different than social engineering that we try here in the U.S. with a lot of duress and a lot of problems; and now we are going to do it over there where we really do not understand the social conditions that exist, and it is not like here. Some, especially those in that part of the world, will see this as neo-colonialism because we are over there for a lot of different reasons. And even in the bill it states one of the reasons. It says, ''We are to design an

overall strategy to advance U.S. interests in Afghanistan.''

Well, I wonder what that means? Over 10 years ago there was an explicit desire and a statement made by the administration that until we had a unified government in Afghanistan, we could not build a gas pipeline across northern Afghanistan. And that is in our interests. Does that mean this is one of the motivations?

I imagine a lot of people here in the Congress might say no, but that might be the ultimate outcome. It is said that this bill may cut down on the drug trade. But the Taliban was stronger against drugs than the Northern Alliance. Drug production is up since we've been involved this past year in Afghanistan.

Madam Chairman, I think it is important to state first off that while it is true that the administration has not actively opposed this legislation, it certainly has not asked for nor does it support the Afghanistan Freedom Support Act. It did not support the bill when we marked it up in the International Relations Committee, it did not support the bill after it was amended in Committee, and it does not support the bill today.

Madam Chairman, perhaps the ''Afghanistan Freedom Support Act'' should more accurately be renamed the ''Afghanistan Territorial Expansion Act,'' because this legislation essentially treats that troubled nation like a new American territory. In fact, I wonder whether we give Guam, Puerto Rico, or other American territories anywhere near $1.2 billion every few years—so maybe we just should consider full statehood for Afghanistan. This new State of Afghanistan even comes complete with an American governor, which the bill charitably calls a ''coordinator.'' After all, we can't just give away such a huge sum without installing an American overseer to ensure we approve of all aspects of the fledgling Afghan government.

Madam Chairman, when we fill a nation's empty treasury, when we fund and train its military, when we arm it with our weapons, when we try to impose foreign standards and values within it, indeed when we attempt to impose a government and civil society of our own making upon it, we are nation-building. There is no other term for it. Whether Congress wants to recognize it or not, this is neocolonialism. Afghanistan will be unable to sustain itself economically for a very long time to come, and during that time American taxpayers will pay the bills. This sad reality was inevitable from the moment we decided to invade it and replace its government, rather than use covert forces to eliminate the individuals truly responsible for September 11th. Perhaps the saddest truth is that Bin Laden remains alive and free even as we begin to sweep up the rubble from our bombs.

I am sure that supporters of this bill are well-intentioned, but judging from past experience this approach will fail to improve the lives of the average Afghan citizen. Though many will also attempt to claim that this bill is somehow about the attacks of 9/11, let's not fool ourselves: nation-building and social engineering are what this bill is about. Most of the problems it seeks to address predate the 9/11 attacks and those it purports to assist had nothing to do with those attacks.

If we are operating under the premise that global poverty itself poses a national security threat to the United States, then I am afraid we have an impossible task ahead of us.

As is often the case, much of the money authorized by this bill will go toward lucrative contracts with well-connected private firms and individuals. In short, when you look past all the talk about building civil society in Afghanistan and defending against terrorism, this bill is laden with the usual corporate welfare and hand-outs to special interests.

Among other harmful things, this legislation dramatically expands the drug war. Under the group we have installed in Afghanistan, opium production has skyrocketed. Now we are expected to go in and clean up the mess our allies have created. In addition, this bill will send some $60 million to the United Nations, to help fund its own drug eradication program. I am sure most Americans agree that we already send the United Nations too much of our tax money, yet this bill commits us to sending even more.

The drug war has been a failure. Plan Colombia, an enormously expensive attempt to reduce drug production in that Andean nation, has actually resulted in a 25 percent increase in coca leaf and cocaine production. Does anyone still think our ''war on drugs'' there has been successful? Is it responsible to continue spending money on policies that do not work?

The bill also reflects a disturbing effort by the Washington elite to conduct experiments in social engineering in Afghanistan. It demands at least five times that the Afghans create a government that is ''broad-based, multi-ethnic, gender-sensitive, and fully representative.'' We are imposing race and gender quotas on a foreign government that have been found inappropriate and in some cases even illegal in the United States. Is this an appropriate activity to be carried out with taxpayer funds?

Madam Chairman, the problem with nation-building and social-engineering, as experience tells us time and time again is that it simply doesn't work. We cannot build multi-ethnic, multi-cultural, gender-sensitive civil society and good governance in Afghanistan on a top-down basis from afar. What this bill represents is a commitment to deepening involvement in Afghanistan and a determination to impose a political system on that country based on a blueprint drawn up thousands of miles away by Washington elites. Does anyone actually believe that we can buy Afghan democracy with even the staggering sum of 1.2 billion dollars? A real democracy is the product of shared values and the willingness of a population to demand and support it. None of these things can be purchased by a foreign power. What is needed in Afghanistan is not just democracy, but freedom—the two are not the same.

Release of funds authorized by this legislation is dependent on the holding of a traditional Afghan assembly of tribal representatives—a ''loya jirga''—as a first step toward democratization. It authorizes $10 million dollars to finance this meeting. That this traditional meeting will produce anything like a truly representative body is already in question, as we heard earlier this month that seven out of 33 influential tribal leaders have already announced they will boycott the meeting. Additionally, press reports have indicated that the U.S. government itself was not too long ago involved in an attempted assassination of a non-Taliban regional leader who happened to be opposed to the rule of the American-installed Hamid Karzai. More likely, this ''loya jirga'' will be a stage-managed showpiece, primarily convened to please Western donors. Is this any way to teach democracy?

Madam Chairman, some two decades ago the Soviet Union also invaded Afghanistan and attempted to impose upon the Afghan people a foreign political system. Some nine years and 15,000 Soviet lives later they retreated in disgrace, morally and financially bankrupt. During that time, we propped up the Afghan resistance with our weapons, money, and training, planting the seeds of the Taliban in the process. Now the former Soviet Union is gone, its armies long withdrawn from Afghanistan, and we're left cleaning up the mess—yet we won't be loved for it. No, we won't get respect or allegiance from the Afghans, especially now that our bombs have rained down upon them. We will pay the bills, however, Afghanistan will become a tragic ward of the American state, another example of an interventionist foreign policy that is supposed to serve our national interests and gain allies, yet which does neither.

Mr. LANTOS. Madam Chairman, I yield myself such time as I may consume.

Before yielding time, I would like to comment on the previous speaker's observations. It is very much in the U.S. national interests not to allow the Taliban and al Qaeda to reestablish their bases in Afghanistan. Unless I am mistaken, it is their activities that resulted in the deaths of 3,000 of our fellow citizens in New York and at the Pentagon. It is very much in the U.S. national interest to put an end to opium production in Afghanistan. It is very much in the U.S. national interest to have a stable, prosperous, and democratic society in that part of the world. And I believe the overwhelming majority of Members of this body and the American people see that as clearly as the gentleman from Illinois (Mr. HYDE) and I do.

Madam Chairman, I am pleased to yield 2 minutes to my good friend and colleague, the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE. Madam Chairman, I thank the ranking member for his kindness, I believe that is what it is when we are allowed to bring very important issues to this floor, as well as his leadership, and the chairman of the Committee on International Relations for leadership they have shown together in bringing us this legislation which is a combined work of both the gentleman from California (Mr. LANTOS) and the gentleman from Illinois (Mr. HYDE).

The reason I say that is because echoing the words of the gentleman from California (Mr. LANTOS), ''This legislation is both long overdue and essential.''

Having visited Afghanistan in March and visited our troops who were doing a very able and needed job, even in speaking to our military personnel, they applauded the desire of America to help rebuild this nation.

It is important to note that we have evidence that we can help build nations. Just a few days ago Sierra Leone had a democratically held election and we hope that that democracy will last.

The Afghani people want democracy and they want to be able to have a strong nation. That was evident by our travels around the country. When we saw the children, a thousand of them in an orphanage, they desired an education and opportunity. When we saw the sick children and sick people in hospitals, they wanted resources to help them create a better health system. When I spoke to the women there, they wanted to make sure that they did have the opportunity for creating businesses so that microcredits would be an important concept for them.

This legislation combines the fight against opium-growing along with an investment in humanitarian needs. That means education and health care. It means teaching the government and teaching the people how to govern themselves. We did the wrong thing some years ago when Russia was fighting there, and what happened was a terrible, oppressive leadership of the Taliban. Might I change that word, not leadership, oppressiveness. We must weed out the oppressiveness of the Taliban by continuing to fight against those terrorists, but at the same time we must strengthen Chairman Karzai's government and encourage the growth and development and enhancement for the people of Afghanistan so that the 3 million who are refugees can return home.

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Mr. HYDE. Madam Chairman, I am pleased to yield 2 minutes to the learned gentleman from Ohio (Mr. NEY).

Mr. NEY. Madam Chairman, I rise in support of this bill since I strongly support our continued engagement in Afghanistan. The people of Afghanistan have suffered for too long, and lawlessness and international neglect have caused their country to become a haven for terrorists, but not anymore.

During my recent visit to Afghanistan, our delegation was often overwhelmed by the gratitude of the Afghani people to America for freeing them from the Taliban's chains of oppression and ignorance. It lies in America's interest to make sure that the darkness of those chains never returns to Afghanistan.

Madam Chairman, we helped the Afghan interim government get formed, and it is important that we continue to support the Loya Jirga process and those chosen by that body to represent the Afghan people for the next 18 months. These are Afghanistan's first steps towards democracy, and America should stand shoulder to shoulder with the Afghan people as they strive for freedom, prosperity, and self-representation.

Security, of course, is still an issue in Afghanistan. Without security, the terrorists can find a way back into Afghanistan. Peacekeepers are currently only located in the Kabul area; and outside the capital rogue elements, as we know, continue to challenge the central government. Our troops should be there to fight the al Qaeda for everyone's interest. However, the overall security of Afghanistan, and indirectly the United States, would all significantly be enhanced if non-American peacekeepers were stationed in other areas of the country. Countries such as Turkey, Bahrain, Jordan, Sweden, and Britain have already shown interest in providing peacekeeping to those areas of our vast interest.

Madam Chairman, prosperity and stability go hand in hand. Hopefully, one day the U.S. private sector will return.

America has helped bring a new beginning to the people of Afghanistan. This bill reconfirms our determination to not let this new beginning slip out of our hands and represents the best of American ideals.

Mr. LANTOS. Madam Chairman, I am pleased to yield 2 minutes to the gentleman from New York (Mr. HINCHEY), my friend and distinguished colleague.

Mr. HINCHEY. Madam Chairman, I wish to express my appreciation to the gentleman from Illinois (Mr. HYDE), our chairman, and to the gentleman from California (Mr. LANTOS), our ranking member, for fabricating this bill and bringing it to the floor here so that we all have an opportunity to support authorizing $1 billion of support for humanitarian and reconstruction aid for Afghanistan.

I was in Afghanistan in January of this year. At that time I had an opportunity to meet with Hamid Karzai and members of his cabinet, also with many of the people in that country, our new charge d'affaires there, the men and women of the 10th Mountain Division who are stationed there in that country and on its perimeter.

In our conversations with Hamid Karzai, I asked him what was most important to him. Without hesitation or equivocation he said security. He then said we need to rebuild our educational system; we need to refashion our transportation system; we need to rebuild our agriculture, which is the foundation of their economy. But none of that will be done unless we are able to maintain security.

The authorization that is contained in this bill provides the means for us to begin to do that in a meaningful way. We are going to have to stay involved in Afghanistan and committed and helpful to those people for some time in the future. I hope we have the staying power to do it, and I hope that this legislation which is here before us this afternoon will provide for us the solid foundation from which we can proceed on into the future.

The security of Afghanistan is critical to the people of that country, to the establishment of a new democratic government, as well as to the security of ourselves and other freedom-loving peoples in other parts of the world.

We need to do this today. We need to remain involved with this new government that is developing there, and we need to continue to carry the people of Afghanistan in our hearts and in our purses.

Mr. HYDE. Madam Chairman, I am very pleased to yield 3 minutes to the distinguished gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Madam Chairman, I rise in support of H.R. 3994, the Afghanistan Freedom Support Act.

I do want to thank the gentleman from Illinois (Mr. HYDE) for his leadership in crafting this bill and the gentleman from California (Mr. LANTOS) for his commitment to helping the Afghan people. I rise to thank them both for working with me and the gentlewoman from New York (Mrs. MALONEY) to incorporate much of H.R. 3342, the Access for Afghan Women Act, into this bill. Their cooperation enables this body to continue our support for improving the lives of Afghan women and children.

H.R. 3994 will provide over $1 billion in United States assistance to Afghanistan for humanitarian and reconstruction projects, as well as Afghan military and police assistance, and funds to stem poppy production. While the bill provides the President with broad flexibility, key aspects of humanitarian and reconstruction assistance are targeted toward Afghan women.

The bill reflects that it is the United States' policy that the United States and international community should support a broad-based, multi-ethnic, gender-sensitive and fully representative government in Afghanistan. In order to meet this goal of improving the human rights of all Afghans, particularly women, emphasis must remain on meeting the educational, health and sustenance needs of women and children to better enable their full participation in Afghan society.

Assistance should increase the participation of women at the national, regional and local levels in Afghanistan, wherever feasible, by enhancing the role of women in decision-making processes, as well as by providing support programs that aim to expand economic educational opportunities and health programs for women and girls. In addition, an amendment was added for resources to be sent to the Afghan ministry of women's affairs to carry out its responsibilities for legal, advocacy, education, vocational training and women's health programs.

H.R. 3994 prioritizes maternal and child health services as an urgent humanitarian need, especially programs to reduce child mortality. Assistance is authorized to recruit and train teachers in order to meet the desperate need in Afghanistan to make up for the lost time in the classroom. Thousands of children returned to school in March, some for the first time in many years,

and some had never been to school. By September, all Afghan children will have access to education.

Also authorized in this bill are programs establishing financial institutions capable of providing microenterprise credits and other income-generating programs for the poor with emphasis on women. Microenterprise loans have proven successful throughout the developed and developing world by providing an opportunity for self-sufficiency.

I support the Afghanistan Freedom Support Act and the conditioning of U.S. aid on presidential certification that Loya Jirga has convened and decided on a broad-based, multi-ethnic, gender-sensitive, fully represented transitional government.

I thank all my colleagues for this bill. I urge support.

Mr. LANTOS. Madam Chairman, I am delighted to yield 3 minutes to the gentlewoman from California (Ms. MILLENDER-MCDONALD), my good friend and good neighbor.

Ms. MILLENDER-MCDONALD. Madam Chairman, let me thank the gentleman from Illinois (Mr. HYDE), the chairman; and my good friend and neighbor, the gentleman from California (Mr. LANTOS), the ranking member, for their leadership in bringing this very important issue, along with the Congressional Caucus on Women's Issues, which the chairwoman and I co-chair that caucus, and to bring this piece of legislation to the floor. We thank our colleagues so much.

Today, we bring to conclusion an unrivaled bipartisan process in support of war-weary Afghanistan. We are about to vote on this important measure that will provide material resources to support the rebuilding and reconstruction of a country that has touched the popular imagination over the past years.

As democratic chair of the Congressional Caucus on Women's Issues, I am proud to add my voice in support of this defining bill. It cannot come too soon to help the interim administration as it moves forward to the next stage of instilling a spirit of sound governance in Afghanistan.

When the Loya Jirga assembly meets in June, the provisional government will begin setting out the key principles of the rule of law that will help bring about stability and security where even now disorder and ethnic conflict too often prevail.

At least 160 women will be instrumental in playing a central role in this assembly. It may not be enough, but it is a start. As I stated on the House floor in December, the future of women in Afghanistan and ultimately the stability of any provisional settlement will rest upon a foundation of inclusion, not exclusion.

Madam Chairman, the comprehensive package of assistance before us today for final passage affirms the important aspirations being sought by Afghanis, both inside and outside of that country. Helping Afghan women to regain their rightful place in national life is one of the best ways I know to combat terrorism in Afghanistan and to lessen the sense of peril of the global community everywhere.

This historic bill also specifically calls for providing resources to the ministry of women's affairs to ensure that the ministry can carry out its responsibilities for legal, advocacy, educational and vocational training. I am pleased to have authored this provision and to have had the cooperation of the gentlewoman from California (Ms. LEE), my distinguished colleague, my fellow Californian and friend, and the successful effort at the House Committee on International Relations markup last month.

Afghan women must be assured of their basic human rights once more to gain access to safe drinking water and sufficient food, to receive decent health and maternal care, and foremost, to again move freely in their society without being subjected to harassment and abuse.

The role of the women's ministry in realizing these objectives will be critical in building a new sense of nationhood and in helping to secure peace and democratic order. Restoring women's level of participation in the rebirth of Afghanistan after 22 years of warfare is a noteworthy contribution towards shaping a meaningful future for that country.

Mr. HYDE. Madam Chairman, I am pleased to yield 2 minutes to the gentleman from Pennsylvania (Mr. PITTS), a member of the committee.

Mr. PITTS. Madam Chairman, I rise today in support of this legislation. In January, on January 2, with my colleagues, the gentleman from Virginia (Mr. WOLF) and the gentleman from Ohio (Mr. HALL), I traveled to Afghanistan, met with Chairman Karzai and leaders. And let me offer my observations.

Despite the fact that the Taliban are out of power, the people of Afghanistan continue to suffer. Many people still do not have enough to eat. Food aid is needed. Medical, educational assistance is needed. However, the Afghan people do not want to subsist on handouts. Instead, they desire the opportunity to work, to use their skills to provide for their families.

Prior to the 1979 Soviet invasion, Afghanistan was self-sufficient and exported agriculture products to its neighbors. Before 1979, 80 percent of the society farmed the land. The skills are there, but development is needed in animal husbandry, irrigation system repair, drought assistance, and alternative crops to replace narcotics production.

As we continue to help the people of Afghanistan in rebuilding their nation, our development assistance should focus on providing employment opportunities; helping with demining so that families can return to their homes and plant their fields; investing in rebuilding infrastructure so that people can get their goods to market; and supporting education, for children's needs are great.

Predictions were that 5,000 refugees would return to their homes this year. Over 500,000 refugees have already returned, and the year is not even half over. Most refugees are returning to homes in rural areas and will need help to get back on their feet. In addition, our government should continue to clearly express its support for the interim government led by Chairman Karzai and the June Loya Jirga.

As Chairman Karzai said in January during our meeting regarding our Nation's partnership, he said, ''Think of the help as help to our children. The families will do well if the children do well.''

Madam Chairman, in order to avoid another environment in which warlords and terrorists flourish, we must help the Afghan people as they rebuild their society. If the Afghan people do well, then our Nation will do well, their nation will do well; and we will avoid the situation that will produce more Taliban and terrorists.

Mr. LANTOS. Madam Chairman, I am very pleased to yield 2 minutes to the gentleman from American Samoa (Mr. FALEOMAVAEGA).

Mr. FALEOMAVAEGA. Madam Chairman, I am honored to rise as an original cosponsor of H.R. 3994, the Afghanistan Freedom Support Act; and I would be remiss if I do not express my deepest appreciation to the chairman of our committee, the gentleman from Illinois (Mr. HYDE), and our own ranking member, the gentleman from California (Mr. LANTOS), also, the chairman of our subcommittee on the Middle East and South Asia, and the gentleman from New York (Mr. GILMAN) and the ranking member, the gentleman from New York (Mr. ACKERMAN).

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They have made such a tremendous contribution and leadership in bringing this vital legislation to the floor.

Madam Chairman, now that the people of Afghanistan have been released from the repressive regimes of al Qaeda and the Taliban, they face a daunting task and desperately need the international community's support to rebuild their government, their society and their nation.

While I support the body of the legislation, Madam Chairman, it glaringly fails to address the deteriorating security environment throughout Afghanistan which has become a crisis. Once outside Kabul, no one is safe, as humanitarian relief workers have been threatened, Loya Jirga election delegates murdered, and Afghan women and girls assaulted.

I deeply commend the gentleman from California (Mr. LANTOS) for focusing on this urgent problem and offering an amendment at a later point in time that requires the administration to

submit a plan of action to address the immediate security crisis in Afghanistan, in addition to long-term security concerns. We cannot afford any longer to ignore this cancer that significantly threatens to derail Afghanistan's recovery.

If we are truly serious about aiding the people of Afghanistan and that nation's development as a democracy, I urge my colleagues to adopt the Lantos amendment as well as this legislation, as amended, for final passage.

Mr. HYDE. Madam Chairman, I am delighted to yield 2 minutes to the gentlewoman from Florida (Ms. ROS-LEHTINEN), the distinguished chairman of the Subcommittee on International Operations and Human Rights of the Committee on International Relations.

Ms. ROS-LEHTINEN. Madam Chairman, the bill that we are debating today serves as a symbol, a measure of the commitment and guarantees by the United States and, indeed, the international community to support the Afghan people so that they can quickly stand on their own. As the bill title reflects, it is intended to create the necessary conditions and environment for stability and peace to take root in Afghanistan. With the Loya Jirga, the seeds of freedom were planted. However, without the targeted assistance described in this legislation, democracy and respect for human rights cannot fully develop and flourish in this nation which has been devastated by decades of war and oppression.

Of foremost importance is the support for security during the transitional period in Afghanistan. This country has undergone great internal turmoil and tremendous brutality in recent history, resulting in deeply embedded scars in the psyche of its people, a people worried about the recurrence of violence. Sporadic incidents throughout the course of the last several months underscore the potential for such a negative outcome.

In providing for such security assistance, we are responding to and reflecting the demands of the Afghan people who want, as Chairman Karzai stated earlier this year, to ensure that ''people will not have an opportunity any more to try to meddle in Afghan affairs or to cause trouble or civil strife.'' The Lantos amendment will expand later upon this.

In further addressing the internal situation, this bill also provides a multiyear authorization to finance a variety of necessary programs to meet urgent humanitarian needs, to assist in the development of civil society, and guaranteeing the full participation and reintegration of women in all sectors of Afghan life.

My dear colleagues, if we do not want a return to the grim past when Afghans were tortured and beaten, when they were repressed, when Afghanistan was a safe harbor and training ground for international terrorists, then we must render our support to this important legislation.

Let us not abandon the Afghan people. Vote ''yes'' on the Afghan Freedom Support Act.

Mr. LANTOS. Madam Chairman, I am delighted to yield 2 minutes to the distinguished gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Madam Chairman, I thank my dear friend and colleague for yielding time and I thank Chairman HYDE and Ranking Member LANTOS for their leadership on this important legislation.

This bill authorizes over $1 billion over the next 4 years for humanitarian and reconstruction projects as well as military and police assistance to help rebuild this nation. I am very pleased that the bill incorporates language from H.R. 3342, the Access for Afghan Women Act, a bill I authored along with my good friend and colleague the gentlewoman from Maryland (Mrs. MORELLA).

As a result, H.R. 3994 recognizes and now supports Afghan women and children by placing an emphasis on meeting the educational, health and sustenance needs of women and children so that they can participate fully in Afghan society. It also states that U.S. assistance should increase the participation of women and girls at all levels in decision-making areas.

Finally, this bill requires that resources be sent to the Afghan Ministry of Women's Affairs. Each of these provisions are extremely important because they recognize the importance of including women's participation in all areas of Afghan life.

Unfortunately, the underlying bill does not provide adequately for the safety and security of women living in Afghanistan, particularly in the areas outside of Kabul. That is why I support strongly the Lantos amendment which I understand Chairman HYDE likewise supports, which will help meet the immediate security needs of Afghanistan by calling upon the administration to come forward with a security plan for the entire country within 45 days.

In order to achieve participation in all aspects of life, women must feel safe when leaving their homes and their daughters must feel safe when they go to school, something they have been waiting for for 8 long years under the Taliban rule. And women must not be intimidated by troops and local warlords when they are finally on their way to gaining and getting their lives back.

We must continue to support Afghanistan and the women in Afghanistan. I urge a strong vote for the bill and for the Lantos amendment.

Mr. HYDE. Madam Chairman, I am pleased to yield the balance of my time to the distinguished gentleman from California (Mr. ROHRABACHER).

Mr. LANTOS. Madam Chairman, I yield 2 minutes to the gentleman from California (Mr. ROHRABACHER).

The CHAIRMAN. The gentleman from California (Mr. ROHRABACHER) is recognized for 5 minutes.

Mr. ROHRABACHER. Madam Chairman, I would like to thank the chairman for all the hard work that he has put in on this over not just this time since September 11 but the time before as well, as well as Ranking Member LANTOS. This has been an issue of importance to us all even before 9/11. And the gentleman from New York (Mr. GILMAN) Chairman GILMAN has been heart and soul behind the efforts to free the Afghan people even before it became clear that it was a threat to the United States.

There has been a great deal of discussion as of late as to how much President Bush knew about the terrorist threat that took the lives of 3,000 Americans on September 11. What is most pertinent, however, is how the terrorist monsters in Afghanistan came to power and how they held power, and, more urgently, how can we prevent this from happening again.

The legislation we vote on today is vital not only to the Afghans but to the peace and stability of the world. We are committing ourselves to this generous aid package in cooperation with other donor countries and, in doing so, sending a message to the Afghan people, and that is, put down your guns and pick up your tools and this time America and the decent people of the world will be with you and will help you rebuild your country and rebuild the lives of your people.

This message and the assistance that we are giving is long overdue. It repays a debt to the Afghan people which I am sorry that my friend from Texas does not recognize. The people of Afghanistan bled and died by the hundreds of thousands in the war against the Soviet Union, and in doing so helped us win the Cold War, bring peace to the world, and afterwards we walked away from them, owing them this vast debt.

This new package should provide the resources necessary to repay that debt, or at least begin repaying that debt, and the resources necessary to begin the process of uplifting the Afghan people and bringing them into the family of nations. Their well-being and a humane quality of life is the surest way to prevent a repeat of the tragedy of 9/11, a tragedy that not only affected them, of course, but has affected the entire world.

This aid package comes at a pivotal moment, because Afghanistan's course is now being determined. The aid program from the western countries must be implemented in a way to ensure that the brutal sectarian forces that are still present and still threaten the peace and stability of that area understand our strength of purpose. Our message again should be we will help you rebuild your country but only if the new Afghanistan is a responsible member of the family of nations, and we expect the rights of the Afghan people, men and women, to be respected by their leaders.

This bill addresses specific humanitarian needs, such as my amendment

to the original bill encouraged by the gentleman from California (Mr. LANTOS) and his efforts to direct extra resources towards land mine clearance. The gentleman from California and I have been deeply concerned for a number of years about the enormous number of land mines in Afghanistan. We, at the end of that war, after they had fought for us, not only left them to sleep in the rubble, these poor Afghan people who had lost so many members of their family, but we left them in a country that was inundated with land mines. We did not even help them clear the land mines that we had given them to help defeat the Soviets. That was immoral and it is a totally moral basis for our insistence now that we help the Afghan people and help them rebuild their country.

We also in this bill have directed money to women and to other local programs and we have expressed our desire to make sure that the resources are necessary to make sure that the national security and humanitarian relief efforts that are going on in Afghanistan are well funded, not only by us, but by our allies who are also contributing a great sum.

Let me just say there has been some discussion as to whether or not we should be helping those people who were caught in the crossfire, and we will have a colloquy on this later, supposedly that we are making compensation to those people whom we accidentally hurt in trying to free Afghanistan. This is not a controversial position. This goes to the heart and soul of America. If we did not intend to hurt people and they were caught in the crossfire, of course, we are going to help these poor innocent people, and in doing so we are going to send a message to the people of the world: Yes, we are for freedom and we are going to stand by you, and if war is necessary, or conflict is necessary, we are not coming in like the 800-pound gorilla in caring less about the rights of others. We care about people. That is why we are engaged in this. That is what this aid package is all about, repaying a debt and telling the people of the world we care about their freedom and we care about their human condition. In doing so, we will have peace and our country will be secure.

Mr. LANTOS. Madam Chairman, I yield myself the balance of my time.

I want to commend my friend from California for his powerful and thoughtful statement. The Congress is always at its best when it speaks in a bipartisan fashion. We have done so today. I again want to commend Chairman HYDE for his leadership on this issue. I want to commend my colleagues across the political spectrum who have spoken on behalf of this legislation. It embodies the finest values of the United States and it represents hardheaded, rational, farsighted foreign policy.

I urge all of my colleagues to support the legislation.

Mrs. CHRISTENSEN. Madam Chairman, I rise in support of H.R. 3994, the Afghanistan Freedom Support Act of 2002.

The people of Afghanistan have not known freedom or peace for quiet some time. They are not our enemies, and I commend the sponsors of this bill for reaching across the oceans to them with a hand of assistance in rebuilding not only the physical but also the educational, social and economic fabric of their nation.

Madam Chairman, I want to call particular attention to the portions of the Act that promote the inclusion of women in the decision-making and nation building processes.

I want to add the voice of the people of the U.S. Virgin Islands as expressed in the attached resolution introduced by Senator Lorraine Berry, and passed by the 24th Legislature of the U.S. Virgin Islands, which expresses the sense of the legislature that women be a part of the total resolution in the ongoing process of normalization that the country of Afghanistan will be going through for a very long time.

And so on behalf of all of the people of my district, I urge my colleagues to pass H.R. 3994.

RESOLUTION NO. 1630

BILL NO. 24–0200

TWENTY-FOURTH LEGISLATURE OF THE VIRGIN ISLANDS OF THE UNITED STATES

REGULAR SESSION, 2002

To petition the United States Congress and the White House to enact appropriate legislation, that would require future international aide to Afghanistan and other foreign countries, be conditioned, in part, upon the countries' elimination of discrimination against women.

Whereas, the history of Afghanistan is replete with women aiding the development of that country in the authorship of its constitution, serving in governmental positions, providing leadership in the academic world and serving as professionals; and

Whereas, the world has witnessed the gradual oppression of women in Afghanistan by varied male-dominated warring groups; and

Whereas, the eradicated Taliban Government had institutionalized total oppression of women as evident by edicts prohibiting women from working or being educated, by public flogging, stoning and killing; and

Whereas, some allies of the United States in the Middle East and elsewhere who receive aide continue to turn a blind eye to those who would oppress women in one form or the other, even to the extent of mutilation of sexual organs; and

Whereas, Tahmeena Faryal, Representative of the Revolutionary Association of the Women of Afghanistan (RAWA), graphically described the past horror visited upon the people of Afghanistan as ''bullets instead of food and graves instead of houses''; and

Whereas, the International Covenant on Civil and Political Rights states, in part, that ''no one shall be subject to cruel, inhuman, or degrading treatment or punishment''; and

Whereas, we have observed the fact that women of Afghanistan had been virtually imprisoned in their homes; they were required to wear burquas, which cover the entire head and body, with a mesh-like covering over the eyes, thereby creating certain health problems, and optical problems, and we have witnessed in the media credible news coverage of public flogging of women by so-called religious police when women walked too quickly, laughed loudly or, accidentally or otherwise, showed their face in public; and

Whereas, such cruel inhumane and degrading treatment of women has no rational nor credible sanction in any religious teaching or holy book; and

Whereas, the violation of human rights cannot be cloaked, rationalized or condoned as a cultural difference; and

Whereas, the harsh punishment reserved for women is more about control than religion; and

Whereas, the above-noted oppressive practices have left their mark on most women who remain fearful of availing themselves of even small concessions, especially since members of the former Taliban have been permitted to join the governing factions; and

Whereas, in outlining areas, away from western scrutiny, women continue to be oppressed and abide under intolerable restrictions; and

Whereas, there can be no true democracy without the participation of women; Now, Therefore,

Be it resolved by the Legislature of the Virgin Islands:

Section 1. The Legislature of the Virgin Islands, on behalf of the people of the Virgin Islands, hereby resolves to petition the United States Congress and the White House to enact appropriate legislation that would henceforth require that future foreign aide to Afghanistan and other foreign countries be conditioned, in significant part, upon the recipient's active commitment to eliminate discrimination against women.

Thus passed by the Legislature of the Virgin Islands on January 30, 2002.

Witness our Hands and the Seal of the Legislature of the Virgin Islands this _____ Day of February, A.D., 2002.

ALMANDO ''ROCKY'' LIBURD,
President.

DONALD G. COLE,
Legislative Secretary.

Mr. SHADEGG. Madam Chairman, I rise to address the inclusion of my amendment in the Manager's Amendment to H.R. 3994, the Afghanistan Freedom Support Act of 2002. The gentleman from Illinois, Mr. HYDE, has drafted an important piece of legislation that will help significantly in efforts to rebuild Afghanistan's economic infrastructure, create durable institutions of government that are representative and accountable to the people of Afghanistan, and reduce the production of narcotics. The bill helps the people of Afghanistan, and reduce the production of narcotics. The bill helps the people of Afghanistan to help themselves by providing the seed money needed to establish the necessary base of physical infrastructure and stable government upon which they can build a modern economy and thus a peaceful and prosperous society.

I believe that this legislation offers an excellent opportunity to allow the natural generosity of the American people and businesses in America to play a role in this effort. That is why I proposed an amendment, which the gentleman from Illinois has included in the Manager's Amendment, that states that the President should encourage donations from U.S. corporations and small business of manufacturing and other types of excess or obsolete, but usable, equipment to help rebuild the infrastructure of Afghanistan. Currently, the Federal Government does not solicit donations of usable equipment from U.S. corporations and small businesses. My amendment rectifies this problem and asks the Federal Government to look to all sources to provide the needed machinery and equipment to begin the rebuilding process.

U.S. corporations continually replace old but reusable equipment and are faced with relatively few choices for disposing of it. My amendment expands their choices and helps them contribute directly to a people who are in dire need. This equipment can be used to help start small businesses and begin entrepreneurship in Afghanistan that will lead to the creation of jobs and start the country on the long path to recovery.

I thank the gentleman from Illinois and look forward to working with the Chairman and the Administration to see that this important provision is enacted into law and fully implemented. With that I yield back the balance of my time.

Mr. DICKS. Madam Chairman, I am pleased to come to the floor today in support of H.R. 3994, the Afghanistan Freedom Support Act. I believe it is critical that we fulfill the commitment made by the President and by the Congress to provide significant resources to help the nation of Afghanistan rebuild after more than 20 years of war.

After winning World War II, President Truman and the Congress took a bold step, committing enormous U.S. resources to help the nations of Europe rebuild after the devastation of total war. The Marshall Plan, as it is known, was not politically popular at the time—it languished in Congress for several months and passed through the other body with just a one-vote margin. But I believe nearly everyone today would argue that it was the right thing to do—for Europe, for the United States and the entire world.

Many of my colleagues decry Federal spending on foreign aid, arguing that it is a misappropriation of money that could be better spend domestically. But foreign aid was the genius of the Marshall plan—targeted investments to rebuild the economies of nations devastated by war, poverty, famine, and disease.

The continuing importance of foreign aid is underscored by the extreme need for such help now in Afghanistan. Afghan rebels, with significant financial and military support from the United States, succeeded in throwing off the yoke of Soviet occupation. Once finished, however, U.S. support evaporated. Perhaps we thought our work was done or that Afghanistan was too far away from the U.S. to be of any real concern once the Soviets had limped home. But we learned last September that our work had not been completed. And we learned that Afghanistan, despite its perceived isolation, could certainly cause us harm.

Clearly, there is a need for a continued U.S. presence to help Afghanistan rebuild its economy, establish a stable government, and encourage participation in the international community. Such spending is an important investment we can make to try to prevent a repeat of September 11. But is this need exclusive to Afghanistan?

Even if we are completely successful in Afghanistan, reconstructing that nation and eliminating the terrorist presence, we can be sure that these terrorist organizations will reappear somewhere. How can we best deal with this threat?

Strengthening and re-equipping our military, shoring up our borders and improving domestic security are certainly parts of the solution, but an equally important component is foreign aid. By helping other nations establish stable democratic governments and market economies, they will join us in the fight against terrorism.

I think most would agree that it would have been far cheaper to have appropriated the financial and technical assistance to Afghanistan 15 years ago to help them create a free nation than it has been to deal with the attacks on September 11 and their aftermath. I also believe that it is in our best financial interest to increase our foreign aid commitments and help struggling nations today rather than wait for them to deteriorate to the point where we are forced into military intervention.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule by title, and each title shall be considered read.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Clerk will designate section 1.

The text of section 1 is as follows:

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; DEFINITION.

(a) SHORT TITLE.—This Act may be cited as the ''Afghanistan Freedom Support Act of 2002''.

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

Sec. 1. Short title; table of contents; definition.

TITLE I—ECONOMIC AND DEMOCRATIC DEVELOPMENT ASSISTANCE FOR AFGHANISTAN

Sec. 101. Declaration of policy.
Sec. 102. Purposes of assistance.
Sec. 103. Principles of assistance.
Sec. 104. Authorization of assistance.
Sec. 105. Promoting cooperation in major opium producing regions of Afghanistan.
Sec. 106. Coordination of assistance.
Sec. 107. Administrative provisions.
Sec. 108. Authorization of appropriations.

TITLE II—MILITARY ASSISTANCE FOR AFGHANISTAN AND CERTAIN OTHER FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

Sec. 201. Support for security during transition in Afghanistan.
Sec. 202. Authorization of assistance.
Sec. 203. Eligible foreign countries and eligible international organizations.
Sec. 204. Reimbursement for assistance.
Sec. 205. Authority to provide assistance.
Sec. 206. Sunset.

(c) DEFINITION.—In this Act, the term ''Government of Afghanistan'' includes the government of any political subdivision of Afghanistan, and any agency or instrumentality of the Government of Afghanistan.

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate title 1.

The text of title 1 is as follows:

TITLE I—ECONOMIC AND DEMOCRATIC DEVELOPMENT ASSISTANCE FOR AFGHANISTAN

SEC. 101. DECLARATION OF POLICY.

Congress makes the following declarations:

(1) The United States and the international community should support efforts that advance the development of democratic civil authorities and institutions in Afghanistan and the establishment of a new broad-based, multi-ethnic, gender-sensitive, and fully representative government in Afghanistan.

(2) The United States, in particular, should provide its expertise to meet immediate humanitarian and refugee needs, fight the production and flow of illicit narcotics, and aid in the reconstruction of Afghanistan's agriculture, health care, and educational systems.

(3) By promoting peace and security in Afghanistan and preventing a return to conflict, the United States and the international community can help ensure that Afghanistan does not again become a source for international terrorism.

(4) The United States should support the objectives agreed to on December 5, 2001, in Bonn, Germany, regarding the provisional arrangement for Afghanistan as it moves toward the establishment of permanent institutions and, in particular, should work intensively toward ensuring the future neutrality of Afghanistan, establishing the principle that neighboring countries and other countries in the region do not threaten or interfere in one another's sovereignty, territorial integrity, or political independence, including supporting diplomatic initiatives to support this goal.

(5) The special emergency situation in Afghanistan, which from the perspective of the American people combines security, humanitarian, political, law enforcement, and development imperatives, requires that the President should receive maximum flexibility in designing, coordinating, and administering efforts with respect to assistance for Afghanistan and that a temporary special program of such assistance should be established for this purpose.

(6) To foster stability and democratization and to effectively eliminate the causes of terrorism, the United States and the international community should also support efforts that advance the development of democratic civil authorities and institutions in the broader Central Asia region.

SEC. 102. PURPOSES OF ASSISTANCE.

The purposes of assistance authorized by this title are—

(1) to help assure the security of the United States and the world by reducing or eliminating the likelihood of violence against United States or allied forces in Afghanistan and to reduce the chance that Afghanistan will again be a source of international terrorism;

(2) to support the continued efforts of the United States and the international community to address the humanitarian crisis in Afghanistan and among Afghan refugees in neighboring countries;

(3) to fight the production and flow of illicit narcotics, to control the flow of precursor chemicals used in the production of heroin, and to enhance and bolster the capacities of Afghan governmental authorities to control poppy cultivation and related activities;

(4) to help achieve a broad-based, multi-ethnic, gender-sensitive, and fully representative government in Afghanistan that is freely chosen by the people of Afghanistan and that respects the human rights of all Afghans, particularly women, including authorizing assistance for the rehabilitation and reconstruction of Afghanistan with a particular emphasis on meeting the educational, health, and sustenance needs of women and children to better enable their full participation in Afghan society;

(5) to support the Government of Afghanistan in its development of the capacity to facilitate, organize, develop, and implement projects and activities that meet the needs of the Afghan people;

(6) to foster the participation of civil society in the establishment of the new Afghan government in order to achieve a broad-based, multi-ethnic, gender-sensitive, fully representative

government freely chosen by the Afghan people, without prejudice to any decisions which may be freely taken by the Afghan people about the precise form in which their government is to be organized in the future, as may be decided through the convening of a traditional Afghan assembly or ''Loya Jirga'' as agreed to on December 5, 2001, in Bonn, Germany;

(7) to support the reconstruction of Afghanistan through, among other things, programs that create jobs, facilitate clearance of landmines, and rebuild the agriculture sector, the health care system, and the educational system of Afghanistan; and

(8) to include specific resources to the Ministry for Women's Affairs of Afghanistan to carry out its responsibilities for legal advocacy, education, vocational training, and women's health programs.

SEC. 103. PRINCIPLES OF ASSISTANCE.

The following principles should guide the provision of assistance authorized by this title:

(1) TERRORISM AND NARCOTICS CONTROL.—Assistance should be designed to reduce the likelihood of harm to United States and other allied forces in Afghanistan and the region, the likelihood of additional acts of international terrorism emanating from Afghanistan, and the cultivation, production, trafficking, and use of illicit narcotics in Afghanistan.

(2) ROLE OF WOMEN.—Assistance should increase the participation of women at the national, regional, and local levels in Afghanistan, wherever feasible, by enhancing the role of women in decisionmaking processes, as well as by providing support for programs that aim to expand economic and educational opportunities and health programs for women and educational and health programs for girls.

(3) AFGHAN OWNERSHIP.—Assistance should build upon Afghan traditions and practices. The strong tradition of community responsibility and self-reliance in Afghanistan should be built upon to increase the capacity of the Afghan people and institutions to participate in the reconstruction of Afghanistan.

(4) STABILITY.—Assistance should encourage the restoration of security in Afghanistan, including, among other things, the disarmament, demobilization, and reintegration of combatants, and the establishment of the rule of law, including the establishment of a police force and an effective, independent judiciary.

(5) COORDINATION.—Assistance should be part of a larger donor effort for Afghanistan. The magnitude of the devastation—natural and man-made—to institutions and infrastructure make it imperative that there be close coordination and collaboration among donors. The United States should endeavor to assert its leadership to have the efforts of international donors help achieve the purposes established by this title.

SEC. 104. AUTHORIZATION OF ASSISTANCE.

(a) IN GENERAL.—The President is authorized to provide assistance for Afghanistan for the following activities:

(1) URGENT HUMANITARIAN NEEDS.—To assist in meeting the urgent humanitarian needs of the people of Afghanistan, including assistance such as—

(A) emergency food, shelter, and medical assistance;

(B) clean drinking water and sanitation;

(C) preventative health care, including childhood vaccination, therapeutic feeding, maternal child health services, and infectious diseases surveillance and treatment;

(D) family tracing and reunification services; and

(E) clearance of landmines.

(2) REPATRIATION AND RESETTLEMENT OF REFUGEES AND INTERNALLY DISPLACED PERSONS.—To assist refugees and internally displaced persons as they return to their home communities in Afghanistan and to support their reintegration into those communities, including assistance such as—

(A) assistance identified in paragraph (1);

(B) assistance to communities, including those in neighboring countries, that have taken in large numbers of refugees in order to rehabilitate or expand social, health, and educational services that may have suffered as a result of the influx of large numbers of refugees;

(C) assistance to international organizations and host governments in maintaining security by screening refugees to ensure the exclusion of armed combatants, members of foreign terrorist organizations, and other individuals not eligible for economic assistance from the United States; and

(D) assistance for voluntary refugee repatriation and reintegration inside Afghanistan and continued assistance to those refugees who are unable or unwilling to return.

(3) COUNTERNARCOTICS EFFORTS.—(A) To assist in the eradication of poppy cultivation, the disruption of heroin production, and the reduction of the overall supply and demand for illicit narcotics in Afghanistan and the region, with particular emphasis on assistance to—

(i) eradicate opium poppy, establish crop substitution programs, purchase nonopium products from farmers in opium-growing areas, quick-impact public works programs to divert labor from narcotics production, develop projects directed specifically at narcotics production, processing, or trafficking areas to provide incentives to cooperation in narcotics suppression activities, and related programs;

(ii) establish or provide assistance to one or more entities within the Government of Afghanistan, including the Afghan State High Commission for Drug Control, and to provide training and equipment for the entities, to help enforce counternarcotics laws in Afghanistan and limit illicit narcotics growth, production, and trafficking in Afghanistan;

(iii) train and provide equipment for customs, police, and other border control entities in Afghanistan and the region relating to illicit narcotics interdiction and relating to precursor chemical controls and interdiction to help disrupt heroin production in Afghanistan and the region;

(iv) continue the annual opium crop survey and strategic studies on opium crop planting and farming in Afghanistan; and

(v) reduce demand for illicit narcotics among the people of Afghanistan, including refugees returning to Afghanistan.

(B) For each of the fiscal years 2002 through 2005, not less than $15,000,000 of the amount made available to carry out this title should be made available for a contribution to the United Nations Drug Control Program for the purpose of carrying out activities described in clauses (i) through (v) of subparagraph (A). Amounts made available under the preceding sentence are in addition to amounts otherwise available for such purposes.

(4) REESTABLISHMENT OF FOOD SECURITY, REHABILITATION OF THE AGRICULTURE SECTOR, IMPROVEMENT IN HEALTH CONDITIONS, AND THE RECONSTRUCTION OF BASIC INFRASTRUCTURE.—To assist in expanding access to markets in Afghanistan, to increase the availability of food in markets in Afghanistan, to rehabilitate the agriculture sector in Afghanistan by creating jobs for former combatants, returning refugees, and internally displaced persons, to improve health conditions, and assist in the rebuilding of basic infrastructure in Afghanistan, including assistance such as—

(A) rehabilitation of the agricultural infrastructure, including irrigation systems and rural roads;

(B) extension of credit;

(C) provision of critical agricultural inputs, such as seeds, tools, and fertilizer, and strengthening of seed multiplication, certification, and distribution systems;

(D) improvement in the quantity and quality of water available through, among other things, rehabilitation of existing irrigation systems and the development of local capacity to manage irrigation systems;

(E) livestock rehabilitation through market development and other mechanisms to distribute stocks to replace those stocks lost as a result of conflict or drought;

(F) mine awareness and demining programs and programs to assist mine victims, war orphans, and widows;

(G) programs relating to infant and young child feeding, immunizations, vitamin A supplementation, and prevention and treatment of diarrheal diseases and respiratory infections;

(H) programs to improve maternal and child health and reduce maternal and child mortality;

(I) programs to improve hygienic and sanitation practices and for the prevention and treatment of infectious diseases, such as tuberculosis and malaria;

(J) programs to reconstitute the delivery of health care, including the reconstruction of health clinics or other basic health infrastructure; and

(K) disarmament, demobilization, and reintegration of armed combatants into society, particularly child soldiers.

(5) REESTABLISHMENT OF AFGHANISTAN AS A VIABLE NATION-STATE.—(A) To assist in the development of the capacity of the Government of Afghanistan to meet the needs of the people of Afghanistan through, among other things, support for the development and expansion of democratic and market-based institutions, including assistance such as—

(i) support for international organizations that provide civil advisers to the Government of Afghanistan;

(ii) support for an educated citizenry through improved access to basic education;

(iii) programs to enable the Government of Afghanistan to recruit and train teachers, with special focus on the recruitment and training of female teachers;

(iv) programs to enable the Government of Afghanistan to develop school curriculum that incorporates relevant information such as landmine awareness, food security and agricultural education, human rights awareness, and civic education;

(v) support for the activities of the Government of Afghanistan to draft a new constitution, other legal frameworks, and other initiatives to promote the rule of law in Afghanistan;

(vi) support to increase the transparency, accountability, and participatory nature of governmental institutions, including programs designed to combat corruption and other programs for the promotion of good governance;

(vii) support for an independent media;

(viii) programs that support the expanded participation of women and members of all ethnic groups in government at national, regional, and local levels;

(ix) programs to strengthen civil society organizations that promote human rights and support human rights monitoring;

(x) support for national, regional, and local elections and political party development; and

(xi) support for the effective administration of justice at the national, regional, and local levels, including the establishment of a responsible and community-based police force.

(B) For each of the fiscal years 2002 through 2005, not less than $10,000,000 of the amount made available to carry out this title should be made available for the purposes of carrying out a traditional Afghan assembly or ''Loya Jirga'' and for support for national, regional, and local elections and political party development under subparagraph (A)(x).

(6) MARKET ECONOMY.—To support the establishment of a market economy, the establishment of private financial institutions, the adoption of policies to promote foreign direct investment, the development of a basic telecommunication infrastructure, and the development of trade and other commercial links with countries in the region and with the United States, including policies to—

(A) encourage the return of Afghanistan citizens or nationals living abroad who have marketable and business-related skills;

(B) establish financial institutions, including credit unions, cooperatives, and other entities providing microenterprise credits and other income-generation programs for the poor, with particular emphasis on women;

(C) facilitate expanded trade with countries in the region;

(D) promote and foster respect for basic workers' rights and protections against exploitation of child labor;

(E) develop handicraft and other small-scale industries; and

(F) provide financing programs for the reconstruction of Kabul and other major cities in Afghanistan.

(b) LIMITATION.—

(1) IN GENERAL.—Amounts made available to carry out this title (except amounts made available for assistance under paragraphs (1) through (3) and subparagraphs (F) through (I) of paragraph (4) of subsection (a)) may be provided only if—

(A) with respect to assistance for fiscal year 2003, the President first determines and certifies to Congress that a traditional Afghan assembly or ''Loya Jirga'' has been convened and has decided on a broad-based, multiethnic, gender-sensitive, fully representative transitional authority for Afghanistan; and

(B) with respect to assistance for fiscal years 2004 and 2005, the President first determines and certifies to Congress with respect to the fiscal year involved that substantial progress has been made toward adopting a constitution and establishing a democratically elected government for Afghanistan.

(2) WAIVER.—

(A) IN GENERAL.—The President may waive the application of subparagraph (A) or (B) of paragraph (1) if the President first determines and certifies to Congress that it is in the vital national interest of the United States to do so.

(B) CONTENTS OF CERTIFICATION.—A certification transmitted to Congress under subparagraph (A) shall include—

(i) a full and complete description of the vital national interest of the United States that is placed at risk by reason the application of subparagraph (A) or (B) of paragraph (1), as the case may be; and

(ii) an analysis of the risk described in clause (i) versus the risk to the vital national interest of the United States by reason of the failure to exercise the waiver authority of subparagraph (A).

SEC. 105. PROMOTING COOPERATION IN MAJOR OPIUM PRODUCING REGIONS OF AFGHANISTAN.

(a) IN GENERAL.—Except as provided in subsection (b), a portion of the amount made available to carry out this title for a fiscal year shall be available for assistance in the major opium producing regions of Afghanistan, including areas within the Badakshan, Helmand, and Qandahar provinces with the goal of assisting in the elimination of poppy cultivation. Assistance under the preceding sentence shall be provided in coordination with the Government of Afghanistan, in consultation with the local leaders of such regions, and in coordination with the counter-narcotics efforts of other donors, particularly the United Nations Drug Control Program (UNDCP), and the European Union and its member states.

(b) LIMITATION.—

(1) IN GENERAL.—Subject to paragraph (2), amounts made available to carry out this title for a fiscal year (except amounts made available for assistance under paragraphs (1) through (3) and subparagraphs (F) through (I) of paragraph (4) of section 104(a)) may not be provided to an opium producing region if, with respect to such region, the Government of Afghanistan does not actively, effectively, and vigorously participate in illicit narcotics suppression activities or if, beginning on September 30, 2003, opium is produced (other than in a de minimis amount, as measured by surveys conducted by the United States Government, the United Nations Drug Control Program, or other reliable sources) in such region. Amounts withheld from an opium producing region by reason of the application of the preceding sentence shall be redistributed to qualifying opium producing regions.

(2) WAIVER.—

(A) IN GENERAL.—The President may waive the restriction on assistance under the first sentence of paragraph (1) with respect to an opium producing region if the President first determines and certifies to Congress that it is in the vital national interest of the United States to do so.

(B) CONTENTS OF CERTIFICATION.—A certification transmitted to Congress under subparagraph (A) shall include—

(i) a full and complete description of the vital national interest of the United States that is placed at risk if assistance to the opium producing region involved is not provided under this section; and

(ii) an analysis of the risk described in clause (i) versus the risk to the vital national interest of the United States by reason of the failure to exercise the waiver authority of subparagraph (A).

(c) ADDITIONAL REQUIREMENT.—The coordinator designated by the President pursuant to section 106(a) and other appropriate officers of the Department of State and the United States Agency for International Development shall ensure that assistance under this title is provided, in appropriate amounts, to opium producing regions of Afghanistan consistent with the requirements of subsections (a) and (b).

SEC. 106. COORDINATION OF ASSISTANCE.

(a) DESIGNATION OF COORDINATOR.—The President is strongly urged to designate, within the Department of State, a coordinator who shall be responsible for—

(1) designing an overall strategy to advance United States interests in Afghanistan;

(2) ensuring program and policy coordination among agencies of the United States Government in carrying out the policies set forth in this title;

(3) pursuing coordination with other countries and international organizations with respect to assistance to Afghanistan;

(4) ensuring that United States assistance programs for Afghanistan are consistent with this title;

(5) ensuring proper management, implementation, and oversight by agencies responsible for assistance programs for Afghanistan; and

(6) resolving policy and program disputes among United States Government agencies with respect to United States assistance for Afghanistan.

(b) ADDITIONAL REQUIREMENT.—An individual designated by the President as coordinator pursuant to subsection (a) may only be an individual who is appointed by the President by and with the advice and consent of the Senate.

SEC. 107. ADMINISTRATIVE PROVISIONS.

(a) APPLICABLE ADMINISTRATIVE AUTHORITIES.—Except to the extent inconsistent with the provisions of this title, the administrative authorities under chapters 1 and 2 of part III of the Foreign Assistance Act of 1961 shall apply to the provision of assistance under this title to the same extent and in the same manner as such authorities apply to the provision of economic assistance under part I of such Act.

(b) USE OF THE EXPERTISE OF AFGHAN-AMERICANS.—In providing assistance authorized by this title, the President should—

(1) maximize the use, to the extent feasible, of the services of Afghan-Americans who have expertise in the areas for which assistance is authorized by this title; and

(2) in the awarding of contracts and grants to implement activities authorized under this title, encourage the participation of such Afghan-Americans (including organizations employing a significant number of such Afghan-Americans).

(c) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount made available to a Federal department or agency to carry out this title for a fiscal year may be used by the department or agency for administrative expenses in connection with such assistance.

(d) MONITORING.—

(1) COMPTROLLER GENERAL.—The Comptroller General shall monitor the provision of assistance under this title.

(2) INSPECTOR GENERAL OF USAID.—

(A) IN GENERAL.—The Inspector General of the United States Agency for International Development shall conduct audits, inspections, and other activities, as appropriate, associated with the expenditure of the funds to carry out this title.

(B) FUNDING.—Not more than $1,500,000 of the amount made available to carry out this title for a fiscal year shall be made available to carry out subparagraph (A).

(e) CONGRESSIONAL NOTIFICATION PROCEDURES.—Funds made available to carry out this title may not be obligated until 15 days after notification of the proposed obligation of the funds has been provided to the congressional committees specified in section 634A of the Foreign Assistance Act of 1961 in accordance with the procedures applicable to reprogramming notifications under that section.

(f) AUTHORITY TO PROVIDE ASSISTANCE.—Assistance under this title may be provided notwithstanding any other provision of law.

SEC. 108. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to the President to carry out this title $200,000,000 for fiscal year 2002, $300,000,000 for each of the fiscal years 2003 and 2004, and $250,000,000 for fiscal year 2005. Amounts authorized to be appropriated pursuant to the preceding sentence for fiscal year 2002 are in addition to amounts otherwise available for assistance for Afghanistan.

(b) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under subsection (a) are—

(1) authorized to remain available until expended; and

(2) in addition to funds otherwise available for such purposes, including, with respect to food assistance under section 104(a)(1), funds available under title II of the Agricultural Trade Development and Assistance Act of 1954, the Food for Progress Act of 1985, and section 416(b) of the Agricultural Act of 1949.

Mr. HYDE. Madam Chairman, I ask unanimous consent that the remainder of the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The text of the remainder of the bill is as follows:

TITLE II—MILITARY ASSISTANCE FOR AFGHANISTAN AND CERTAIN OTHER FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS

SEC. 201. SUPPORT FOR SECURITY DURING TRANSITION IN AFGHANISTAN.

It is the sense of Congress that, during the transition to a broad-based, multi-ethnic, gender-sensitive, fully representative government in Afghanistan, the United States should support—

(1) the development of a civilian-controlled and centrally-governed standing Afghanistan army that respects human rights;

(2) the creation and training of a professional civilian police force that respects human rights; and

(3) a multinational security force in Afghanistan.

SEC. 202. AUTHORIZATION OF ASSISTANCE.

(a) TYPES OF ASSISTANCE.—

(1) IN GENERAL.—(A) To the extent that funds are appropriated in any fiscal year for the purposes of this Act, the President may provide, on such terms and conditions as he may determine, defense articles, defense services, counter-narcotics, crime control and police training services, and other support (including training) to the Government of Afghanistan.

(B) To the extent that funds are appropriated in any fiscal year for these purposes, the President may provide, on such terms and conditions as he may determine, defense articles, defense services, and other support (including training) to eligible foreign countries and eligible international organizations.

(C) The assistance authorized under subparagraph (B) shall be used for directly supporting the activities described in section 203.

(2) DRAWDOWN AUTHORITY.—The President is authorized to direct the drawdown of defense articles, defense services, and military education and training for the Government of Afghanistan, eligible foreign countries, and eligible international organizations.

(3) AUTHORITY TO ACQUIRE BY CONTRACT OR OTHERWISE.—The assistance authorized under paragraphs (1) and (2) and under Public Law 105–338 may include the supply of defense articles, defense services, counter-narcotics, crime control and police training services, other support, and military education and training that are acquired by contract or otherwise.

(b) AMOUNT OF ASSISTANCE.—The aggregate value (as defined in section 644(m) of the Foreign Assistance Act of 1961) of assistance provided under subsection (a)(2) may not exceed $300,000,000, provided that such limitation shall be increased by any amounts appropriated pursuant to the authorization of appropriations in section 204(b)(1).

SEC. 203. ELIGIBLE FOREIGN COUNTRIES AND ELIGIBLE INTERNATIONAL ORGANIZATIONS.

A foreign country or international organization shall be eligible to receive assistance under section 202 if such foreign country or international organization is participating in or directly supporting United States military activities authorized under Public Law 107–40 or is participating in military, peacekeeping, or policing operations in Afghanistan aimed at restoring or maintaining peace and security in that country, except that no country the government of which has been determined by the Secretary of State to have repeatedly provided support for acts of international terrorism under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371), section 6(j)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)), or section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)) shall be eligible to receive assistance under section 202.

SEC. 204. REIMBURSEMENT FOR ASSISTANCE.

(a) IN GENERAL.—Defense articles, defense services, and military education and training provided under section 202(a)(2) shall be made available without reimbursement to the Department of Defense except to the extent that funds are appropriated pursuant to the authorization of appropriations under subsection (b)(1).

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to the President such sums as may be necessary to reimburse the applicable appropriation, fund, or account for the value (as defined in section 644(m) of the Foreign Assistance Act of 1961) of defense articles, defense services, or military education and training provided under section 202(a)(2).

(2) AVAILABILITY.—Amounts appropriated pursuant to the authorization of appropriations under paragraph (1) are authorized to remain available until expended, and are in addition to amounts otherwise available for the purposes described in this title.

SEC. 205. AUTHORITY TO PROVIDE ASSISTANCE.

(a) GOVERNMENT OF AFGHANISTAN.—Assistance to the Government of Afghanistan under this title may be provided notwithstanding any other provision of law.

(b) ELIGIBLE FOREIGN COUNTRIES AND ELIGIBLE INTERNATIONAL ORGANIZATIONS.—

(1) AUTHORITY.—The President may provide assistance under this title to any eligible foreign country or eligible international organization notwithstanding any other provision of law (other than provisions of this title) if the President determines that such assistance is important to the national security interest of the United States and notifies the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate of such determination at least 15 days in advance of providing such assistance.

(2) NOTIFICATION.—The report described in paragraph (1) shall include information relating to the type and amount of assistance proposed to be provided and the actions that the proposed recipient of such assistance has taken or has committed to take.

SEC. 206. SUNSET.

The authority of this title shall expire on December 31, 2004.

AMENDMENT OFFERED BY MR. HYDE

Mr. HYDE. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HYDE:

Page 3, line 16, insert ''civil service, financial,'' after ''health care,''.

Page 10, line 9, insert before the period the following: '', and humanitarian assistance to internally displaced persons, including those persons who need assistance to return to their homes, through the United Nations High Commissioner for Refugees and other organizations charged with providing such assistance''.

Page 11, line 23, strike ''not less than''.

Page 11, line 24, strike ''should'' and insert ''is authorized to''.

Page 14, line 2, strike ''and''.

Page 14, after line 2, insert the following:

(K) programs for housing, rebuilding urban infrastructure, and supporting basic urban services; and

Page 14, line 3, strike ''(K)'' and insert ''(L)''.

Page 15, line 21, strike ''and'' the second place it appears.

Page 15, line 25, strike the period and insert ''; and''.

Page 15, after line 25, insert the following:

(xii) support for establishment of a central bank and central budgeting authority.

Page 18, strike line 4 and all that follows through line 23 and insert the following:

(2) WAIVER.—

(A) IN GENERAL.—The President may waive the application of subparagraph (A) or (B) of paragraph (1) if the President first determines and certifies to Congress that it is important to the national interest of the United States to do so.

(B) CONTENTS OF CERTIFICATION.—A certification transmitted to Congress under subparagraph (A) shall include a memorandum of justification that explains the basis for the determination of the President to waive the application of subparagraph (A) or (B) or paragraph (1).

Page 19, strike line 1 and all that follows through line 13 on page 21 and insert the following:

SEC. 105. PROMOTING COOPERATION IN MAJOR OPIUM PRODUCING REGIONS OF AFGHANISTAN.

(a) IN GENERAL.—Notwithstanding any other provision of law (except as provided in subsection (c)), subsections (a) through (g) of section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j), as in effect on January 9, 2002, shall apply with respect to United States bilateral and multilateral assistance to Afghanistan for each of fiscal years 2003 through 2005.

(b) AUTHORITY TO APPLY SECTION 490 OF THE FOREIGN ASSISTANCE ACT OF 1961.—

(1) IN GENERAL.—The President is authorized and encouraged, to the maximum extent practicable, to apply the provisions of subsections (a), (b), (c), and (e) of section 490 of the Foreign Assistance Act of 1961 to United States bilateral and multilateral assistance to major opium producing regions of Afghanistan, including regions within the Badakshan, Helmand, and Qandahar provinces.

(2) REDISTRIBUTION.—The President is authorized and encouraged to redistribute any United States assistance withheld from an opium producing region pursuant to this subsection to other major opium producing regions of Afghanistan with respect to which United States assistance has not been withheld pursuant to this subsection.

(3) MAJOR OPIUM PRODUCING REGIONS.—The President may define or redefine the boundaries of major opium producing regions of Afghanistan for purposes of this subsection.

(c) REQUIREMENT TO SUPERSEDE.—The provisions of this section shall not be superseded except by a provision of law enacted after the date of the enactment of this Act which specifically repeals, modifies, or otherwise supersedes the provision of this section.

Page 21, line 15, strike ''(a) DESIGNATION OF COORDINATOR.—''.

Page 22, strike line 9 and all that follows through line 13.

Page 23, after line 9, insert the following (and redesignate subsequent subsections accordingly):

(c) DONATIONS OF MANUFACTURING EQUIPMENT; USE OF LAND GRANT COLLEGES AND UNIVERSITIES.—In providing assistance authorized by this title, the President, to the maximum extent practicable, should—

(1) encourage the donation of appropriate excess or obsolete manufacturing and related equipment by United States businesses (including small businesses) for the reconstruction of Afghanistan; and

(2) utilize research conducted by United States land grant colleges and universities and the technical expertise of professionals within those institutions, particularly in the areas of agriculture and rural development.

Page 24, beginning on line 18, strike ''$200,000,000 for fiscal year 2002, $300,000,000 for each of the fiscal years 2003 and 2004,'' and insert ''$300,000,000 for each of the fiscal years 2002 through 2004''.

Mr. HYDE (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

□ 1545

Mr. HYDE. Madam Chairman, I have a bipartisan amendment that I am very pleased to present. It was worked out with the cooperation, and that word describes the gentleman from California (Mr. LANTOS) perfectly, the ranking minority member.

This is primarily technical, but it does make several substantive changes in the bill. For example, it deletes language which would require that $15

million of the amount authorized in the bill for counternarcotics be made available for use by the United Nations Drug Control Program. The amount of $15 million remains authorized, but it would not be earmarked. This was the only earmark in the bill. We fully expect that at least that much money will go to the United Nations Drug Control Program, which has been very helpful in our counternarcotics effort.

This amendment also modifies language in the committee-reported bill to conform the amount of assistance authorized to be appropriated for Afghanistan for fiscal year 2002 to the amount proposed to be appropriated in the House version of the Supplemental Appropriations Act. That is $300 million, instead of $200 million, which was authorized to be appropriated for fiscal year 2002 in the version of H.R. 3994 reported by the Committee on International Relations.

In addition, this amendment deletes language which requires that if the President designates a coordinator of assistance for Afghanistan, that individual shall be appointed with the advice and consent of the Senate. This amendment was requested by the administration, which has already named a coordinator, who is now in place. The administration does not want to pull that individual off his job to wait the many months a Senate confirmation may well require.

Finally, Madam Chairman, we included in this en bloc amendment several recommendations made by Members. At the suggestion of the gentleman from Nebraska (Mr. BEREUTER), we included language that would assure, to the maximum extent practicable, that our President utilize research conducted by U.S. Land Grant Colleges and Universities in the area of agriculture and rural development.

A similar amendment was included at the suggestion of the gentleman from Arizona (Mr. SHADEGG) that our President encourage the donation of appropriate excess manufacturing equipment by United States businesses for the reconstruction of Afghanistan.

Also at the suggestion of the gentleman from New Jersey (Mr. SMITH), we expanded the assistance for voluntary refugee repatriation to include humanitarian assistance to internally displaced persons.

Finally, at the suggestion of the gentleman from Oregon (Mr. BLUMENAUER), we made it clear by adding a new subsection that money should be used for programs for housing, rebuilding urban infrastructure and supporting basic urban services.

I again would like to thank the gentleman from California (Mr. LANTOS) and other Members for their significant contributions. I urge Members to vote in favor of this amendment.

Mr. LANTOS. Madam Chairman, I rise in support of the amendment.

Madam Chairman, I first want to commend my good friend, the chairman of the committee, the gentleman from Illinois (Mr. HYDE), for his amendment. As the gentleman from Illinois knows, our staffs have worked closely together on the text of this amendment, which I believe addresses all of the various concerns expressed by the administration on H.R. 3994; and it conforms this legislation to recent developments.

I do not believe there are any objections on our side to the Hyde amendment, and I urge all of my colleagues to support it.

Mr. BLUMENAUER. Madam Chairman, I move to strike the last word.

Madam Chairman, I deeply appreciate the work that has been done on behalf of the majority and minority, the Chair, the ranking member, and their staffs.

Part of the reason we are in Afghanistan today is because the world turned its back on Afghanistan after the collapse of the former Soviet Union. The Taliban and other thugs and warlords and misfits filled the power vacuum left after the country was devastated. The lesson from past efforts is that you cannot leave a shattered country to its own devices and the tender mercies of the most corrupt and violent.

We have a good start before us today, and it is made better by the elements of the manager's amendment. The Afghanistan Freedom Support Act of 2002 will provide $1.05 billion of reconstruction aid to Afghanistan over 4 years. The bill focuses on creating a stable environment for Afghanistan, addressing a wide variety of issues we have already heard related to on the floor.

It is, however, only a start. The United Nations and the World Bank estimate that reconstruction of Afghanistan will require at least $1.7 billion in the first year, $10 billion over the next 5 years, and $15 billion in the next decade. Given that the world is still reeling, and, indeed, shots are still being fired, others argue that these numbers are far too low and put the overall cost at closer to $30 billion over the next decade. But whatever the amount, we must be sensitive to a critical issue in the long-term political and social economic stability of Afghanistan, and that is the viability of its urban areas.

This is something, Madam Chairman, that really does not get the attention of people in this Chamber, in fact by the Federal Government, as we deal with issues of international security; but the CIA has ranked the problems of urbanization in the developing world as one of the seven top security concerns, suggesting that cities will be sources of crime and instability as ethnic and religious differences exacerbate the competition over scarcer jobs and resources.

The problems of poverty, unsafe drinking water, inadequate access to medical care and sanitation, too often we ignore these as we look at what happens in the rural areas of these developing countries. While we all recognize the importance that agriculture plays in Afghanistan's redevelopment, the role of its cities are critical. It is an important component of rebuilding this war-torn country. It is necessary that the appropriate balance be reached between urban and rural development.

Through many years of civil war and the war on terrorism, the cities of Afghanistan have been devastated. With the real possibility of an influx of people into cities looking for work, especially if the drought continues to damage the agricultural sector, extraordinary challenges will be facing the cities, and these will only be compounded.

Yes, Afghanistan is largely rural. Only 22 percent of the country is urbanized. But with an annual growth rate of 5.3 percent projected over the next 12 years, this problem is going to compound. I had offered up an amendment, which I deeply appreciate having been made a part of the manager's amendment, that seeks an appropriate level of foreign aid to be targeted to restoring the urban infrastructure.

Any attempt to provide assistance to help foster political stabilization and economic development must recognize the critical role that these cities are going to play. This is the area that is the cultural center, of governmental interests, where the politics are going to be played out and where things that in the countryside are difficult, when you are talking about disease, sanitation, lack of potable water, in a city, these become devastating.

In addition, Afghanistan faces a series of challenges that are unique to its history of conflict and war that has devastated the country, the relocation of refugees and the environmental challenges linked to 2 decades of warlike land mines. It is important to recognize the capital city of Kabul is going to be critical to foster the support for the newly restored political regime and help build its new economy.

Today's bill is an important step, and I applaud the work of our committee leadership, the chairman and ranking member, in ensuring Afghanistan's urban areas are included in our aid to this country. It is vital to our long-term political interest and to the economic success of the people of Afghanistan to rebuild their war-torn country and to become an important ally of the United States in years to come.

When we are approaching a period in the next year or two when half of the world's population is going to move to cities, this is a model for the rest of our aid as well.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. HYDE).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. LANTOS

Mr. LANTOS. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LANTOS:

Insert after section 205 of the bill the following (and make such conforming amendments as may be necessary):

SEC. 206. PROMOTING SECURE DELIVERY OF HUMANITARIAN AND OTHER ASSISTANCE IN AFGHANISTAN.

(a) FINDINGS.—Congress finds the following:

(1) The President has declared his view that the United States should provide significant assistance to Afghanistan so that it never again becomes a haven for terrorism.

(2) The delivery of humanitarian and reconstruction assistance from the international community is necessary for the safe return of refugees and is critical to the future stability of Afghanistan.

(3) Enhanced stability in Afghanistan through an improved security environment is critical to the fostering of the Afghan Interim Authority and the traditional Afghan assembly or ''Loya Jirga'' process, which is intended to lead to a permanent national government in Afghanistan, and also is essential for the participation of women in Afghan society.

(4) Incidents of violence between armed factions and local and regional commanders, and serious abuses of human rights, including attacks on women and ethnic minorities throughout Afghanistan, create an insecure, volatile, and unsafe environment in parts of Afghanistan, displacing thousands of Afghan civilians from their local communities.

(5) The violence and lawlessness may jeopardize the ''Loya Jirga'' process, undermine efforts to build a strong central government, severely impede reconstruction and the delivery of humanitarian assistance, and increase the likelihood that parts of Afghanistan will once again become safe havens for Al–Qaeda, Taliban forces, and drug traffickers.

(6) The lack of security and lawlessness may also perpetuate the need for United States Armed Forces in Afghanistan and threaten the ability of the United States to meet its military objectives.

(7) The International Security Assistance Force in Afghanistan, currently led by Turkey, and composed of forces from other willing countries without the participation of United States Armed Forces, is deployed only in Kabul and currently does not have the mandate or the capacity to provide security to other parts of Afghanistan.

(8) Due to the ongoing military campaign in Afghanistan, the United States does not contribute troops to the International Security Assistance Force but has provided support to other countries that are doing so.

(9) The United States is providing political, financial, training, and other assistance to the Afghan Interim Authority as it begins to build a national army and police force to help provide security throughout Afghanistan, but this effort is not meeting the immediate security needs of Afghanistan.

(10) Because of these immediate security needs, the Afghan Interim Authority, its Chairman, Hamid Karzai, and many Afghan regional leaders have called for the International Security Assistance Force, which has successfully brought stability to Kabul, to be expanded and deployed throughout the country, and this request has been strongly supported by a wide range of international humanitarian organizations, including the International Committee of the Red Cross, Catholic Relief Services, and Refugees International.

(11)(A) On January 29, 2002, the President stated that ''[w]e will help the new Afghan government provide the security that is the foundation of peace''.

(B) On March 25, 2002, the Secretary of Defense stated, with respect to the reconstruction of Afghanistan, that ''the first thing . . . you need for anything else to happen, for hospitals to happen, for roads to happen, for refugees to come back, for people to be fed and humanitarian workers to move on the country . . . [y]ou've got to have security''.

(b) STATEMENT OF POLICY.—It should be the policy of the United States to support measures to help meet the immediate security needs of Afghanistan in order to promote safe and effective delivery of humanitarian and other assistance throughout Afghanistan, further the rule of law and civil order, and support the formation of a functioning, representative Afghan national government.

(c) PREPARATION OF STRATEGY.—Not later than 45 days after the date of the enactment of this Act, the President shall transmit to the Committee on International Relations and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate a strategy for meeting the immediate and long-term security needs of Afghanistan in order to promote safe and effective delivery of humanitarian and other assistance throughout Afghanistan, further the rule of law and civil order, and support the formation of a functioning, representative Afghan national government.

Mr. LANTOS (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LANTOS. Madam Chairman, my amendment declares that it should be the policy of the United States to support measures to meet the immediate security needs of Afghanistan and requires the President to submit a strategy for meeting the immediate security needs in Afghanistan.

I want to put my amendment in its proper context, Madam Chairman. There has been no one on either side of the aisle more in support of the President's global war on terrorism than this Member, and that support continues. But I think it is important that while we support the President in this major global bipartisan effort we do not suspend our critical qualities. Our amendment deals with one such issue.

The United States and its coalition partners have freed Afghanistan from the chokehold of all the al Qaeda terrorists and the repressive regime of the Taliban. With the support of the international community, a new interim authority is now in place and the country is now on a path uncertainly towards peace and stability.

That very peace and stability is being threatened as the new government of Afghanistan under Chairman Karzai is being undermined by lawlessness and insecurity. Afghanistan is in grave danger of relapsing to the very conditions of violence and warlordism that created the Taliban and attracted al Qaeda to operate in Afghanistan.

Virtually the only safe place in Afghanistan where people can move freely, where humanitarian organizations and government ministries can deliver much-needed relief assistance and services, is Kabul, the capital, which is under the protection of the International Security Assistance Force known as ISAF. ISAF, soon to be under the leadership of the government of Turkey, has demonstrated how effectively an international security presence contributes to stability and safety.

But Kabul itself is in danger of being overrun as refugees and displaced people continue to flood the capital in search of security. Nearly half of all the returning refugees are going to Kabul, and the city is already struggling to cope with this horrendous influx.

Outside of Kabul, Madam Chairman, Afghanistan continues to be a land of lawlessness, a land where every thug with a rifle can set up an illegal checkpoint to extort money from travelers, while the unarmed and outnumbered police cower in their makeshift headquarters. It is a land where women are still too fearful to remove their burqas and where relief workers risk their lives or have to offer hefty bribes to warlords and drug barons just to provide food and medicine to those in desperate need of assistance.

This is not the vision we had for Afghanistan as we sought to help to liberate it from the grasp of the terrorists and the Taliban. President Bush has pledged to help restore security and rebuild Afghanistan, and Secretary Rumsfeld himself noted on numerous occasions that security is fundamental to all other issues and objectives in Afghanistan. This is certainly not the Afghanistan that Chairman Karzai promised to his people when he asked them to rally behind him and behind the international war on terrorism.

□ 1600

In fact, Chairman Karzai has repeatedly pleaded with the United States and the international community to expand the mandate of the International Security Assistance Force beyond Kabul, and to help address the security situation.

Madam Chair, the purpose of the Afghanistan Freedom and Reconstruction Act is to help transform Afghanistan from a land of repression and chaos into a safe and secure environment where freedom, human rights and democracy can grow and terrorism and opium production will disappear.

The CHAIRMAN. The time of the gentleman from California (Mr. LANTOS) has expired.

(By unanimous consent, Mr. LANTOS was allowed to proceed for 3 additional minutes.)

Mr. LANTOS. Madam Chairman, none of this can be accomplished without security. The United States is providing critical assistance to create a new professional, multi-ethnic Afghan army that will address Afghanistan's long-term security needs. I support this assistance, and the bill before the House today authorizes military assistance to contribute to this effort.

However, building Afghan security forces to the point where they can meet the security needs of Afghanistan will take at least a year-and-a-half and

probably considerably longer. The period between now and the time that the Afghan military force can assume its duties is the critical period to assure the future of a secure Afghanistan. Something must be done now, Madam Chairman, whether it is the expansion of a multinational force or through some other mechanism to stabilize the countryside. Neither we nor our Afghan friends have the luxury to wait until a future security force, as yet only dreamed of, becomes fully trained and deployed.

My amendment requires the administration to address this issue in a constructive manner. It requires the administration to formulate a strategy to increase security in the country during the transition to a fully functioning national army and police force.

I fear that a failure to do so may lead to a failed Afghanistan. It will reduce international assistance. It will delay the accomplishment of our military objectives far longer. It will compel our military to stay in the region.

Madam Chairman, it is for all of these reasons that I offer my amendment, and I urge my colleagues to join me in supporting it, in supporting the people of Afghanistan. Without security, our courageous military's effort will be in vain. We must provide security throughout the whole of the country, not just in the capital city of Kabul. This makes common sense. It makes military sense. It will advance and promote U.S. national security.

Mr. HYDE. Madam Chairman, I rise in support of the amendment.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Madam Chairman, I want to enthusiastically accept the amendment offered by the gentleman from California (Mr. LANTOS). It improves the bill greatly. It emphasizes the importance of creating a secure environment in Afghanistan to ensure that humanitarian agencies will have access to meet the emergency needs of the Afghanistan people, and it calls on the President to develop a plan to address security concerns in Afghanistan.

To those people who might think this is too prescriptive, too interventionist, I think otherwise. I think it is only prudent to suggest to the President that we are authorizing a lot of money and we have a lot of things to be done, and we are expressing our hope and our request really that he come up with a strategy for employing the funds and the resources we are authorizing, because it is vitally important that we not flounder over there, that we know what we are doing, and that people think about an orderly way to bring security and stability to that part of the country. This is prudent, it is wise, and I hope my colleagues will accept it.

Madam Chairman, I congratulate the gentleman from California (Mr. LANTOS) for adding it to our bill.

Mr. ACKERMAN. Madam Chairman, I move to strike the requisite number of words, and I rise in support of the Lantos amendment.

Madam Chairman, I congratulate the gentleman from California for offering his amendment, because it highlights a particularly important aspect of our current efforts in Afghanistan. Everything we have achieved to the present time is dependent on the security situation in Afghanistan. No level of assistance will be effective if aid workers cannot reach those in need.

Indeed, the Committee on International Relations received testimony from AID administrator Andrew Natsios that the current security situation on the ground is unsuitable for rapid or sustainable change. The Secretary of Defense has also said that before anything else can happen in Afghanistan, there must be security.

Yet, humanitarian aid organizations have reported threats to their workers and attempts at extortion by local commanders. These conditions will not only threaten the delivery of humanitarian assistance, but they will make it impossible to establish an effective program of reconstruction.

Recent events such as the assassination attempt on Defense Minister Fahim, the foiled plot to kill Afghanistan's King Zahir Shah, which delayed his return to his country, and the tragic killing of a United Nations aid worker are all part of a disturbing pattern of rising violence, a pattern that threatens to undermine the Loya Jirga process. In fact, Human Rights Watch reports that insecurity in certain provinces has caused the cancellation of Loya Jirga elections in portions of those provinces.

Madam Chairman, there are immediate security needs that as of now are going unmet. If we do not address the situation now, U.S. troops who are on the ground will have to stay in Afghanistan even longer. Such insecurity aspects put our troops at greater risk and threaten our ability to meet our military objectives in Afghanistan.

I know that the administration is opposed to expanding the International Security Force beyond the boundaries of Kabul, and I know the President supports the training of an Afghan police force and a national army. I support the President in the rebuilding of these institutions. Afghanistan should ultimately be responsible for their own security. But these are long-term solutions. Even the Department of Defense acknowledges that it will be at least 18 months before a national army is ready. What are the citizens of Afghanistan to do in the meantime?

We need a strategy to bridge the gap between now and the time when the Afghans can truly provide their own security across the country and that, Madam Chairman, that is what the amendment asks for.

Since the President has already foreclosed the option of expanding the International Security Assistance Force, I believe that it is incumbent upon him and the administration to provide an alternative solution. Without U.S. leadership on this question, nothing will be done to address it. The President has said, and I agree, that Afghanistan's persistent poverty, war, and chaos laid the groundwork for the Taliban to seize power. If nothing is done now to address the security situation in Afghanistan, we risk plunging that nation back into the conflict from which it has so recently emerged.

Madam Chairman, the Lantos amendment can help us to avoid that fate, and I urge all of our colleagues to support it.

Mr. PAUL. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in opposition to the amendment. The President has not been interested in this legislation. I do not see a good reason to give him the burden of reporting back to us in 45 days to explain how he is going to provide for Afghan security for the long term. How long is long term? We have been in Korea now for 50 years. Are we planning to send troops that provide national security for Afghanistan? I think we should be more concerned about the security of this country and not wondering how we are going to provide the troops for long-term security in Afghanistan. We should be more concerned about the security of our ports.

Madam Chairman, over the last several days and almost continuously, as a matter of fact, many Members get up and talk about any expenditure or any tax cut as an attack on Social Security, but we do not hear this today because there is a coalition, well built, to support this intervention and presumed occupation of Afghanistan. But the truth is, there are monetary and budget consequences for this.

After this bill is passed, if this bill is to pass, we will be close to $2 billion in aid to Afghanistan, not counting the military. Now, that is an astounding amount of money, but it seems like it is irrelevant here. Twelve months ago, the national debt was $365 billion less than it is today, and people say we are just getting away from having surpluses. Well, $365 billion is a huge deficit, and the national debt is going up at that rate. April revenues were down 30 percent from 1 year ago. The only way we pay for programs like this is either we rob Social Security or we print the money, but both are very harmful to poor people and people living on a limited income. Our funds are not unlimited.

I know there is a lot of good intention; nobody in this body is saying we are going over there to cause mischief, but let me tell my colleagues, there is a lot of reasons not to be all that optimistic about these wonderful results and what we are going to accomplish over there.

Madam Chairman, earlier the gentleman from California (Mr. ROHRABACHER) came up with an astounding reason for us to do this. He said that

we owe this to Afghanistan. Now, I have heard all kinds of arguments for foreign aid and foreign intervention, but the fact that we owe this to Afghanistan? Do we know what we owe? We owe responsibility to the American taxpayer. We owe responsibility to the security of this country.

One provision of this bill takes a $300 million line of credit from our DOD and just gives the President the authority to take $300 million of weapons away from us and give it to somebody in Afghanistan. Well, that dilutes our defense, that does not help our defense. This is not beneficial. We do not need to have an occupation of Afghanistan for security of this country. There is no evidence for that.

The occupation of Afghanistan is unnecessary. It is going to be very costly, and it is very dangerous.

My colleagues might say, well, this is all for democracy. For democracy? Well, did we care about democracy in Venezuela? It seemed like we tried to undermine that just recently. Do we care about the democracy in Pakistan? A military dictator takes over and he becomes our best ally, and we use his land, and yet he has been a friend to the Taliban, and who knows, bin Laden may even be in Pakistan. Here we are saying we are doing it all for democracy. Now, that is just pulling our leg a little bit too much. This is not the reason that we are over there. We are over there for a lot of other reasons and, hopefully, things will be improved.

But I am terribly concerned that we will spend a lot of money, we will become deeply mired in Afghanistan, and we will not do a lot better than the Soviets did.

Now, that is a real possibility that we should not ignore. We say, oh, no, everything sounds rosy and we are going to do this, we are going to do it differently, and this time it is going to be okay. Well, if we look at the history of that land and that country, I would think that we should have second thoughts.

It has been said that one of the reasons why we need this legislation is to help pay for drug eradication. Now, that is a good idea. That would be nice if we could do that. But the drug production has exploded since we have been there. In the last year, it is just going wild. Well, that is even more reason we have to spend money because we contributed to the explosion of the drug production. There is money in this bill, and maybe some good will come of this; there is money in this bill that is going to be used to teach the Afghan citizens not to use drugs.

The CHAIRMAN. The time of the gentleman from Texas (Mr. PAUL) has expired.

(By unanimous consent, Mr. PAUL was allowed to proceed for 2 additional minutes.)

□ 1615

Mr. PAUL. Mr. Speaker, if this is successful, if we teach the Afghan people not to use drugs, that would be wonderful. Maybe then we can do something about the ravenous appetite of our people for drugs which is the basic cause of so much drug production.

So to spend money on these kinds of programs I think is just a little bit of a stretch. Already there have been 33 tribal leaders that have said they will not attend this Loya Jirga, that they are not going to attend. The fact that we are going to spend millions of dollars trying to gather these people together and tell them what to do with their country, I think the odds of producing a secure country are slim.

Already in the papers just a few weeks ago it was reported in The Washington Post that our CIA made an attempt to assassinate a former prime minister of Afghanistan. He may have been a bum for all I know, but do Members think that sits well? He was not an ally of bin Laden, he was not a Taliban member, yet our CIA is over there getting involved. As a matter of fact, that is against our law, if that report is true. Yet, that is what the papers have reported.

So I would say that we should move cautiously. I think this is very dangerous. I know nobody else has spoken out against this bill, but I do not see much benefit coming from this. I know it is well motivated, but it is going to cost a lot of money, we are going to get further engaged, more troops are going to go over there; and now that we are a close ally of Pakistan, we do know that Pakistan and India both have nuclear weapons, and we are sitting right next to them. So I would hardly think this is advantageous for our security, nor advantageous for the American people, nor advantageous to the American taxpayer.

I see this as a threat to our security. It does not reassure me one bit. This is what scares me. It scares me when we send troops into places like Vietnam and Korea and other places, because it ultimately comes back to haunt us.

Mr. SAWYER. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, it is a privilege here today to rise on behalf of the Lantos amendment and to express my gratitude, both to him and to the chairman of the Committee, for their bipartisan work on this overall bill, and to rise in support of this amendment.

I think it is very clear that if we are to accomplish the worthwhile goals that have been expressed in the body of this bill and in the previous Hyde amendment, that the substance embodied in the Lantos amendment is a requisite to achieve that.

In an interesting kind of way, I have to say that I find something to agree with in the previous speaker's remarks. We do not have to look much further than our own hemisphere, south to Colombia, to see the consequences of failing to address the importance of stabilizing conditions before we attempt to achieve real reform.

All we have to do is to look at what is going on with refugees and internally displaced populations there to understand the enormously destabilizing effect that those populations have in a country where we have not achieved the kind of security that is contemplated in the Lantos amendment.

In Afghanistan, the U.N. High Council on Refugees estimates that there are some 1 million internally displaced persons. There are some 3.7 million refugees in Iran and Pakistan that may well return. Of those displaced persons, some 1.5 million children have lost a parent, and over half a million of those have lost both parents. The strain that that places on a society attempting to stabilize itself is extraordinary.

We need to understand, though, that for those who would argue that dealing with that kind of problem is addressing the symptom rather than the cause, we need to understand that when it comes to instability, those kinds of displaced persons and populations straining at the infrastructure of a nation are not only a symptom of instability, but are in themselves a cause and exacerbator of that kind of instability.

We will not be able to address those kinds of problems until we have the kind of stability that is anticipated in the Lantos amendment.

So in conclusion, I would suggest that the lessons that we have learned over a difficult time in this hemisphere give us guidance as to the kinds of problems that we are capable of avoiding with the kind of wisdom, careful analysis, insight, and action that is contemplated in the Lantos amendment. I rise in support of that amendment.

Ms. WOOLSEY. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I also rise in strong support of the Lantos amendment. The Lantos amendment encourages the President of our country to improve security in Afghanistan and to support that effort. With women's security being most at risk, this amendment is especially critical for their quality of life and for their future.

A secure and stable Afghanistan is important for all the international community and for all Americans who value human rights and value democracy. Taliban rule in Afghanistan has illustrated how systematic violations against women, sanctioned by the governing authorities, can lead to danger and instability in those areas. Clearly, a country is not stable and/or democratic if half of its population remains oppressed.

Recent events have opened the door to a restoration of the rights of Afghan women, and today a fledgling government is forming; yet unacceptable violations against women continue. Afghanistan may soon enjoy its new democratic legislature; yet Afghan women are daily threatened with sexual violence and public intimidation.

The Lantos amendment seeks to improve the lives of Afghan women, and that is why I urge all of my colleagues to support it. I thank the gentleman from California (Mr. LANTOS) for providing this amendment.

Mr. ROHRABACHER. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in strong support of the Lantos amendment.

Just to mention a few of the points that have been made here that might need a little bit of clarification, when we talk about the money that is being spent here, yes, it does cost us money to do something. I think the American people need to consider exactly how much money we are talking about. They also need to consider how much money we have already spent because we were not responsible in the years past.

I think the $2 billion that this project will cost us, $2 or $3 billion, I am not sure at the end exactly how much it is going to cost, but I am sure that it is far less expensive than what it has cost us in rebuilding lower Manhattan and the Trade Center, and I am sure it cost us a lot more for not being responsible in the years past. If we would have spent this money 10 years ago or 5 years ago, perhaps we would have saved hundreds of billions of dollars, which is what this will cost us in the end.

When we left, yes, it is very difficult for one to imagine that we would owe a people who fought for our freedom a debt. Yes, it is very difficult for us to imagine that a group of people like the people of Afghanistan, who lost a huge percentage of their population in fighting the Soviet Army, in alliance with the United States, that we owe them a debt, because after what they did with their courage, their blood, the sacrifices of their families and homes, it made the world safer because it broke the will of the Soviet leadership, and shortly thereafter the Soviet Union disintegrated. It probably would not have done so if it was not for the courage and the tenacity and the sacrifice of the people of Afghanistan, who we encouraged to go and do our fighting for us.

Yes, we owe the people of Afghanistan a debt, and when we did not repay that debt, and when we walked away and told them to sleep in the rubble and let their children continue to be blown apart by land mines that we had given them to plant during the war against the Soviets, but we did not bother to stick around to help them clear them after the war was over, yes, there was a void. That void was filled by the Taliban and that void was filled by bin Laden and that void was filled by evil. When good people are not responsible and walk away, that void is usually filled by the evil people of this world. If there is any lesson of history, that is the lesson of history.

It is not the ''loyal jerga,'' however you pronounced it, I say to the gentleman from Texas (Mr. PAUL). It is called a Loya Jirga. It is not a gathering of people who are being gathered for us to tell them what to do; this is a noble effort on our part to have all of the tribal leaders and local leaders of Afghanistan to gather together so they can determine what they want for their country, and it is something we should be proud of.

Yes, there is a $300 million cost, military cost, to that. That $300 million is a drawdown so that the government of Afghanistan can create a military force that will permit Afghanistan to again be a unified country, rather than torn apart by warlords who are more powerful than the government, which is committed to the rights and liberties of their people at the center. We need to work with those people who want to rebuild a free and democratic Afghanistan.

For 10 years, I tried to struggle to get the King of Afghanistan back, who was dedicated to serving the role that other monarchs have served in situations like that, in Spain and in Greece and elsewhere, as a transition figure to democracy. I was opposed by our State Department, who undermined that effort. I am sure there are a lot of regrets now in our government that what we did not do in the past ended up creating this horrible situation on September 11, where thousands of Americans died.

But I can assure my colleagues that we will not have to have that same regret if we do what is right today, because, yes, there will be problems in the future, but those problems will be much greater if we do not act. If we do not back those people who are positive and want to have more democracy and want to respect the rights of their people, other people will fill the void, and then our challenges and problems and costs will be much greater.

What we are proposing today is a good deal. Yes, it costs money. It is a good deal. Also, let us not forget that other people around the world are joining us, and if we refrain from picking up our share of the load to help rebuild Afghanistan, our neighbors throughout the world will note that and they will not do their share. So this is a good deal in order to achieve a safer planet for our people, a safer country here, and also to pay that debt that we owe to the people of Afghanistan.

Mrs. TAUSCHER. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I would speak in support of the Lantos amendment. I would like to state my strong support for the Lantos amendment on improving security in Afghanistan. The Afghanistan Freedom Support Act provides critical economic and humanitarian assistance to Afghanistan; but without a security component to this aid, we have no means of assuring that our help will be effective or promote Afghanistan's long-term reconstruction.

The defeat of the Taliban and of all the positive social and political changes that came with it could not have taken place without United States leadership. I am seriously concerned, however, that our investment will be wasted if we do not directly consider how the United States can improve long-term security in Afghanistan.

In February, during testimony before the Committee on Armed Services, General Tommy Franks, Commander in Chief of the United States Central Command, restated President Bush's pledge to build ''a lasting permanent solution for Afghanistan's security needs.'' The President's words have never been more relevant.

Since Chairman Karzai took the head of the interim government, one of his ministers has been killed, militia factions are fighting for influence, the refugee situation is worsening, and general lawlessness throughout the country is threatening the government's effectiveness.

By the end of the month, over 400 districts throughout Afghanistan must elect 16,000 delegates. They in turn will choose about 1,000 local leaders to participate in the new Afghan parliament. This is a delicate process that can easily be derailed.

The requirement in the amendment that the President submitted to Congress of the strategy for meeting Afghanistan's security needs is essential. This strategy should consider the use of U.S. military assets. At a time when U.S. troops are engaged in conflicts across the globe, from the Philippines to Georgia, it would be irresponsible for us to walk away from the one country where we have achieved victory without securing peace. A safe and secure Afghanistan is in the United States' national interest.

I applaud the acceptance by the gentleman from Illinois (Chairman HYDE), and I urge my colleagues to support the bill. It was a good bill, and it is a better bill with the Lantos amendment.

□ 1630

Mr. FORD. Madam Chairman, I move to strike the requisite number of words.

Madam Chairman, I rise in support of this Lantos amendment. Never before, at least in my short time, I am just 32 years old, Madam Chairman, has America's standing been more precarious than it is today. In a lot of ways our need and responsibility to lead has never been greater. I have listened to some of my colleagues, particularly my friend, the gentleman from Texas (Mr. PAUL), who raised some interesting points about national security and whether or not we should shoulder the President with this burden when, in fact, he has not asked for it. We in this Congress have a tendency of burdening different agencies and departments with things that they did not ask for. That should not be a reason to defeat this amendment.

We have developed a reputation across the globe, whether we like it or not, and I see my friend, the gentlewoman from Texas (Ms. JACKSON-LEE) and I was proud to join her and 7 other colleagues on a trip to Kurdistan, Uzbekistan, Afghanistan some several months ago. We have developed, I think wrongly, as a Nation that being a country that supports things that narrowly benefit us or that is convenient to us and withdrawing in times when it may be inconvenient in the smallest ways. The rules of globalization call that we be better citizens. Part of that citizenship, I believe, is supporting this amendment; and coming to understand that for Chairman Karzai, whom the gentleman from Ohio (Mr. HOBSON) and the ranking member on the Subcommittee on Military Construction, Committee on Appropriations, the gentleman from Massachusetts (Mr. OLVER), and the gentleman from Maine (Mr. ALLEN), and the gentleman from California (Mr. ROYCE), and my friend, the gentleman from Ohio (Mr. NEY), and the gentleman from Michigan (Mr. ROGERS), and the gentleman from North Carolina (Mr. HAYES). Part of what we learned on this trip from Chairman Karzai is that he cannot accomplish the many things we all heard the President speak so eloquently about back in January and have heard Defense Secretary Rumsfeld talk about at length every day in his news conferences. We cannot accomplish the kind of peace and stability and bring about conditions for progress until we create a very stable and secure environment, not only there in Kabul but outside of that area as well.

We traveled there, as I said, and gained a greater appreciation for our men and women serving us there. For anyone who believes that young people are incapable of doing monumental things, I say one needs look no further than the U.S. military, and certainly the young men and women who are protecting and defending not only our interests but the free world's interests there in Baghram and all of our air bases in Manaos and certainly there at K–2.

It is my hope that we in this Congress will have the courage to urge the President and the administration to do all that is laid out here in this Lantos amendment.

I close on this note. We have made so many great strides in this country over the last several years in science and medicine and technology and we will continue to do those things. One of the challenges that my generation, I think, will have, Madam Chairman, is to figure out ways in which not only we use all of that technology and science and advancements here in America but around the globe, but also to figure out how we take the human spirit and try to transfer that as well. Because I think the way we are thought about in other parts of the world, particularly Central Asia, is unfair to all Americans, certainly to the good works of this Congress, this Senate and even this President is attempting and have been done in the past. There has been no greater citizen for freedom and no greater advocate for freedom and voice for freedom over the years than the gentleman from California (Mr. LANTOS) whether it is the Middle East or Africa or other parts of the world.

It is my hope that this amendment is passed and that this Congress will take a harder and more thoughtful look and have a kind ear when it comes to foreign aid and issues affecting foreign countries. Because if, indeed, we want to contain or limit terrorism, we must come to grips with the fact that winning the war in Afghanistan alone will not accomplish that. Until we are willing to reach out and educate and close some of the awful gaps that exists between men and women, some of the awful disparities that exist between the children of our country and children around the globe, we will continue to be bedeviled with the challenges we saw on September 11 and continue to hear the kinds of threats that even Director Mueller and General Ashcroft are issuing today.

Madam Chairman, I urge support for the Lantos amendment.

Mr. FARR of California. Madam Chairman, I move to strike the requisite number of words.

(Mr. FARR of California asked and was given permission to revise and extend his remarks.)

Mr. FARR of California. Madam Chairman, I rise today in strong support of the Lantos amendment and the underlying bill, the Afghanistan Freedom Support Act.

The Afghanistan Freedom Support Act makes good on America's promise not to abandon Afghanistan. Our commitment to Afghanistan will be a testament to America's commitment to its allies in the war on terror. The most important commitment that the United States can make, however, is to support the security of our Afghan allies and friends. Without security, there can be no infrastructure rebuilding, no eradication of narcotics cultivation, no economic revitalization, no improved education and health care. None of our well-intentioned programs, which ultimately will be assumed by the Afghans themselves, will find any success without adequate security measures.

Security is most certainly not a partisan issue. Here we all agree that security is fundamental to prosperity. I am sure then that many of my colleagues shared my dismay when President Bush announced that the U.S. would not support an extension of Internal Security Assistance Force, the ISAF, to other major cities in Afghanistan besides Kabul. It contradicted the President's announcement that he would like to see the Peace Corps' Crisis Corps and eventually the Peace Corps volunteers back in Afghanistan as soon as possible.

Everybody in this body knows that I am one of the strongest supporters of the Peace Corps, having served as a volunteer in Colombia in the 1960s. I advocated strongly for expansion of the Peace Corps. I was the loudest to cheer when the President boldly committed himself to double the number of Peace Corps volunteers by the year 2007. I am also supportive of the President's intention to call upon the Peace Corps to help rebuild and revitalize Afghanistan. As their Peace Corps brothers and sisters went before them, the new volunteers will bring the great American gifts of optimism and enthusiasm to their important work in the Afghanistan villages. Nonetheless, we can not expect Peace Corps volunteers, even the Crisis Corps volunteers, to operate in a climate of insecurity that now reigns in Afghanistan.

I would like to bring our attention to an editorial from The Washington Post from April 27 of this year. I will submit this document for the RECORD.

The article was written by Anna Seleny, a political science teacher at Princeton, but also the last Peace Corps volunteer to be evacuated from Afghanistan in 1987 before the Soviet invasion. Miss Seleny believes, as I do, that the Peace Corps can play an important role in restoring peace and prosperity to Afghanistan. However, the ability of volunteers to play that role will be seriously compromised by the violence and impunity that still reigns there. Without security, the volunteers' mission will fail. Miss Seleny fears that they will be withdrawn again, and I fear worse.

What is required now is to be realistic. Without security and order, there can be no peace and prosperity. If we want the latter, we must also provide the former. I think that helping Afghanistan is the right thing to do. But let us do the job right. Let us expand the security mission beyond Kabul to cover other cities to other provinces. Let us help the Afghanistan democratic process by protecting the Loya Jirga from threats and intimidations. Let us help make it safe for women and girls to go outside and walk the streets without fear of attack. Let us help create an environment where Afghans can afford to stop dwelling on the past and worrying about the present, and allow them to think about the future, to dream and to build better lives for themselves and their families.

The Lantos amendment most reasonably asks the administration to prepare a strategy to meet the security needs of Afghanistan. It is an important first step towards meeting our obligations and laying the foundations for its successful U.S. policy in the region.

I thank my colleagues for their attention and consideration and urge them to support the Lantos amendment and the underlying Afghan Freedom Support Act.

[From the Washington Post, Apr. 27, 2002]

THE PEACE CORPS WILL NEED SOME BACKUP

(By Anna Seleny)

If things go according to the Bush administration's plan, the Peace Corps will be back in Afghanistan soon. This makes sense; it could spur Afghan reconstruction while teaching idealistic young Americans about the realities of life in the developing world.

But these laudable aims can be accomplished only if the administration agrees to extend the mandate of the international peacekeeping force there, and expand it to cover the provinces. I speak from experience; I was the last Peace Corps volunteer evacuated from Afghanistan in 1979 before the Soviet invasion.

I arrived in Kabul in January 1978 and was assigned to work in a health clinic north of Mazar-e-Sharif, near the Uzbek border. Three months later bombs started to fall, as part of a Soviet-backed coup in which the Communist ''People's Democratic Party'' murdered President Mohammed Daoud, the last ruling member of the Mohammedzai dynasty. After several days of intense fighting, an eerie calm settled over a capital now under strict military curfew. My most vivid memory of the following weeks is of riding my bicycle past ever-lengthening lines of people waiting outside prisons for news of relatives who had disappeared. Many never got answers, and the new regime's duplicity and brutality were only the beginning of the country's long nightmare.

Like other Peace Corps volunteers, I was given the option of leaving without dishonor or continuing my work. About a dozen of us stayed (out of approximately 150). It was no longer considered safe to work in the provinces, so I was reassigned to the Afghan Institute of Technology in Kabul. As the new regime tightened its grip, some of my friends and colleagues began to distance themselves from anything American, for self-protection; one even adopted Marxist rhetoric overnight. Others overcame their fears and continued to insist that I come to their homes. Eventually, after the assassination of American Ambassador Adolph Dubs, the rest of us were withdrawn, along with all but a skeleton embassy staff.

Today, after more than two decades of war and poverty, most Afghans want U.S. help in restoring a measure of peace, prosperity and normality to their country. The Peace Corps can play an invaluable role in this delicate task: serving as goodwill ambassadors and helping communities provide basic services to a population in desperate need. For quite some time, however, the Peace Corps volunteers will have to go about their tasks in a highly unstable local and geopolitical context. Afghan internal rivalries are still erupting in fierce vendettas, and no national government can exercise credible authority, let alone punish the perpetrators of violence. Some regions of the country remain dominated by former warlords. Without an expanded international peacekeeping force, there could be a major conflagration between dominant groups holding power in Kabul and their provincial rivals.

The administration is right to stress the need for reconstruction aid. But it seems poised to repeat America's mistakes in the region: committing too few resources for too short a time, and thus ultimately failing to secure hard-won gains. Before angry groups in Afghanistan can cooperate to put their country back on its feet, the peace must be fully secured—something beyond the power of the interim government, and probably the first post-conflict government as well. This is why the Afghans themselves have asked that the international peacekeeping force be significantly expanded in both time and scope.

Without some kind of force in place capable of maintaining order, moreover, any new Peace Corps volunteers will probably have to be withdrawn as things fall apart, just as we were in 1979. This would not only be a public relations disaster and a waste of substantial rhetorical, military and political capital; it would also be a historic lost opportunity.

Some speak of Afghanistan as if it had always been in turmoil, as if its ethnic and tribal groups had never reached a workable accommodation. Don't believe them. Before 1979 Afghanistan was miserably poor, but people did not starve. Daoud's government had serious flaws, but it was a moderate republic. There was increasing political and social pluralism, including enhanced freedoms and a range of professional careers for women. By the late 1970s Afghanistan had achieved a kind of rough tribal democracy that might well have developed into something better with time. The country also had a professional, multi-ethnic army of which many Afghans were justly proud, and a growing middle class.

The potential for a more prosperous and peaceful Afghanistan is there. The Peace Corps is at its best when helping distressed nations dig out from under. But for the Corps to do its job, somebody else must first keep the peace. And keeping the peace requires a firm commitment that, like the mission of the Peace Corps itself, conveys to Afghans and the world the patient determination that is the hallmark of true world leadership.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. LANTOS).

The question was taken; and the Chairman announced that the ayes appear to have it.

Mr. LANTOS. Madam Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from California (Mr. LANTOS) will be postponed.

Mr. BLUMENAUER. Madam Chairman, I move to strike the last word for purposes of entering into a colloquy.

Madam Chairman, once again I appreciate the efforts of our diligent colleagues, the chairman of our committee, the gentleman from California (Mr. LANTOS), the ranking member, and the gentleman from California (Mr. ROHRABACHER) in their work with me on an important issue for assistance for the unintended victims of the war in Afghanistan.

The current military operations in the United States Armed Forces and other allied forces in Afghanistan are directed against the members of Taliban and other terrorist organizations, not against the people of Afghanistan. Although the United States and our allies have demonstrated enormous good will towards the people of Afghanistan who have suffered under the former Taliban regime, there have been numerous unintended victims of the current military operations by us and other allied countries.

In the past the United States has provided aid to civilian casualties of military operations. Assistance should be provided to individuals who are unintended victims of the current military operation as well. The men and women of our armed forces are well trained and there is no question that they do their job very, very well. Nonetheless, even in the most justified of wars, civilians will suffer and some will be killed.

In the aftermath of the Afghanistan campaign, we feel it is important for the United States to assist these people and particularly to help unintended victims who have suffered directly due to our munitions. There are children that have been injured or left to fend for themselves because adult members of their families have been mistakenly killed; widows who have been left to care for children without means to provide for food, health and clothing. Other victims have suffered property loss or personal injury.

Despite humanitarian efforts, women and children remain victims of this war and desperately, desperately need our help. I believe that providing this assistance speaks to the highest values of our Nation and of our people. It would be an important good will gesture for us to help these unintended victims of the war against terrorism that was appropriately and ably spearheaded by our country in Afghanistan.

Madam Chairman, I yield to the gentleman from Illinois (Mr. HYDE) to respond.

Mr. HYDE. Madam Chairman, I thank the gentleman for yielding.

My colleague from Oregon reminds us of the sad situation that unfortunately comes along with any war, unintended victims. Facing one's enemy in battle is hard enough; knowing that others may have perished without participating in the war is tragic. I am pleased, however, that the legislation before us will help the people of Afghanistan in a substantial way. It provides serious economic, democratic development and military aid. It will assist in meeting the urgent humanitarian needs of the Afghan people including food, shelter, medical care, family reunification services and the clearance of land mines. It will also assist refugees and internally displaced persons, eradication of illicit narcotics, and reconstruction efforts.

I am hoping these efforts will provide some comfort to the innocent people of Afghanistan who have had to bear witness to the evils of terrorism and this war.

If history was our guide, we are assured that the United States will undertake a serious investigation, examining these matters, and act accordingly to directly assist those injured or killed by tragic mistakes or accident.

I would be pleased to support the gentleman in moving legislation through the Committee on International Relations that would achieve those ends at the appropriate time. In the meantime, I agree with the gentleman that the unintended victims and their families should receive priority in receiving assistance under this legislation, if at all possible.

I hope this has satisfied the gentleman's inquiry.

Mr. BLUMENAUER. Madam Chairman, I thank the gentleman. I appreciate the gentleman's leadership and his words of direction. At this point I would yield to the ranking member of the committee, my good friend, the gentleman from California (Mr. LANTOS).

Mr. LANTOS. Madam Chairman, I thank the gentleman for yielding and I thank him for his thoughtful remarks and for his very genuine and sincere interest in this matter.

Clearly there have been unintended innocent victims during our military operations, and I fully agree with my friend, the gentleman from Oregon (Mr. BLUMENAUER), that U.S. assistance should be provided to such victims and their families.

I also strongly endorse the commitment of our chairman to bring forward appropriate legislation on this issue, and I look forward to working with him and with my friend from Oregon on this matter and I thank the gentleman for yielding.

□ 1645

Mr. BLUMENAUER. Madam Chairman, I yield to the gentleman from California (Mr. ROHRABACHER) to seek his comments on the subject of this colloquy.

Mr. ROHRABACHER. Madam Chairman, I thank the gentleman for yielding to me.

I agree with both of my colleagues, or all three of my colleagues, of the tragedy of unintended victims of the war and when we have a situation we are fighting against terrorism.

The CHAIRMAN. The time of the gentleman from Oregon (Mr. BLUMENAUER) has expired.

(On request of Mr. HYDE, and by unanimous consent, Mr. BLUMENAUER was allowed to proceed for 1 additional minute.)

Mr. BLUMENAUER. Madam Chairman, I continue to yield to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Madam Chairman, the tragedy of unintended victims in this war against terrorism should be investigated in order to determine the best manner of assisting them, and their claims should be dealt with if they are shown to be valid claims.

Afghan's civilians who have lost family members or homes due to being caught in a crossfire during the hostilities between the coalition forces and the Taliban or al Qaeda fighters need our help. This legislation is a big step in the right direction. It is my strong desire to see that these people, the unintended victims of this war, are granted a priority consideration for reconstruction assistance under this legislation.

This is the moral and the right thing to do, and I thank the gentleman for his efforts to make sure that we do the right thing.

Mr. BLUMENAUER. Madam Chairman, reclaiming my time, I deeply appreciate the strong words of comfort and support and wisdom from my three colleagues. I know this will make a huge difference, not just to people in Afghanistan, but from what we have been hearing, of an outpouring of concern by Americans who are concerned about unintended victims, and this is an important step forward.

AMENDMENT OFFERED BY MR. HOEFFEL

Mr. HOEFFEL. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOEFFEL:

Page 21, beginning on line 15, strike ''is strongly urged to designate'' and insert ''shall designate''.

Page 21, line 17, insert ''who shall report to the Assistant Secretary for South Asian Affairs and'' after ''coordinator''.

Page 22, after line 8, insert the following:

(b) ADDITIONAL REQUIREMENT.—An individual designated by the President as coordinator pursuant to subsection (a) may only be an individual who is appointed by the President by and with the advice and consent of the Senate.

Mr. HOEFFEL (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HOEFFEL. Madam Chairman, the original bill, the Afghanistan Freedom Support Act, urged the creation of a coordinator at the Department of State for aid to Afghanistan and mandated that this coordinator be appointed with the advice and consent of the Senate. I am disappointed that these two provisions have been removed from the bill by the chairman's amendment.

My amendment would do three things. It would mandate that the President designate a coordinator for Afghanistan aid within the State Department. It would mandate that the coordinator report to the Assistant Secretary for South Asian Affairs, and it would mandate that this coordinator be designated with the advice and consent of the Senate.

Madam Chairman, one of the biggest problems in planning and implementing an Afghan aid program is the plethora of agencies and operations within the United States Government, each responsible for a portion of the overall program, a piece of the pie. There is a lack of a central coordinating authority to provide direction to these agencies.

A Senate-confirmed coordinator would establish prominent State Department leadership for this new program. The stature of this person would automatically command, would help the State Department rein in all of the 13 agencies that currently work on aid and policy affecting Afghanistan.

H.R. 3994 is a solid bill that will do very well to address the development needs of Afghanistan. It is a good start. It is not enough. If we want to eradicate terrorism, that fight will have to extend beyond Afghanistan's borders.

I want to thank the gentleman from Illinois (Mr. HYDE), the chairman, and the gentleman from California (Mr. LANTOS), the ranking member, for supporting the insertion of my language into the declaration of policy section during committee consideration, that the U.S. should implement a broader comprehensive aid program that extends beyond the borders of Afghanistan into central Asia, to best foster stability and democratization and to effectively eliminate the causes of terror.

President Bush recently outlined his vision for a modern day Marshall Plan at the Virginia Military Institute on April 17, 2002. The President stated, ''Marshall knew that our military victory against enemies in World War II had to be followed by a moral victory that resulted in better lives for individual human beings.'' I applaud the President and his vision of seeking hope and opportunity for all people.

The successful rebuilding of Afghanistan can only happen if we invest in the surrounding countries and help bring stability to the region.

Mr. HYDE. Madam Chairman, will the gentleman yield?

Mr. HOEFFEL. I yield to the gentleman from Illinois.

Mr. HYDE. Madam Chairman, I thank the gentleman for these thoughtful remarks and for his interest in this bill; and with regard to the issue of coordinator for Afghanistan policy, I fully agree with the gentleman of the importance of this position. Where the State Department and I disagree, however, is on the question of mandating such a position.

As I am sure my colleague knows, the State Department has appointed an individual to this position who is already performing the onerous task of coordinating aid and policy relating to Afghanistan. It seems to me, therefore, that in this instance mandatory language appointing a coordinator is unnecessary.

With regard to the issue of a broader comprehensive aid program that extends beyond the borders of Afghanistan and into central Asia, it is a laudable objective and is something I would be pleased to work with the gentleman in crafting solutions toward this end.

Mr. HOEFFEL. Madam Chairman, reclaiming my time, I thank the gentleman from Illinois (Mr. HYDE) for his comments. I am particularly pleased by the chairman's interest in working with me and others in the future on these important issues.

Madam Chairman, out of deference to Secretary Powell and to the gentleman from Illinois (Mr. HYDE), I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

AMENDMENTS NO. 3 AND NO. 4 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Madam Chairman, I offer two amendments, and I ask unanimous consent they be considered en bloc.

The CHAIRMAN. The Clerk will designate the amendments.

The text of the amendments is as follows:

Amendments No. 3 and No. 4 offered by Ms. JACKSON-LEE of Texas:

AMENDMENT NO. 3: Page 14, line 2, insert before the semicolon the following: '', with particular emphasis on health care for children who are orphans''.

Page 14, line 17, insert before the semicolon the following: '', with particular emphasis on basic education for children who are orphans''.

AMENDMENT NO. 4: Page 14, line 17, insert before the semicolon the following: '', with particular emphasis on basic education for children''.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

Ms. JACKSON-LEE of Texas. Madam Chairman, first of all, it is important to again thank the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) for working with me and my staff for an interest that I have as a Chair of the Congressional Children's Caucus.

As I rise to support not only the amendments that I intend to offer today, I do want to add my support to the gentleman from Illinois' (Mr. HYDE) amendment that he just offered and as well the Lantos amendment which I will vote enthusiastically for.

As my colleagues have indicated, a number of us had both the privilege and the challenge to visit Afghanistan during these trying times after the horrific act of September 11. The first order of business for those of us in this Nation after September 11 was to mourn, but also to help heal the terrible and horrific acts that took the lives of so many Americans. We wanted to comfort, and we wanted to show that we would not stand for this happening again. Then we rallied and we said we will stand united to fight against terrorism.

It is important that that is done; but as we look to fight against terrorism, it was clear as we visited Afghanistan that there are people there who simply want a better way of life. The Lantos amendment acknowledges that there cannot be peace without security, and so I support his intentions and effort to ensure that Afghanistan is secure.

I also refute those who would think that we cannot build a nation and create democracy because, as we all know, we must eliminate the incubator of terrorism; but at the same time, we must balance that with giving the Afghanistan people the tools that they need to build a government and also to build a nation securely.

I, therefore, believe it is additionally important to focus on the children, and so I offer these amendments to deal with two of the groups of children in Afghanistan.

As society breaks down during conflict, children have no access to school and are driven from their homes. Worst yet, they are separated from their family. Afghan children perceive armed groups as their best chance for survival. Others seek to escape from poverty while others join military forces to avenge family members who have been killed.

My amendments emphasize basic education for the orphan children, almost a million in Afghanistan and for the children of Afghanistan; and the reason I say this is because one of the sites we visited was an orphanage with 1,000 children needing basic education. I believe the right to an education for children in Afghanistan would develop not only the child's personality but all their talents and mental and physical abilities to their fullest potential.

Education serves as a much broader function. It gives shape and structure to a child's life. Education can also instill community values, promote justice and peace, and respect for human rights, and enhanced peace, stability and independence. Likewise, the psychological impact of the past 20 years has left an immutable scar in over 1 million Afghan orphans' memories.

Two generations of Afghan children know only war, deprivation, homelessness, hunger, suffering and loss; and therefore they need good education and good health care. In addition, there are estimated to be 10 to 15 million land mines scattered in the landscape exploding and injuring at a rate of 20 to 25 people per day. They kill or injure predominantly children who sometimes are victims of demise because of their disguise or they are disguised as toys.

Can my colleagues think of how horrible it is living in a country where any moment a person could lose a leg or their life as a child? Their future seems bleak in a world that has largely forgotten them. We need to help them.

Let me for a moment applaud the Houston Independent School District, Madam Chairman, because they are working with me on a books, pens and pencils campaign for the end of the year to send these books and pencils and pens to the Afghan children. We all are trying to help.

The amendment I offer will emphasize in this legislation that children need educating and good health care. The stage of physical, psychological and cognitive and moral development that a child has reached directly affects his or her ability to cope with these impacts. We must promote the physical and psychological recovery and social reintegration of children affected by armed conflict. That means basic education, open schools, teachers who are teaching and good health care.

Another important issue, as I indicated, is children's health. Thousands of children are killed every year as a direct result of fighting, and we need to ensure that they have food supplies. Because of the destruction of food crops and agricultural infrastructures, these children are in need of good health care.

One of the most telling stories was going to the hospital and seeing children with no medication, seeing malnourished children; and so this legislation with the humanitarian funds that are allotted can now emphasize immunization resources. It can now emphasize health professionals that will provide the care for our children. It can now provide the care for the 1,000 children in the orphanage who needed basic health care to get rid of the sores on their faces and bodies.

The CHAIRMAN. The time of the gentlewoman from Texas (Ms. JACKSON-LEE) has expired.

(By unanimous consent, Ms. JACKSON-LEE of Texas was allowed to proceed for 1 additional minute.)

Ms. JACKSON-LEE of Texas. Madam Chairman, as I close these two amendments en bloc, I emphasize in this legislation the need to focus on children's education for both orphanages and the children of Afghanistan and children's health and to provide the resources to the nation to ensure that our children are our priority.

Might I just lift the face of a child who evidences the need for helping our children. The United Nations focused on children in the last week for the first time in 12 years, but we can focus on this child to help her have a better education and better health care.

Madam Chairman, I ask my colleagues to support these two amendments, Nos. 3 and 4 en bloc.

Mr. HYDE. Madam Chairman, the majority is very pleased to accept the two amendments offered by the gentlewoman en bloc. They are worthy additions to the bill, and we accept them.

Mr. LANTOS. Madam Chairman, on the Democratic side, we strongly support the amendments, and I want to commend our friend from Texas.

The CHAIRMAN. The question is on the amendments offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The amendments were agreed to.

□ 1700

AMENDMENTS NOS. 5 AND 6 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Madam Chairman, I offer amendment Nos. 5 and 6, and I ask unanimous consent they be considered en bloc.

The CHAIRMAN. The Clerk will designate the amendments.

The text of the amendments is as follows:

Amendments Nos. 5 and 6 offered by Ms. JACKSON-LEE of Texas:

AMENDMENT NO. 5: Page 26, line 3, insert before the semicolon the following: ''and prohibits the use of children as soldiers or combatants''.

AMENDMENT NO. 6: Page 29, line 9, strike ''Assistance'' and insert the following:

(1) IN GENERAL.—Subject to paragraph (2), assistance

Page 29, after line 11, insert the following:

(2) LIMITATION.—Amounts made available to carry out this title for a fiscal year may be made available for assistance to the Government of Afghanistan only if the President first determines and certifies to Congress that the Government of Afghanistan prohibits the use of children as soldiers or combatants.

The CHAIRMAN. Without objection, the amendments will be considered en bloc.

There was no objection.

Ms. JACKSON-LEE of Texas. Madam Chairman, these two amendments are so important, I believe, to a future in Afghanistan and around the world that I first express my appreciation to the chairman of the committee and the ranking member for listening to my concerns and having their own commitment to human rights, recognizing that we will not begin the 21st century in the right way as long as we put children to war.

Children are at war around the world. Clearly, there are hundreds of thousands of children who are put at war. And might I again refer us to this wonderful face, this wonderful young girl, because girls and boys are subjected to combat. I would simply ask, as we listen to this debate and pass this legislation, that my colleagues support me in the prohibition against using children as soldiers and combatants. These children have no other future, no other opportunity, no other goals, no other challenges, no other hope. That is what we do to children when we put them in combat for our disputes.

I believe children must get the best possible start in life. Their survival and protection, as well as their growth, are the essential foundation for proper human development. I believe we should fight for them, and we should make a concerted effort to fight infectious diseases, tackle major causes of malnutrition, and nurture children in a safe environment that enables them to be physically healthy, mentally alert, emotionally secure, socially competent, as well as able to learn.

However, the experience of the past decade does not allow this. Consequently, this confirms that the needs and rights of children must be a priority. Every moment that we stand by and silently watch Afghanistan crumble, more children will suffer and die. As I stated, my amendments ask, in the first, to prohibit the use of children as soldiers or combatants. My second amendment, amendment number 6, asks that the President certify that this has not occurred and as well that the money is limited.

One of the most deplorable developments in recent years has been the increasing use of children as soldiers. What is frightening today is the escalation of children used as fighters. Children soldiers are used as lethal weapons. Children are used because they have advantages as soldiers; they are easier to intimidate and do as they are told. Children soldiers are also less likely than adults to run away or demand salaries. Children who have grown up surrounded by violence see this as a permanent way of life.

It is important to note that when schools are closed and families fragmented, there are few influences that can compete with a child's life. The military soldiering becomes their family. I believe children deserve the greatest protection, but as child soldiers they are often considered the most expendable.

There was a story recently about a child soldier in Afghanistan, barely 12 years old, and he had started at age 8. As an example of this, during the Iran-Iraq war, children soldiers were sent out ahead in waves over mine fields.

Children have been used as soldiers by all warring factions throughout 20 years of resistance and civil war in Afghanistan. Can we not do better? Is there not a better role for children? Two generations of Afghan children have been raised in a highly militarized culture. In schools, both inside the country and refugee camps, textbooks and teaching methods have used images of tanks, guns and bullets in mathematics and reading classes.

On October 2, 2001, The New York Times reported that children as young as 12 will be recruited as soldiers for the Taliban. I fear that without this amendment the current Afghan crisis could see unprecedented levels of conscription and mobilization of children.

In meeting with Chairman Karzai, let me say I believe he has the best intent and the best opportunity to bring Afghanistan together. With the amendment of the gentleman from California (Mr. LANTOS), the amendment of the gentleman from Illinois (Mr. HYDE), and with this legislation, we can secure Afghanistan and give him the support he needs, but at the same time we have to make sure that the country knows that children at war is wrong.

Children have become a direct participant in the war. Denied a childhood, and often subjected to horrific violence, Afghan children are serving as soldiers in current armed conflicts. These young combatants participate in all aspects of contemporary warfare. They wield AK–47s and M–16s on the front lines of combat. They serve, as I said, as human mine detectors; they participate in suicide missions; they carry supplies, and act as spies, messengers, or lookouts.

The primary reason for this or these amendments is to ensure that this legislation moves forward in order to protect the innocent child. Again, I bring my colleagues' attention to an innocent face. This is the face for education and as well good health care and a good quality of life.

I believe it is enormously important that we do what we can to protect against child soldiers.

The CHAIRMAN. The time of the gentlewoman from Texas (Ms. JACKSON-LEE) has expired.

(By unanimous consent, Ms. JACKSON-LEE of Texas was allowed to proceed for 1 additional minute.)

Ms. JACKSON-LEE of Texas. Madam Chairman, I have worked with the chairperson and ranking member of this committee. I am so committed to this issue that I really wanted to ensure that resources were kept from Afghanistan on the basis of using child soldiers. However, I am fully aware that it is important that any resource we have to help build this country is not reserved, if you will, it is not limited, and that with the confidence of having the legislation structured as it is, that this would provide for enough reinforcement against using children as combatants.

Madam Chairman, I rise today to speak for the children of Afghanistan. We are blessed with the privileges of living in a country as great as the United States. But we, too, often forget about the millions of people around the world whose daily life is a struggle for survival. In particular, the children of Afghanistan, who have seen the unspeakable pain and agony of over twenty years of war and crimes that have inflicted untold miseries.

I believe children must get the best possible start in life. their survival and protection as well as their growth are the essential foundation for proper human development. I believe that we should fight for them. We should make a concerted effort to fight infectious diseases, tackle major causes of malnutrition, and nurture children in a safe environment that enables them to be physically healthy, mentally alert, emotionally secure, socially competent as well as able to learn. However, the experience of the past decade does not allow this. Consequently, this confirms that the needs and rights of children must be a priority. Every moment that we stand by and silently watch Afghanistan crumble, more children suffer and die.

One of the most deplorable developments in recent years has been the increasing use of young children as soldiers. What is frightening today is that the escalation in the use of children as fighters.

Children soldiers are used as lethal weapons. Children are used because they have advantages as soldiers. They are easier to intimidate, and do as they are told. Children soldiers also are less likely than adults to run away or demand salaries. Children who have grown up surrounded by violence see this as a permanent way of life. It is important to note that when schools are closed and families fragmented, there are few influences that can compete with a child's life. I believe that children deserve the greatest protection, but as children soldiers they are often considered the most expendable. An example of this was during the Iran-Iraq war, children soldiers were sent out ahead in waves over minefields.

Children have been used as soldiers by all warring factions throughout 20 years of resistance and civil war in Afghanistan. Two generations of Afghan children have been raised in a highly militarized 'kalashnikov culture'. In schools, both inside the country and refugee camps, textbooks and teaching methods have used images of tanks, guns and bullets in mathematics and reading classes.

On October 2, 2001, The New York Times reported that children as young as twelve were being recruited as soldiers for the Taliban. I fear that without this amendment the current Afghan crisis could see unprecedented

levels of conscription and mobilization of children.

In Afghanistan, children have become direct participants in the war. Denied a childhood and often subjected to horrific violence, Afghan children are serving as soldiers in current armed conflicts. These young combatants participate in all aspects of contemporary warfare. They wield AK–47s and M–16s on the front lines of combat. They serve as human mine detectors. They, also, participate in suicide missions, carry supplies. They act as spies, messengers or lookouts. The primary reason for this is the fact that children are physically vulnerable and easily intimidated, children typically make obedient soldiers. The issue of child soldiers is shocking and horrifying. Both boys and girls in Afghanistan, some as young as eight years old, are recruited (either kidnapped or forced) to join armed groups.

As a society breaks down during conflict, children have no access to school, and are driven from their homes. Worse yet, they are separated them from their family. Afghan children perceive armed groups as their best chance for survival. Others seek to escape from poverty. While others join military forces to avenge family members who have been killed.

This is why, I believe, the right to an education for children would develop, not only, the child's personality, but all their talents and mental and physical abilities to their fullest potential. Education serves as a much broader function. It gives shape and structure to a child's life. Education can, also, instill community values, promote justice and respect for human rights and enhance peace, stability and interdependence.

Likewise, the psychological impact of the past twenty years has left an immutable scar in over one million Afghan orphan's memories. Two generations of Afghan children know only war, deprivation, homelessness, hunger, suffering, and loss. In addition, there are estimated to be between 10 and 15 million land mines scattered in the landscape, exploding and injuring at a rate of 20 to 25 per day. They kill or injure predominantly children who are sometimes victims of mines disguised as toys. Can you think of how horrible it is living in a country where any moment you could lose a leg or your life or a child? Their future's seem bleak in a world that has largely forgotten them. We need to help them.

The effects of armed conflict on child development accumulate and interact with each other. The stage of physical, psychosocial, cognitive and moral development that a child has reached directly affects his or her ability to cope with these impacts.

We must promote the physical and psychological recovery and social reintegration of children affected by armed conflict.

Another important issue we must address, it that of children's health. Thousands of children are killed every year as a direct result of fighting, but many more die from malnutrition and disease caused or increased by armed conflicts. The interruption of food supplies, the destruction of food crops and agricultural infrastructures, the disintegration of families and communities, the displacement of populations, the destruction of health services and programs and of water and sanitation systems all take a heavy toll on children.

Many die as a direct result of diminished food intake that causes acute and severe malnutrition, while others, compromised by malnutrition, become unable to resist common childhood diseases and infections. Given their vulnerability, it is no surprise that around 2 million children are estimated to have died as a result of armed conflict in the last decade.

Many of today's armed conflicts take place in some of the world's poorest countries, where children are already vulnerable to malnutrition and disease, and the onset of armed conflict increases death rates up to 24 times. All children are at risk when conflicts break out, but the most vulnerable are those who are under fire and already malnourished.

In conjunction with a child's health is education. The right to education for children should develop the child's personality, talents and mental and physical abilities to their fullest potential. Education serves as a much broader function. It gives shape and structure to children's lives. It also can instill community values, promote justice and respect for human rights and enhance peace, stability and interdependence.

Education is particularly important during armed conflicts. While the surrounding environment may be in chaos, schooling can represent a sense of normalcy. School children have the chance to be with friends and enjoy support and encouragement. They benefit from regular contacts with teachers who can monitor their physical and pschological health. Teachers can also help children to develop new skills and knowledge that is necessary for survival and coping, including mine awareless, negotiation and problem solving, and information about HIV/AIDS and other health issues. Formal education also benefits the community as a whole. The ability to carry on schooling in the most difficult circumstances demonstrates confidence in the future: communities that still have a school feel they have something durable and worthy of protection.

Schools are targeted during war, in part because they have such high profiles. In rural areas, the school building may be the only substantial permanent structure, making it highly susceptible to shelling, closure or looting.

The destruction of educational infrastructures represents one of the greatest developments setbacks for countries affected by conflict. Years of lost schooling and vocatiocal skills will take equivalent years to replace and their absence imposes a greater vulnerability on the ability of societies to recover after war.

Formal education is also generally at risk during war because it relies on consistent funding and administrative support that is difficult to sustain.

Even where services are maintained, however, education is usually of lower quality. Funds are short and the supply of materials slow or erratic. In addition, fear and disruption make it difficult to create an atmosphere conductive to learning and the morale of both teachers and pupils is likely to be low.

Though still inadequate, relief programs direct most attention in times of armed conflict to the education of refugee children. This is party because, when children are massed together in camps, it is easier to approximate a classroom situation. In some countries, this reality simply reflects the dominance of inflexible formal education systems that persist despite growing doubts about this quality, relevance and content. Insufficient attention to the education needs of non-refugees during armed conflict is also attributable to the fact that some of the donors most active during conflicts are constrainted by their mandates to work exclusively with refugees. Other donors have been reluctant to use emergency funds for what they interpret as long-term development activities.

When children have been forced to leave their homes and are crowed into displaced camps, re-establishing schooling systems as soon as possible reassures everyone by signaling a degree of stability and a return to normal roles and relationships within the family and the community.

As Chair of the Congressional Children's Caucus, I am always concerned about the welfare of children here and abroad, because children are our future.

World leaders have made a joint commitment and issue an universal appeal to give children a better future. Children's rights are an effective rallying point.

A world fit for children is one in which all children get the best possible start in life and have access to a quality basic education. All children must have an ample opportunity to develop their individual capacities in a safe and supportive environment.

I was always taught that the family is the basic unit of society and as such should be strengthened. The primary responsibility for the protection, upbringing and development of children rests with the family.

War violates every right of a child—the right to life, the right to be with family and community, the right to health, the right to development of personality and the right to be nurtured and protected.

This bill does not specifically address the crisis of children soldiers or the need for basic education for children or their health in Afghanistan.

I have, therefore, proposed four amendments to be added to the bill for the protection and education for children:

(1) prohibit the use of children as soldiers or combatants;

(2) require the President to determine and certify that the Government of Afghanistan is not using children as soldiers or combatants.

(3) would put emphasis on basic education and health care for children who are orphans.

(4) would emphasize basic education for children.

I therefore urge my fellow members to vote for these amendments.

MODIFICATION TO AMENDMENT NOS. 5 AND 6 OFFERED BY MS. JACKSON-LEE OF TEXAS

Ms. JACKSON-LEE of Texas. Madam Chairman, I ask unanimous consent to modify my amendment, which would mean withdrawing amendment number 6, and that is the amendment that deals with the certification by the President and the limitation of funds.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment Nos. 5 and 6 offered by Ms. JACKSON-LEE of Texas:

Strike the portion of the amendment that was originally printed in the CONGRESSIONAL RECORD as amendment No. 6

The CHAIRMAN. Without objection, the modification offered by the gentlewoman from Texas is accepted.

There was no objection.

Mr. HYDE. Madam Chairman, I move to strike the last word, and I am

pleased, on behalf of the majority, to accept the gentlewoman's amendment number 5. It makes a worthy addition to the bill, and I appreciate her withdrawing amendment number 6.

Mr. LANTOS. Madam Chairman, I move to strike the requisite number of words, and on behalf of the Democratic side I want to accept the gentlewoman's amendment, and I want to commend her for her indefatigable support for children everywhere.

Ms. JACKSON-LEE of Texas. Madam Chairman, will the gentleman yield?

Mr. LANTOS. I yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Madam Chairman, before taking this vote, I just wish to thank both gentlemen very much.

The CHAIRMAN. The question is on the amendments, as modified, offered by the gentlewoman from Texas (Ms. JACKSON-LEE).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Ms. JACKSON-LEE of Texas. Madam Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Texas (Ms. JACKSON-LEE) will be postponed.

The point of no quorum is considered withdrawn.

AMENDMENT OFFERED BY MS. WATERS

Ms. WATERS. Madam Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Ms. WATERS:

Page 30, after line 8, add the following (and conform the table of contents accordingly):

TITLE III—ADDITIONAL REQUIREMENTS WITH RESPECT TO ASSISTANCE FOR AFGHANISTAN

SEC. 301. GENERAL PROHIBITION ON ASSISTANCE.

Notwithstanding any provision contained in title I or II of this Act, assistance authorized by this Act may not be provided to any agency or instrumentality of the Government of Afghanistan, or any other individual (including an individual who exercises civil power by force over a limited region) or organization in Afghanistan, that is engaged in poppy cultivation or illicit narcotics growth, production, or trafficking, unless the agency, instrumentality, individual, or organization (as the case may be) agrees to cease the poppy cultivation or illicit narcotics growth, production, or trafficking (as the case may be).

SEC. 302. PROHIBITION ON UNITED STATES INVOLVEMENT IN POPPY CULTIVATION OR ILLICIT NARCOTICS GROWTH, PRODUCTION, OR TRAFFICKING.

No officer or employee of any Federal department or agency who is involved in the provision of assistance under this Act may knowingly encourage or participate in poppy cultivation or illicit narcotics growth, production, or trafficking in Afghanistan. No United States military or civilian aircraft or other United States vehicle that is used with respect to the provision of assistance under this Act may be used to facilitate the distribution of poppies or illicit narcotics in Afghanistan.

SEC. 303. REQUIREMENT TO REPORT BY CERTAIN UNITED STATES OFFICIALS.

(a) REQUIREMENT.—An officer or employee of any Federal department or agency involved in the provision of assistance under this Act and having knowledge of facts or circumstances that reasonably indicate that any agency or instrumentality of the Government of Afghanistan, or any other individual (including an individual who exercises civil power by force over a limited region) or organization in Afghanistan, that receives assistance under this Act is involved in poppy cultivation or illicit narcotics growth, production, or trafficking shall, notwithstanding any memorandum of understanding or other agreement to the contrary, report such knowledge or facts to the appropriate official.

(b) DEFINITION.—In this section, the term ''appropriate official'' means the Attorney General, the Inspector General of the Federal department or agency involved, or the head of such department or agency.

SEC. 304. REPORT BY THE PRESIDENT.

Not later than 6 months after the date of the enactment of this Act, and annually thereafter, the President shall transmit to Congress a written report on the progress of the Government of Afghanistan toward the eradication of poppy cultivation, the disruption of heroin production, and the reduction of the overall supply and demand for illicit narcotics in Afghanistan in accordance with the provisions of this Act.

Ms. WATERS (during the reading). Madam Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

Ms. WATERS. Madam Chairman, I rise to speak in favor of my amendment to H.R. 3994, the Afghanistan Freedom Support Act of 2002, but first I would like to thank the chairman, the gentleman from Illinois (Mr. HYDE), and the ranking member, the gentleman from California (Mr. LANTOS), for the work that they have done to bring this comprehensive piece of legislation to the floor. I think it has been well structured and that it speaks well to our intentions. And I think that the people of Afghanistan, for the most part, are going to be very, very pleased to receive the assistance that is so indicated in this bill.

Madam Chairman, my amendment would ensure that the United States government policies in Afghanistan work to eliminate the harmful trafficking and illegal drugs that destroy communities throughout the world. My amendment has been structured so that it is in 4 sections. The amendment would prohibit foreign assistance to any Afghan agency, organization, warlord, or other individual who is engaged in poppy cultivation or the growth, production, or trafficking of illegal drugs unless there is an agreement to cease all poppy cultivation or drug trafficking activities.

I know this portion of my amendment is going to present some concerns, because, on the one hand, how do you uplift this devastated nation and begin to get them out of poppy cultivation; how do you deal with the many factions who have been involved in the cultivation as the only way that they know to earn a living and, at the same time, say to them that we will not help them if they are involved? This portion of the amendment would simply say that we raise it as a concern and have people respond to say, okay, I will not do it any more. And that allows them to get the assistance that we would like to give them.

This does not prohibit this country from exercising its assistance, but it simply gets all of those agencies and individuals understanding that this is a top priority of this government; that we would like to stop the cultivation and trafficking of illegal drugs. That is section 301.

Section 302 would prohibit Federal officers and employees who are involved in the provision of assistance under this bill from encouraging or participating in drug trafficking activities in Afghanistan. It would also prohibit the use of American aircraft and any other vehicles to facilitate the distribution of poppies and illegal drugs.

There are some people who would look at this portion of my amendment and say, well, no one representing our country would be involved in assisting with drug trafficking, no one would use our aircraft, no one would be involved in distribution. Let me just say to my colleagues, we all know enough now about trafficking and illegal drugs to know that many innocent people get caught up in drug trafficking because it is so lucrative. Many folks just lose their sense of what they are all about when they get thrown into situations where there is drug trafficking all around them, and some are tempted to take a chance, to try something. We want to send the message that we do not want anybody that we are putting on the ground in Afghanistan to take a chance, to be tempted to get involved.

The other portion of the amendment would require all Federal officers and employees who are involved in the provision of assistance under this bill to report known or suspected drug trafficking activities by recipients of foreign assistance in Afghanistan to the appropriate authorities.

Why am I doing this? Because I try and learn from our experiences. I spent almost 3 years dealing with the drug trafficking aspect of the war that we were engaged in when the Contras were fighting the Sandinistas down in Nicaragua. We discovered several things: We discovered that the warring factions on both sides, the Contras and the Sandinistas, were involved in drug trafficking, and we kind of turned a blind eye. It was just a way of doing things.

The CHAIRMAN. The time of the gentlewoman from California (Ms. WATERS) has expired.

(By unanimous consent, Ms. WATERS was allowed to proceed for 1 additional minute.)

Ms. WATERS. So, Madam Chairman, we want to discourage that.

And, finally, the amendment would require the President to submit an annual report toward the eradication of poppy cultivation and the elimination of drug trafficking activities in Afghanistan.

Let me just say that with all of the information that we have about what went on down in Nicaragua, too many people were involved. There was a Memorandum of Understanding between the CIA and the Justice Department that they did not have to support drug trafficking. We think we have done away with that, but we want to assure that we do not make the same kinds of mistakes as we move in to help this devastated country.

They need us and we need to do the right thing.

□ 1715

I think that we can change this country. We can change the direction. We can help very, very poor people in a devastated country. We can improve education. We can improve the infrastructure. But let us do it without drugs and drug trafficking being a part of it. We do not need the assistance of drugs in doing all of this.

I would ask for an ''aye'' vote on my amendment.

Mr. HYDE. Madam Chairman, I move to strike the last word.

If I might address the gentlewoman from California, I believe she understands that we support the gentlewoman's amendment, except section 301 as originally offered because of difficulties in interpretation and implementation. We are prepared to accept the remainder of the gentlewoman's amendment and praise it as a worthy addition to the bill. But I cannot accept 301 as originally offered. If the gentlewoman has a modification of that, we would be pleased to accept that.

Ms. WATERS. Madam Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentlewoman from California.

Ms. WATERS. Yes. Let me just say that 301 as originally authored did not have the proviso in it that said unless there is an agreement to seize all poppy cultivation or drug trafficking activities, which modifies the original 301 which did not have that in there. This would simply say that they could get assistance if they simply agree that they will not continue the activities as we know it. Is that what the gentleman is referring to?

Mr. HYDE. Does the gentlewoman have a modification she wishes to offer in lieu of section 301 as originally filed? A modified amendment?

Ms. WATERS. Yes, I do.

Mr. HYDE. Very well. If the gentlewoman will offer it.

I thank the Gentlewoman from California for her remarks. As you know, the underlying bill recognizes that local authorities in various regions of Afghanistan need incentives to cooperate in illicit narcotics eradication and provides assistance to opium growing regions. Such assistance, other than for humanitarian purposes, is to be transferred away from these opium-growing regions where the authorities don't cooperate in narcotics suppression activities.

I agree with the provisions in the Gentlewoman's amendment that require United States officials to report knowledge of any involvement in illicit narcotics growth, production or trafficking by beneficiaries of this Act. Similarly, I support the report requirement on the Afghanistan government's progress in the eradication and reduction of supply of illicit narcotics. It also goes without saying that the prohibition of United States' involvement in the illicit narcotics trade is a measure that we all support vigorously.

I do not support Section 301 of the amendment, however. This section provides, without qualification, that all assistance would be cut off to any official entity in Afghanistan that is involved in the illicit drug trade. Arguably, aid would be ceased to any entity if one person within that organization is determined to be involved in the drug trade. All innocent beneficiaries of the aid would then be prohibited from receiving assistance.

Additionally, while this section raises a valid concern on its face, it is impossible to monitor. It virtually would require that each individual involved in the aid process would have to be certified as to not being involved in the drug trade. There is no standard or process outlined for determining who is involved in illicit narcotics and to what extent. As written, it could also cut off humanitarian and counter-narcotics aid—which is contrary to the intent of the bill. I also believe that the amendment does not provide for the flexibility that the President needs in this effort.

The people of Afghanistan need to be rewarded for the progress that has been made in this effort—not punished. Certainly, we don't want to give aid to anyone involved in the drug trade, and this legislation has already been crafted with several mechanisms that would divert the aid in the event that it is determined to be going to an area which is not cooperating with these eradication efforts.

I am happy to support the Gentlewoman on the remaining portion of her amendment.

In no way in accepting this modified amendment do we concede there has been any evidence that the federal government here or anywhere else around the globe has ever been engaged in drug trafficking.

MODIFICATION TO AMENDMENT OFFERED BY MS. WATERS

Ms. WATERS. Madam Chairman, I ask unanimous consent that the amendment be modified in the form at the desk.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Ms. WATERS:

Page 30, after line 8, add the following (and conform the table of contents accordingly):

TITLE III—ADDITIONAL REQUIREMENTS WITH RESPECT TO ASSISTANCE FOR AFGHANISTAN

SEC. 301. PROHIBITION ON UNITED STATES INVOLVEMENT IN POPPY CULTIVATION OR ILLICIT NARCOTICS GROWTH, PRODUCTION, OR TRAFFICKING.

No officer or employee of any Federal department or agency who is involved in the provision of assistance under this Act may knowingly encourage or participate in poppy cultivation or illicit narcotics growth, production, or trafficking in Afghanistan. No United States military or civilian aircraft or other United States vehicle that is used with respect to the provision of assistance under this Act may be used to facilitate the distribution of poppies or illicit narcotics in Afghanistan.

SEC. 302. REQUIREMENT TO REPORT BY CERTAIN UNITED STATES OFFICIALS.

(a) REQUIREMENT.—An officer or employee of any Federal department or agency involved in the provision of assistance under this Act and having knowledge of facts or circumstances that reasonably indicate that any agency or instrumentality of the Government of Afghanistan, or any other individual (including an individual who exercises civil power by force over a limited region) or organization in Afghanistan, that receives assistance under this Act is involved in poppy cultivation or illicit narcotics growth, production, or trafficking shall, notwithstanding any memorandum of understanding or other agreement to the contrary, report such knowledge or facts to the appropriate official.

(b) DEFINITION.—In this section, the term ''appropriate official'' means the Attorney General, the Inspector General of the Federal department or agency involved, or the head of such department or agency.

SEC. 303. REPORT BY THE PRESIDENT.

Not later than 6 months after the date of the enactment of this Act, and annually thereafter, the President shall transmit to Congress a written report on the progress of the Government of Afghanistan toward the eradication of poppy cultivation, the disruption of heroin production, and the reduction of the overall supply and demand for illicit narcotics in Afghanistan in accordance with the provisions of this Act.

Ms. WATERS (during the reading). Madam Chairman, I ask unanimous consent that the amendment, as modified, be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentlewoman from California?

There was no objection.

The CHAIRMAN. Without objection, the amendment is modified.

There was no objection.

Mr. LANTOS. Madam Chairman, I move to strike the requisite number of words.

I want to thank the gentlewoman from California (Ms. WATERS) for her interest and concern on this issue and for her tireless efforts on behalf of the poor and disenfranchised not only in Afghanistan but around the world, and on our side we strongly support her modified amendment.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentlewoman from California (Ms. WATERS).

The question was taken; and the Chairman announced that the ayes appeared to have it.

Ms. WATERS. Madam Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment, as modified, offered by the gentlewoman from California (Ms. WATERS) will be postponed.

Mr. LANTOS. Madam Chairman, I move to strike the last word.

I want to take this opportunity to highlight one of the most important aspects of this legislation, which is that it creates a separate account and authorizes additional funds for Afghanistan. Until now, Madam Chairman, funding for Afghanistan has been carved out of existing programs with cuts in important programs in other parts of the world.

What this legislation has done, and I want to commend our distinguished chairman for his idea, is to establish a new account with new money to fund the relief, rehabilitation, and reconstruction of Afghanistan. So we do not have to dip into child survival funds or other accounts to fund health or education or reconstruction programs in Afghanistan.

With Chairman HYDE's bill, we no longer have to rob Peter to pay Paul; or more appropriately, we do not have to take funds from health programs in India or elsewhere in the world to provide health services for women in Afghanistan. We do not have to choose between HIV/AIDS in Honduras or education in Afghanistan.

I want to commend my friend, Chairman HYDE, for his foresight and his leadership in bringing new ideas and new resources to this important undertaking. I will work closely with him and with the other body to ensure that this additional provision is included in their version of the legislation.

Mr. HYDE. Madam Chairman, will the gentleman yield?

Mr. LANTOS. I yield to the gentleman from Illinois.

Mr. HYDE. Madam Chairman, I just want to say two things: number one, I want to thank the gentleman for his superb cooperation and concede that so much would not be done in our committee without the gentleman's cooperation and enlightened farsightedness.

Let me say, number two, your staff and my staff are superbly qualified people who make this place work, and I salute all of them.

Mr. LANTOS. I thank my good friend for his very generous statement.

Madam Chairman, I would be remiss if I did not take this opportunity to thank all of the staff who have worked on the Afghanistan Freedom Support Act. Their efforts have been truly bipartisan in the best tradition of this body.

I want to acknowledge the work of Peter Smith, Hillel Weinberg, Steve Rademaker, and Walker Roberts on the staff of Chairman HYDE. On the Democratic staff of the Subcommittee on the Middle East and South Asia, David Adams has made many contributions to this legislation. In particular, I want to thank the members of my own staff who have worked so tirelessly on this important bill. Nisha Desai has been creatively and actively engaged on this legislation from the very beginning. I want to pay special tribute to her efforts. Our Democratic chief counsel, David Abramowitz, has shown his usual careful attention to detail and made important contributions to the quality of our legislation. I also want to acknowledge the efforts of Peter Yeo, David Fite, Carol Doherty, Keith O'Neil, and Matt Gobush of the Democratic staff. I want to express my personal appreciation to our extraordinary chief of staff, Dr. Bob King.

It is not often that a piece of legislation involves so many staff on both sides, but I think in this instance it is an indication of the importance of this issue and it is reflected in the quality of the legislation we have produced which would not have been possible without Chairman HYDE's leadership.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which proceedings were postponed in the following order: the amendment offered by the gentleman from California (Mr. LANTOS); amendment Nos. 5 and 6 offered en bloc, as modified to consist of amendment No. 5 offered by the gentlewoman from Texas (Ms. JACKSON-LEE); and the amendment, as modified, offered by the gentlewoman from California (Ms. WATERS).

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT OFFERED BY MR. LANTOS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from California (Mr. LANTOS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 407, noes 4, not voting 23, as follows:

[Roll No. 179]

AYES—407

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin

Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—4

Goode
Hostettler
Jones (NC)
Paul

NOT VOTING—23

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Cannon
Conyers
Deutsch
Emerson
Greenwood
Kirk
Lewis (GA)
Mascara
Menendez
Murtha
Nadler
Pombo
Riley
Smith (MI)
Snyder
Traficant
Watkins (OK)
Watts (OK)

□ 1748

Mr. JONES of North Carolina changed his vote from ''aye'' to ''no.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, the Chair announces that she will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENTS NO. 5 AND NO. 6, AS MODIFIED, OFFERED BY MS. JACKSON-LEE OF TEXAS

The CHAIRMAN. The pending business is the demand for a recorded vote on Amendment No. 5 offered by the gentlewoman from Texas (Ms. JACKSON-LEE) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 413, noes 0, not voting 21, as follows:

[Roll No. 180]

AYES—413

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—21

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Cannon
Conyers
Deutsch
Emerson
Greenwood
Lewis (GA)
Mascara
Menendez
Murtha
Nadler
Pombo
Riley
Snyder
Traficant
Watkins (OK)
Watts (OK)

□ 1756

So the amendments, as modified, were agreed to.

The result of the vote was announced as above recorded.

AMENDMENT, AS MODIFIED, OFFERED BY MS. WATERS OF CALIFORNIA

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment, as modified, offered by the gentlewoman from California (Ms. WATERS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will designate the amendment, as modified.

The Clerk designated the amendment, as modified.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 412, noes 0, not voting 22, as follows:

[Roll No. 181]

AYES—412

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier

Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—22

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Cannon
Conyers
Deutsch
Emerson
Greenwood
Lewis (GA)
Mascara
Menendez
Murtha
Nadler
Pombo
Reynolds
Riley
Snyder
Traficant
Watkins (OK)
Watts (OK)

□ 1805

So the amendment, as modified, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to the bill? If not, the question is on the Committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SIMPSON) having assumed the chair, Mrs. BIGGERT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3994) to authorize economic and democratic development assistance for Afghanistan and to authorize military assistance for Afghanistan and certain other foreign countries, pursuant to House Resolution 419, she reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LANTOS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, this vote will be followed by three 5-minute votes on motions to suspend the rules on which further proceedings were postponed yesterday.

The vote was taken by electronic device, and there were—ayes 390, noes 22, not voting 22, as follows:

[Roll No. 182]

AYES—390

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Combest
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel

Regula
Rehberg
Reyes
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stark
Stenholm
Strickland
Stump
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—22

Bartlett
Berry
Coble
Collins
Condit
Deal
Duncan
Everett
Flake
Goode
Hall (TX)
Hostettler
Johnson, Sam
Jones (NC)
Kerns
Miller, Jeff
Norwood
Paul
Sensenbrenner
Stearns
Taylor (NC)
Terry

NOT VOTING—22

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Cannon
Conyers
Deutsch
Emerson
Greenwood
Lewis (GA)
Mascara
Menendez
Murtha
Nadler
Pombo
Reynolds
Riley
Snyder
Traficant
Watkins (OK)
Watts (OK)

□ 1825

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN THE ENGROSSMENT OF H.R. 3994, AFGHANISTAN FREEDOM SUPPORT ACT OF 2002

Mr. HYDE. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 3994, the Clerk be authorized to correct section numbers, cross-references, and punctuation, and to make such stylistic, clerical, technical, conforming, and other changes as may be necessary to reflect the actions of the House in amending the bill.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on motions to suspend the rules on which further proceedings were postponed yesterday.

Votes will be taken in the following order:

H.R. 4515, by the yeas and nays;

H.R. 4015, by the yeas and nays;

H.R. 4085, by the yeas and nays.

The Chair will reduce to 5 minutes the time for all electronic votes in this series.

VETERANS' MAJOR MEDICAL FACILITIES CONSTRUCTION ACT OF 2002

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 4514, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 4514, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 411, nays 0, not voting 23, as follows:

[Roll No. 183]

YEAS—411

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—23

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Cannon
Conyers
Davis (FL)
Deutsch
Emerson
Greenwood
Lewis (GA)
Mascara
Menendez
Murtha
Nadler
Pombo
Reynolds
Riley
Snyder
Traficant
Watkins (OK)
Watts (OK)

□ 1835

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. DAVIS of Florida. Mr. Speaker, I was detained from voting on rollcall vote number 183. Had I been present, I would have voted in the affirmative.

JOBS FOR VETERANS ACT

The SPEAKER pro tempore (Mr. SIMPSON). The unfinished business is the question of suspending the rules and passing the bill, H.R. 4015, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 4015, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 409, nays 0, not voting 25, as follows:

[Roll No. 184]

YEAS—409

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—25

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Cannon
Conyers
Cox
Deutsch
Emerson
Gillmor
Greenwood
Hart
Lewis (GA)
Mascara
Menendez
Murtha
Nadler
Pombo
Reynolds
Riley
Snyder
Traficant
Watkins (OK)
Watts (OK)

□ 1842

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

VETERANS' AND SURVIVORS' BENEFITS EXPANSION ACT OF 2002

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 4085, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 4085, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 410, nays 0, not voting 24, as follows:

[Roll No. 185]

YEAS—410

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham

LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Morella
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sullivan
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (FL)
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Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—24

Blagojevich
Bonior
Borski
Brady (PA)
Burton
Cannon
Conyers
Deutsch
Emerson
Greenwood
Lewis (GA)
Lowey
Mascara
Menendez
Moran (VA)
Murtha
Nadler
Pombo
Reynolds
Riley
Snyder
Traficant
Watkins (OK)
Watts (OK)

□ 1850

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read:

''A bill to amend title 38, United States Code, to provide a cost-of-living increase in the rates of compensation for veterans with service-connected disability and dependency and indemnity compensation for surviving spouses of such veterans, to expand certain benefits for veterans and their survivors, and for other purposes.''.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. WATTS of Oklahoma. Mr. Speaker, I was unavoidably called back to my district and missed Recorded Votes on Tuesday, May 21, 2002. I would like the RECORD to reflect that, had I been present, I would have cast the following votes:

On the Lantos Amendment to H.R. 3994, Roll Call Vote #179, I would have voted YEA;

On the Jackson-Lee Amendment to H.R. 3994, Roll Call Vote #180, I would have voted YEA;

On the Waters Amendment to H.R. 3994, Roll Call Vote #181, I would have voted YEA;

On Passage of H.R. 3994, Roll Call #182, I would have voted YEA;

On Passage of H.R. 4514, Roll Call #183, I would have voted YEA;

On Passage of H.R. 4015, Roll Call #184, I would have voted YEA;

On Passage of H.R. 4085, Roll Call #185, I would have voted YEA;

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on the remaining motions to suspend the rules on which a recorded vote or the ayes and nays are ordered, or on which a vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken tomorrow.

BOB HOPE VETERANS CHAPEL

Mr. SMITH of New Jersey. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4592) to name the chapel located in the national cemetery in Los Angeles, California, as the ''Bob Hope Veterans Chapel.''

The Clerk read as follows:

H.R. 4592

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

SECTION 1. NAME OF CHAPEL LOCATED IN THE NATIONAL CEMETERY IN LOS ANGELES, CALIFORNIA.

Notwithstanding section 531 of title 38, United States Code, the chapel located in the national cemetery located in Los Angeles, California, shall after the date of the enactment of this Act be known and designated as the ''Bob Hope Veterans Chapel''. Any reference to such chapel in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Bob Hope Veterans Chapel.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey (Mr. SMITH) and the gentleman from Illinois (Mr. EVANS) each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. SMITH).

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. COX), the prime sponsor of this bill.

Mr. COX. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise today to thank my colleagues for bringing this legislation immediately to the floor to name the chapel at the national cemetery in Los Angeles as the Bob Hope Veterans Chapel.

This national cemetery, for those who have so faithfully served their country, is sometimes called the Arlington Cemetery of the West. It is fitting to name the chapel there in honor of the Armed Services' best friend, a man who has served America's veterans proudly for over 60 years.

Before I extol the virtues of the man we intend to honor with this legislation, I would like first to thank my distinguished colleague, the gentleman from California (Mr. WAXMAN), with whom I have jointly authored this bill. It has been a pleasure working with the gentleman from California. He has worked actively to gather support for this important legislation as well.

I would like also to thank the gentlewoman from California (Mrs. BONO) for her active support of Bob Hope and his family, who have long been her constituents in Palm Springs, California. And again I thank the chairman of the committee, the gentleman from New Jersey (Mr. SMITH) as well as the members of the Committee on Veterans' Affairs for their strong support and for allowing this bill to come straight to the floor today.

I would be remiss, Mr. Speaker, if I did not also thank the Secretary of Veterans Affairs, the Honorable Anthony Principi, as well as the many veterans' service organizations who have worked across the country in support of this legislation.

I am also extremely grateful to my good friend from Southern California, Tom Saltarelli, the former mayor of Tustin, California, who now serves as chairman of the Veterans Park Conservancy, the group that first proposed to name the chapel after Mr. Hope.

Last, but certainly not least, I want to thank Bob and his loving family, especially his wife Dolores, and their children, Linda, Tony, Nora, and Kelly, and his granddaughter Miranda, who is with us here in the Chamber today.

Mr. Speaker, we are here to honor Leslie Townes Hope or, as he is better known to people around the world, Bob Hope. He was born on May 29, 1903 in Eltham, England. He moved with his family to Cleveland, Ohio, in 1907 and shortly thereafter became a naturalized U.S. citizen in 1920.

It was while he was making his start in entertainment on vaudeville that he first met the woman he would soon marry, his wife of 68 years, Dolores. They now have 4 children, as well as 4 grandchildren. Throughout his illustrious and prolific career, Mr. Hope made over 700 television programs, he wrote 7 best-selling books, starred in 60 motion pictures, and he is cited in the Guinness Book of World Records as the most honored entertainer. And with good reason.

His talent has always appealed to Americans of all ages, across many

generations. Without a doubt, Bob Hope is best known as GI Bob, a man whose life was dedicated to honoring and raising the spirits of our men and women in uniform. Through an act of Congress in 1997, Bob Hope became the Nation's first and still only honorary veteran for his lifetime of service to America's soldiers. Whether the United States was at war or at peace, Bob Hope was always there.

After nearly 60 years boosting the morale of U.S. armed forces through goodwill tours, USO shows, and his world-famous Christmas specials, Mr. Hope's status among American servicemen and women is now legendary. His globe-trotting spirit and his zeal for entertainment earned him worldwide status as the Ambassador of Goodwill. From his very first performance, for U.S. soldiers during World War II in May 1941, to his Christmas show in Saudi Arabia during the Persian Gulf War in 1990, Mr. Hope has performed before an estimated 10 million American GIs.

Mr. Speaker, Memorial Day is this weekend. Two days later, Bob Hope will celebrate his 99th birthday, on Wednesday of next week. I do not think there could be a better time to bring forward this act of Congress honoring a man whom our veterans and our Nation owe so much. H.R. 4592 permits us to honor Bob Hope in a way that will endure, even when he is no longer with us.

The Los Angeles National Cemetery is dedicated solely to veterans and their families. Through this act of Congress we will officially name the chapel at the national cemetery where over 85,000 veterans are buried. I will submit for the RECORD, Mr. Speaker, letters of endorsement from many veterans' service organizations across the country. These endorsements include the California chapters of the Veterans of Foreign Wars, Vietnam Veterans of America, the Military Order of the Purple Heart, the American GI Forum, the American Legion, Paralyzed Veterans, Jewish War Veterans, Disabled American Veterans, AMVETS, and the California Association of County Veteran Service Officers.

Bob Hope has become such an institution that across the street from this Capitol, in the original Jefferson Building of the Library of Congress, he is the subject of an exhibit, the ''Bob Hope Gallery of American Entertainment.'' This gallery, described in this brochure which I brought with me to the floor, shows visitors to Washington, D.C. Bob Hope's early life, his career on vaudeville, in motion pictures, television, and radio, his USO shows, and his public service.

In so many ways Bob Hope is an American institution, and with this act of Congress we will memorialize it in such a fitting way for those men and women of our armed services who have already passed. I know all my colleagues will join with me in bestowing on our country's most beloved supporter of America's armed forces this valuable and important honor.

Mr. Speaker, the letters of support I referred to earlier are as follows:

THE SECRETARY OF VETERANS AFFAIRS,
Washington, March 29, 2002.

Hon. CHRISTOPHER H. SMITH,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: In a February 22, 2002, letter, Congressman Christopher Cox requested the views of the Department of Veterans Affairs (VA) on legislation to be introduced that would name the chapel at the national cemetery in Los Angeles, California, as the Bob Hope Veterans Chapel. VA supports this bill.

The bill would name the chapel at the national cemetery in Los Angeles, California, as the Bob Hope Veterans Chapel. Leslie Townes (Bob) Hope tirelessly served America's servicemembers for 50 years. Beginning in May 1941, when he performed his radio show for airmen at March Field, California, and continuing through his Christmas show in Saudi Arabia in 1990 during Operation Desert Storm, Mr. Hope has taken to the road to entertain U.S. troops, no matter where they were located, and through laughter helped them to forget for a brief period their distance from home. This legislation would honor Mr. Hope's selfless devotion to America's protectors.

There would be no significant costs associated with enactment of this legislation.

The Office of Management and Budget advises that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely yours,

ANTHONY J. PRINCIPI.

THE BOB AND DOLORES HOPE CHARITABLE FOUNDATIONS,
North Hollywood, CA, October 23, 2001.

Ms. MARY JANE WICK,
Veterans Park Conservancy, Los Angeles, CA.

DEAR MARY JANE, Though I know that you have spoken with my mother and you and I have talked, I wanted to let you know ''officially'' on behalf of The Bob and Dolores Hope Charitable Foundation and the entire Hope family how very proud and honored we are that you want to name the chapel at the West Los Angeles Veterans Cemetery for Bob Hope. What a wonderful and meaningful tribute to a man who has found strength and inspiration in the courage and selflessness of the American GI. To be there with those he admires most is a special accolade indeed. We all want to thank you for making this possible.

We will try to set a time for my mother to visit the cemetery just as soon as she is feeling better. Thanks again for everything.

Sincerely,

LINDA HOPE.

BOB HOPE,
November 16, 2001.

Ms. SUSAN C. YOUNG,
Executive Director, Veterans Park Conservancy, Los Angeles, CA.

DEAR MS. YOUNG. This letter will serve as confirmation that Mr. Bob Hope agrees to the use of his name for the Veterans Chapel (the ''Chapel'') located on the premises of the National Cemetery in Westwood, with the understanding that the Chapel will be renamed as ''The Bob Hope Veterans Chapel.''

The permission granted herein is conditioned on the following:

1. Mr. Hope's name will be used only as the name of the Chapel and in publicity regarding the Chapel and the renaming thereof.

2. Your organization agrees that there shall be no use of his name, logo or likeness or material concerning him for any other purposes whatsoever, except with the prior written consent of Mr. Hope or his authorized attorney-in-fact or successors in interest. Any authorization received by your organization from the federal government, or any agency thereof, to rename the Chapel shall be conditioned on this limitation.

Your proceeding with the securing of Federal authorization for the renaming of the Chapel as permitted hereunder will constitute your agreement with the foregoing.

Sincerely,

BOB HOPE
(by Dolores Hope, attorney in fact).

DISABLED AMERICAN VETERANS,
Santa Fe Springs, CA, May 14, 2002.

Hon. CHRISTOPHER COX,
Congressman, California 47th District.

DEAR CONGRESSMAN COX, The Disabled American Veterans—Department of California proudly supports the naming of the Chapel in the National Cemetery in Los Angeles as the ''Bob Hope Veterans Chapel''. This recognition is over due for a man that has devoted his entire adult life supporting the men and women in the military. Bob Hopes' efforts to bring happiness and joy to those stationed far from home can never be repaid, however, this Chapel will be a reminder for years to come of what he did for those who served.

Sincerely,

GARY CROSSLAND,
State Commander.

VETERANS OF FOREIGN WARS OF THE UNITED STATES,
Washington DC, March 6, 2002.

Hon. CHRISTOPHER COX,
Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE COX: It is our understanding that you are going to introduce legislation that would honor Bob Hope by designating the chapel located in the National Cemetery of Los Angeles, California, as the ''Bob Hope Veterans Chapel''. On behalf of the 2.7 million members of the Veterans of Foreign Wars, I would like to take this opportunity to express our enthusiastic support for this measure.

For more than fifty years, Bob Hope toured with the U.S.O. giving our troops a supportive reminder of home wherever they were stationed. He has earned the honor of being designated ''an honorary veteran'' for his humanitarian services to the United States Armed Forces by Congress. He has also received the VFW's prestigious Eisenhower Distinguished Service Award for individual contributions to the cause of American security, unity, and world peace. All those who visit the chapel will once again be reminded of his tireless service to our military and our veterans.

We look forward to working with you and your staff on this legislation. Thank you for your continued support on behalf of all America's veterans.

Sincerely,

DENNIS M. CULLINAN,
Director, National Legislative Service.

THE AMERICAN LEGION,
San Francisco, CA, May 7, 2002.

Hon. CHRISTOPHER COX,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN COX: On behalf of The American Legion, Department of California it gives me great pleasure to support HR 4592 to rename the Chapel at the Los Angeles National Cemetery the ''Bob Hope Veterans Chapel.''

What a wonderful tribute to a Great American who has provided so much support to

the veterans of this great Nation, both during periods of war and during peacetime.

You are to be commended for your vision and leadership in sponsoring this legislation to express the gratitude and deep regard felt for Bob Hope by the veterans of this Country.

Sincerely,

RONALD J. HANSON,
State Commander, Department of California, The American Legion.

THE RETIRED OFFICERS ASSOCIATION,
Riverside, CA, May 10, 2002.

Representative C. CHRISTOPHER COX,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN COX, I have been asked by Colonel Jay Vargas, USMC, (Ret) if my organization would write to you in support of the renaming of the Chapel on the grounds of the West Los Angeles Veterans Administration Hospital in honor of Bob Hope. I believe the name he proposed to me was ''The Bob Hope Memorial Chapel.''

I have discussed this proposal with members of my Board of Directors and we are unanimously in favor of memorializing this edifice to honor this great Patriot and great American. Bob Hope has given so much of his life to bring humor and a bit of home to American G.I. wherever we have been stationed in defense of Liberty around the world. We strongly support this proposal and find it a fitting tribute to Bob Hope and the hundreds of thousands of American service members whose lives he has enhanced.

I was in Danang in the winter of 1965 66 when Bob and his USO troop came and performed at the base of I Iill 327 in the pouring rain on the west side of the Danang Air Base runway. Bob was great and Joey Heatherton looked pretty good all wet, too.

I speak for the 49,460 members of TROA who live in California plus their spouses and families and can tell you that without reservation we endorse this proposal.

Thank you for carrying the ball on this project.

Respectfully,

WILLIAM F. GAVITT, Col., USAF (Ret),
President.

CALIFORNIA PARALYZED VETERANS ASSOCIATION,
Long Beach, CA, May 8, 2002.

Re: Naming Chapel.

Hon. CHRISTOPHER COX,
Rayburn House Office Bldg.,
Washington, DC.

DEAR CONGRESSMAN COX: California Paralyzed Veterans Association supports the chapel at Greater Los Angeles VA Healthcare System being named ''The Bob Hope Chapel''.

Thank you for your consideration. California Paralyzed Veterans Association 1100 members thank you in advance.

Sincerely,

RONALD P. AMADOR,
President, National Director.

DEPARTMENT OF CALIFORNIA JEWISH WAR VETERANS, USA,
Los Angeles, CA.

Congressman CHRIS COX,

DEAR CONGRESSMAN COX: The Jewish War Veterans Department of California wholeheartedly supports HR 4952. The naming of the Chapel at the National Los Angeles Cemetery in Honor of ''Bob Hope'' to be named the Bob Hope Veterans Chapel and urge the Congress to unanimously pass HR 4952.

Sincerely,

RALPH LEVENTHAL,
Commander.

STEVE ROSMARIN,
PDC National Executive Committee,
ALVIN SELNICK,
PDC National Executive Committee.

CALIFORNIA ASSOCIATION OF COUNTY VETERANS SERVICE OFFICERS, INC.,
Fairfield, CA, May 8, 2002.

Hon. CHRISTOPHER COX,
House of Representatives, Rayburn Building, Washington, DC.

DEAR CONGRESSMAN COX: I am writing on behalf of the California Association of County Veterans Service Officers (CACVSO). The CACVSO is an organization of professional veterans advocates. In California, the County Veterans Service Officer plays a critical role in the veteran's advocacy system and is often the initial contact in the community for veterans' services. Through the County Veterans Service Officer the CACVSO is committed to provide a vital and efficient system of services and advocacy to veterans, their dependents, and survivors.

I would like to express our enthusiastic support of your recently introduced legislation, H.R. 4592. This legislation to honor Mr. Bob Hope by naming the chapel located at the National Cemetery in Los Angeles, California is a fitting way to honor a life-long friend and supporter of the men and women who have served and are currently serving in the Armed Forces of the United States.

Mr. Hope's service to this country by his many years of providing entertainment and moral support to the troops has always been held in the highest regard by the veterans who had the opportunity to see or hear him in some of the most far flung places on the earth. From his first benefit in 1941 at March Field in California, to his first foray into a combat zone in 1943 during World War II when he and a small USO troupe performed for battle-weary troops in England, Africa, Sicily and Iceland, and for the nearly forty years thereafter when he would spend Christmas entertaining military men and women somewhere in the world, Bob Hope had a way of bringing a little bit of home to troops in faraway places.

Congress has previously acknowledged Bob Hope's invaluable service to the men and women of the US Armed Forces by honoring him with the title ''Honorary Veteran of the United States Armed Forces'' during a 1997 tribute and by dedicating the USNS Bob Hope (T–AKR300)—lead ship in a new class of Strategic Sealift vessels—in the comedian's honor. Your legislation is one more way to recognize a truly great American and to say ''Thanks for the Memories.''

Sincerely,

WILLIAM P. REARDON,
President, CACVSO.

MILITARY ORDER OF THE PURPLE HEART, DEPARTMENT OF CALIFORNIA,
May 8, 2002.

Congressman CHRISTOPHER COX,
Rayburn Building,
Washington, DC.

DEAR CHRISTOPHER COX: There are approximately 68,000 combat wounded veterans located in the State of California. They are Purple Heart Medal recipients from bygone wars. Those that are members of the Military Order of the Purple Heart, want to endorse your House bill H.R. 4592, Bob Hope legislation dedication of a chapel in the West Los Angeles area.

Thank you for introducing H.R. 4592 before the U.S. Congress for a special person as Bob Hope.

Yours in patriotism,

CHARLES L. LINDEN,
Department Commander, Department of California, Military Order of the Purple Heart.

AMVETS,
DEPARTMENT OF CALIFORNIA,
Tulare, CA, May 14, 2002.

Hon. CHRISTOPHER COX,
Washington, DC.

DEAR SIR: The Department of California AMVETS are supportive of the House Bill naming the chapel located in the National Cemetery in Los Angeles as the ''Bob Hope Veterans Chapel''.

Sincerely yours,

DONALD G. MCDONALD,
State Commander.

Mr. EVANS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation would name the chapel in the national cemetery located in Los Angeles, California as the Bob Hope Veterans Chapel.

Bob Hope has entertained American servicemen and women throughout the world. During the nearly 60 years of goodwill tours and USO shows, Bob Hope entertained an estimated 10 million members in the armed forces. In recognition for his support for America's armed forces in 1997, he was designated an honorary veteran. With the passage of this legislation, Bob Hope will receive another well-earned recognition.

Mr. Speaker, I urge my colleagues to support this measure and I commend the gentleman from California (Mr. COX) and the gentleman from California (Mr. WAXMAN) for their bipartisan leadership on this issue.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume. And first I want to thank the gentleman from California (Mr. COX) for his very eloquent remarks and for his sponsorship of this very important and, I think, very timely recognition of the great work that Bob Hope has done.

Mr. Speaker, Bob Hope is famous for entertaining all Americans, but we all know his most significant contribution to the United States has been in improving the morale of members of our armed forces by entertaining our troops overseas, especially during the holidays.

Leslie Townes, also known as Bob Hope, was born in Eltham, England on May 29, 1903. In 1907, he moved to Cleveland, Ohio, and became a naturalized U.S. citizen in 1920. During World War II, Bob Hope attempted to enlist in the armed forces, so he could serve his adopted country, but was informed that his greatest service would be as a civilian entertainer for the troops.

□ 1900

Whether at war or at peace, from World War II through the Persian Gulf War, Bob Hope committed himself for nearly 60 years to boosting the morale of the U.S. Armed Forces. It began in

1941 when Mr. Hope and a group of performers went to March Field in California to do a radio show for the troops in training there. During World War II, his weekly radio show was broadcast from Armed Forces installations around the United States and at U.S. bases overseas. During this period he developed a rapport that led the United Service Organization, USO, to ask him to lead 45 tours in more than 40 countries to entertain American servicemen and women. His spirit of selflessness was especially notable during his annual Christmas specials which began in 1948 and kept him on the road during this Christian holiday for more than 20 years in a row. He has entertained, as the gentleman from California (Mr. COX) pointed out, an estimated 10 million American GIs.

Mr. Speaker, here is a quote from a lonely sailor in France who had received a letter and some photos from a recent Bob Hope visit during World War II. His words portray the feelings of so many Americans fighting at that time:

''Your programs are the kind that make us think of home but they also make us feel that home is much closer than it really is. It is people like you and Mr. Colona and Miss Langford besides the one we love back home that makes it worth winning this war and believe me we are going to do it. I want to say thanks from the bottom of my heart for all the trouble you have gone through to make this strange sailor have a pleasant time for being so far away from home.''

Mr. Speaker, Bob Hope made over 700 television appearances. As we all know, he is a best-selling author, he starred in 60 motion pictures, and the ''Guinness Book of Records'' cites him as the most honored entertainer in the world. Mr. Hope has received more than 50 honorary doctorates and is the recipient of innumerable awards, including prestigious honors from the major veterans service organizations. His humanitarian work, Mr. Speaker, was recognized, and fittingly, with the Congressional Gold Medal.

Public Law 105–67, Mr. Speaker, bestowed on Mr. Hope status as an honorary veteran of the United States Armed Forces. As we know, he resides in California with his bride of 68 years, Delores.

Mr. Hope, what an appropriate name for all that he has done to boost the morale of American fighting men and women. We say to him, ''Thanks for the memories.''

Mr. Speaker, I reserve the balance of my time.

Mr. EVANS. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 4592, which would designate the chapel in Los Angeles National Cemetery located in the congressional district I represent as the Bob Hope Veterans Chapel. I want to thank the gentleman from California (Mr. COX) for his assistance with this legislation and the Committee on Veterans' Affairs for allowing it to reach the floor in time for the chapel naming to coincide with Bob Hope's 99th birthday on May 29.

Bob Hope has been named the most honored entertainer of all time with more than 1,500 awards and citations. His career in vaudeville, Broadway, radio, motion pictures, and television has made him an icon of American entertainment. But he will forever be loved for traveling the globe to entertain American GIs.

Starting with his World War II radio broadcast for the Armed Forces, Bob Hope dedicated more than 50 years to the USO, delivering holiday cheer and raising the morale of servicemen and women serving throughout the world. He made his first trip to a combat area in 1943 when he and a small USO troupe visited U.S. military facilities in England, Africa, Sicily and Iceland. His commitment to those in uniform is legendary; and he set an example that inspired his peers, his fans and the entertainers who have followed in his path.

As many of my colleagues know, Bob Hope and his wife, Delores, recently donated the Bob Hope Collection to the Library of Congress to preserve his invaluable joke files, sound recordings, films, photos and other memorabilia. Now exhibited through the Bob Hope Gallery of American Entertainment, the collection is truly a national treasure. Naming this veterans chapel in his honor is a special way for Congress to express the deep gratitude that all Americans have for Bob Hope. He is the man we awarded the Congressional Gold Medal in 1962 and designated in 1997 as the only person in history to become an honorary veteran.

I appreciate the opportunity to pay tribute once again when we ascribe his name to this historic chapel, which is being restored with the help of the Veterans Park conservancy. It will also be a tribute to the 85,000 brave soldiers who are buried at the L.A. National Cemetery.

It is a great privilege for me to represent Bob and Delores Hope in Congress. I know other Members of Congress claim them as well; but they live, as Delores Hope told me, and vote in my congressional district and to me that has always been a great honor for me to have them as constituents. I want to take this opportunity to congratulate them on this special honor and to extend my best wishes to them and their family.

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. GILMAN), the chairman emeritus of the Committee on International Relations.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, permit me to thank our good friend, the gentleman from New Jersey, the distinguished chairman of our Committee on Veterans' Affairs; the gentleman from California (Mr. COX); the gentleman from California (Mr. WAXMAN); and the gentleman from Illinois (Mr. EVANS) for affording us this opportunity to pay tribute to a dedicated patriot, a man who has devoted his life to providing laughter to our Nation, and, most notably, to our troops overseas, Bob Hope.

Bob Hope's lifelong commitment to public service has made him one of the most honored and esteemed performers in our Nation's history. He spent nearly 60 years boosting the morale of our servicemen and women through goodwill tours, USO shows, and his world famous Christmas specials. Bob Hope's status among our Armed Forces as GI Bob is legendary. Through an act of Congress in 1997, he has the distinction of being the Nation's first and only honorary veteran, a fitting tribute to his life and service.

His charitable work and his tours on behalf of our Armed Forces have brought him the admiration and the gratitude of millions and the friendship of every U.S. President since President Roosevelt.

In a recent act of generosity, Bob donated his personal papers, radio and television programs, his scripts and his treasured joke file to the Library of Congress and the people of the United States. Preserved at the library is the full record of Bob Hope's extraordinary creativity, his unselfish contributions to his Nation, and the testimonials and thanks he has received from those whose lives he has enriched.

Bob Hope is a role model, a patriot, a man who used his gift to lift the spirits of our Nation and of our Nation's troops. This measure, H.R. 4592, names the chapel located at the national cemetery in Los Angeles as the Bob Hope Veterans Chapel. While this is only a small symbol of our thanks, I know that our Nation will forever extend its gratitude to Bob Hope, an entertainer, a patriot and a friend and to his devoted wife, Delores.

Accordingly, I urge all of our colleagues to support this measure. I thank the gentlemen from New Jersey and from California for this opportunity to pay tribute to GI Bob.

Mr. EVANS. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, as a Representative of Cleveland, Ohio, I am proud to join with my colleagues from across the country in this well-deserved tribute to Bob Hope for his service to the veterans of our country, to the servicepersons who for generations put themselves on the line to protect America and Bob Hope was there time after time whenever his country called him. And so now his country is prepared to honor him in a very special way by showing its appreciation for the years of work, the years of his own life

he put into celebrating the work of our servicemen and women.

As a Representative from Cleveland, Ohio, I take great pride in the fact that the first city that Bob Hope moved to, his family moved to, when he came to the United States was the city of Cleveland. The city of Cleveland claims him as one of their favorite sons and has named a major bridge after him and celebrated his whole career during our bicentennial. We recognize that his contribution, though, belongs to the Nation as well as to our community. It is that way, I think, with Bob Hope's life in that so many parts of our Nation are grateful to the service that he has given to, to the joy he has brought into people's lives, through his unselfish approach, through his dedication to our country, and to the men and women who have served.

Mr. Speaker, when I was mayor of Cleveland, I had the privilege of meeting Bob Hope on many occasions, having had the opportunity to share very special moments with him and to see that this person whom we honor here this evening was warm, and is warm, and funny and is someone who had a view of life, and has a view of life, which really appreciates the beauty of life and the humor in life.

To Bob and Delores Hope, this is an important moment for both of you, because you have shared your marriage with this country and with the servicemen and women who have served America. In this moment when through the work of our colleagues your name is going to be on this special veterans memorial chapel, through this moment we show that we have not forgotten what you have done for our country and that you will always be remembered and that we join, each Member of this Congress, in celebrating your life as you look towards your 99th year.

In the Polish community in Cleveland, there is a phrase called stolot which, translated, is ''May you live a hundred years and more.'' Bob, keep going strong. We love you. Thanks to you and Delores. Cleveland is glad to join in this special honor.

Mr. EVANS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from New Jersey (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 4592.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

SMALL BUSINESS ADVOCACY IMPROVEMENT ACT OF 2002

Mr. MANZULLO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4231) to improve small business advocacy, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4231

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 ''Small Business Advocacy Improvement Act of 2002''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds the following:

(1) Excessive regulations continue to burden the Nation's small businesses.

(2) Federal agencies continue to propose regulations that impose disproportionate burdens on small businesses.

(3) An independent office of small business advocacy will help to ensure that Federal agencies are responsive to small businesses and that those agencies comply with their statutory obligations with respect to small businesses.

(4) The independence of an office that acts as an advocate for small businesses is essential to ensure that it can serve as an effective advocate without being restricted by the views or policies of the Small Business Administration or any other Federal executive branch agency.

(5) To be effective an office that acts as an advocate for small businesses needs sufficient resources to conduct creditable economic studies and research which are necessary for the maintenance of small business databases and for the accurate assessment of the impact of regulations on small businesses, the role of small business in the Nation's economy, and the barriers to the growth of small businesses.

(6) The research, information, and expertise provided by an independent office of small business advocacy will be a valuable source of information and advice for Congress and Federal agencies with which the office will work on behalf of small businesses.

(b) PURPOSES.—The purposes of this Act are—

(1) to ensure that there exists an entity that has the statutory independence and adequate financial resources to effectively advocate for and on behalf of small business;

(2) to require that such an entity report to the Chairmen and Ranking Members of the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate, and to the Administrator of the Small Business Administration in order to keep them fully and currently informed about issues and regulations affecting small business concerns and the necessity for corrective action by the regulatory agency or Congress;

(3) to provide a separate authorization for appropriations for such an entity; and

(4) to strengthen the role of the Small Business and Agriculture Regulatory Enforcement Ombudsman by ensuring greater cooperation between the Ombudsman and the Office of Advocacy of the Small Business Administration.

SEC. 3. APPOINTMENT OF CHIEF COUNSEL OF ADVOCACY.

(a) IN GENERAL.—Section 201 of Public Law 94–305 (15 U.S.C. 634a) is amended—

(1) by inserting ''(a)'' before ''There is established'';

(2) by striking the second sentence; and

(3) by adding at the end the following:

''(b) The management of the Office shall be vested in a Chief Counsel for Advocacy who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and who should be appointed without regard to political affiliation and on the basis of fitness to perform the duties of the office.

''(c) No individual may be appointed under subsection (b) if such individual has served as an officer or employee of the Small Business Administration during the 5-year period preceding the date of such individual's appointment.

''(d) Any Chief Counsel appointed after the date of the enactment of this subsection shall be paid at a rate not to exceed the rate of basic pay for level III of the Executive Schedule.

''(e) After the expiration of the term of a President, the Chief Counsel may continue to serve at the pleasure of the President for a period of not to exceed one year until such date as a successor to the Chief Counsel is nominated.''.

(b) INCUMBENT CHIEF COUNSEL FOR ADVOCACY.—The individual serving as the Chief Counsel for Advocacy of the Small Business Administration on the date of the enactment of this Act shall continue to serve in that position after such date in accordance with section 201 of Public Law 94–305 (15 U.S.C. 634a), as amended by this section.

SEC. 4. PRIMARY FUNCTIONS OF OFFICE OF ADVOCACY.

Section 202 of Public Law 94–305 (15 U.S.C. 634b) is amended—

(1) in paragraph (6) by striking ''to minority enterprises'' and inserting ''to small business concerns owned and controlled by socially and economically disadvantaged individuals, to small business concerns owned and controlled by women, and to small business concerns owned and controlled by veterans'';

(2) in paragraph (7) by striking ''minority enterprises'' and inserting ''small business concerns owned and controlled by socially and economically disadvantaged individuals, small business concerns owned and controlled by women, and small business concerns owned and controlled by veterans'';

(3) in paragraph (8) by striking ''minority and other small business enterprises'' and inserting ''small business concerns owned and controlled by socially and economically disadvantaged individuals, small business concerns owned and controlled by women, small business concerns owned and controlled by veterans, and other small businesses'';

(4) in paragraph (9) by striking ''complete'' and inserting ''compete'';

(5) by striking paragraph (11);

(6) by redesignating paragraph (12) as paragraph (11);

(7) in paragraph (11) (as so redesignated)—

(A) by striking ''serviced-disabled'' and inserting ''service-disabled''; and

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

(8) by adding at the end the following:

''(12) make such recommendations and submit such reports as the Chief Counsel determines appropriate to the President, to the Chairmen and Ranking Members of the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate, and to the Administrator of the Small Business Administration, with respect to issues and regulations affecting small businesses and the necessity for corrective action by any Federal agency or by Congress.''.

SEC. 5. ADDITIONAL FUNCTIONS.

(a) IN GENERAL.—Section 203 of Public Law 94–305 (15 U.S.C. 634c) is amended—

(1) by inserting ''(a)'' before ''The Office of Advocacy shall also perform''; and

(2) in subsection (a) (as so designated)—

(A) in paragraph (4) by striking ''and'' at the end;

(B) in paragraph (5) by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

''(6) maintain economic databases and make the information contained therein available to the Administrator of the Small Business Administration and to Congress;

''(7) carry out the responsibilities of the Chief Counsel under chapter 6 of title 5, United States Code; and

''(8) enter into a memorandum of understanding with the Small Business and Agriculture Regulatory Enforcement Ombudsman regarding methods and procedures for cooperation between the Ombudsman and the Office of Advocacy and transmit a copy of such memorandum to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate.''.

(b) APPROPRIATION REQUEST.—Section 203 of Public Law 94–305 (15 U.S.C. 634c) is further amended by adding at the end the following:

''(b)(1) For each fiscal year, the Chief Counsel shall transmit the Office of Advocacy's appropriation estimate and request to the Office of Management and Budget, the Committee on Small Business of the House of Representatives, the Committee on Small Business and Entrepreneurship of the Senate, and the Committees on Appropriations of the House of Representatives and the Senate.

''(2) Each budget of the United States Government submitted by the President shall include a separate statement of the amount of appropriations requested for the Office of Advocacy.''.

SEC. 6. DEPUTY CHIEF COUNSELS AND REGIONAL ADVOCATES.

Section 204 of Public Law 94–305 (15 U.S.C. 634d) is amended—

(1) by inserting ''(a)'' before ''In carrying out''; and

(2) by adding at the end the following:

''(b)(1) The Chief Counsel may appoint 2 individuals to serve as Deputy Chief Counsels.

''(2) Notwithstanding any other provision of this section, the pay rate for each Deputy Chief Counsel may not exceed the rate of basic pay for level III of the Senior Executive Service.

''(3) Individuals appointed to positions under this subsection shall not be counted toward the limitation contained in subsection (a)(1) regarding the number of individuals who may be compensated at a rate in excess of the lowest rate for GS–15 of the General Schedule.

''(c) The Chief Counsel may appoint regional advocates within each Standard Federal Region as appropriate. Such regional advocates shall—

''(1) assist in examining the role of small business in the economy of the United States by identifying academic and other research institutions that focus on small business concerns and linking these research resources to research activities conducted by the Office of Advocacy;

''(2) assist in representing the views and interests of small business concerns before Federal agencies whose policies and activities may affect small business;

''(3) in coordination with the Small Business and Agriculture Regulatory Enforcement Ombudsman, assist the functioning of regional small business fairness boards;

''(4) assist in enlisting the cooperation and assistance of public and private agencies, businesses, and other organizations in disseminating information about the programs and services provided by the Federal Government that are of benefit to small business concerns and the means by which small business concerns can participate in or make use of such programs and services; and

''(5) carry out such duties pursuant to the mission of the Office of Advocacy as the Chief Counsel may assign.''.

SEC. 7. OVERHEAD AND ADMINISTRATIVE SUPPORT.

Section 205 of Public Law 94–305 (15 U.S.C. 634e) is amended by inserting before ''Each department'' the following:

''(a) The Administrator of the Small Business Administration shall provide the Office of Advocacy with appropriate and adequate office space at central and field office locations of the Administration, together with such equipment, office supplies, communications facilities, and personnel and maintenance services as may be necessary for the operation of such offices.

''(b)''.

SEC. 8. REPORTS.

Section 206 of Public Law 94–305 (15 U.S.C. 634f) is amended by striking ''The Chief Counsel may'' and all that follows through ''on his activities.'' and inserting the following:

''(a) Not less than annually, the Chief Counsel shall submit to the President, the Committee on Small Business of the House of Representatives, the Committee on Small Business and Entrepreneurship of the Senate, the Committee on Government Affairs of the Senate, the Committee on Government Reform of the House of Representatives, and the Committees on the Judiciary of the Senate and the House of Representatives, and the Administrator of the Small Business Administration a report on agency compliance with chapter 6 of title 5, United States Code.

''(b) In addition to the reports required by this title, the Chief Counsel may prepare and publish such other reports as the Chief Counsel determines appropriate.

''(c)''.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

Section 207 of Public Law 94–305 (15 U.S.C. 634g) is amended by striking ''not to exceed $1,000,000'' and inserting ''$10,000,000 for fiscal year 2003, $12,000,000 for fiscal year 2004, and $14,000,000 for fiscal year 2005''.

SEC. 10. CONFORMING AMENDMENTS.

(a) EXECUTIVE PAY SCHEDULE.—Title 5, United States Code, is amended—

(1) in section 5314 by adding at the end the following:

''Chief Counsel for Advocacy, Small Business Administration.''; and

(2) in section 5315 by striking the following:

''Chief Counsel for Advocacy, Small Business Administration.''.

(b) RURAL TOURISM TRAINING PROGRAM.—Section 311 of the Small Business Administration Reauthorization and Amendments Act of 1990 (15 U.S.C. 653 note; 104 Stat. 2832) is amended by striking ''Chief Counsel for Advocacy'' and inserting ''Administrator''.

(c) SMALL BUSINESS AND AGRICULTURE REGULATORY ENFORCEMENT OMBUDSMAN.—Section 30(b)(2) of the Small Business Act (15 U.S.C. 657(b)(2)) is amended—

(1) in subparagraph (D), by striking ''and'' at the end;

(2) in subparagraph (E), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(F) enter into a memorandum of understanding with the Office of Advocacy regarding methods and procedures for cooperation between the Ombudsman and the Office of Advocacy.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. MANZULLO) and the gentlewoman from New York (Ms. VELÁZQUEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. MANZULLO).

GENERAL LEAVE

Mr. MANZULLO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MANZULLO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, 2 weeks ago we celebrated National Small Business Week and the entrepreneurial spirit that makes this Nation great. Small business drives our Nation's economy and the heart of our communities. Small businesses account for 99.7 percent of the Nation's employers. Small businesses employ 53 percent of the private workforce and are responsible for over 50 percent of the private gross domestic product. During this time of economic uncertainty, it is important to remember that small businesses have pulled this Nation out of every downturn. Small businesses create about three-fourths of the new jobs in this country.

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That is why it is critically important that we in Congress do all we can to foster the entrepreneurial spirit in America.

After all the festivities are over, it is especially important that we carry on the legacy of National Small Business Week throughout the year by strengthening and making the Office of Advocacy at the Small Business Administration more independent. Advocacy is a very small, but unique and dynamic, government office. Mr. Speaker, I encourage my colleagues that if you do not know too much about this office, it is time you became more familiar with its mission and its hard-working personnel.

Advocacy is staffed with public servants who truly have a heart for small business. It is a great resource, particularly for caseworkers that may not know to whom to turn in order to resolve a complex small business problem. It is one of the few offices in the executive branch that can take positions contrary to the administration on behalf of small business. Advocacy serves as an internal government watchdog in our regulatory process to make sure that the interests of small businesses are not ignored as agencies develop, propose and finalize their regulations.

Advocacy has concluded that Federal regulations cost small businesses about 60 percent more per employee than it costs large businesses. Compliance with regulations averages about $7,000 per employee. That is a huge burden. The Regulatory Flexibility Act was passed in 1980 to require agencies to factor into their analysis the impact of

proposed regulations on small businesses prior to their implementation, and, if necessary, modify the proposal to soften the impact on small businesses.

Last March the President gave a historic address before our Nation's women entrepreneurs. The President said, ''Every agency is required to analyze the impact of new regulations on small businesses before issuing them. That is an important law. The problem is it is oftentimes being ignored. The law is on the books; the regulators don't care that the law is on the books. From this day forward, they will care that the law is on the books.''

The main mission of the Office of Advocacy is to carry out the President's vision by making sure that all regulators finally take seriously the obligations contained in the Regulatory Flexibility Act to respect the interests of small business. Part of the President's small business agenda is to enhance the Office of Advocacy.

The bill before us today strengthens and improves the office to ensure that there is an entity within the executive branch that has the statutory independence and adequate financial resources to be an effective fighter for small business. Many small business groups, including the National Federation of Independent Business, the Small Business Legislative Council, the U.S. Chamber of Commerce, National Small Business United and the National Association for the Self-Employed have endorsed this bill.

The Small Business Advocacy Improvement Act raises the rank of the Chief Counsel for Advocacy one level in the executive service schedule to be on par with many of his colleagues in other agencies. The legislation would permit the appointment of two deputy chief counsel, one responsible for regulations, the other for economic research and studies. The bill also defines for the first time the duties of regional advocates, one at each of the 10 Federal regions. The SBA is also required to provide adequate office space, equipment, and personnel to the Office of Advocacy.

In addition, this legislation encourages more cooperation and coordination through a memorandum of understanding between the SBA's Office of Ombudsman, which oversees how Federal agencies implement regulations after they are adopted, and the Office of Advocacy, which aims to make proposed regulations more friendly to small businesses prior to their final adoption.

Most importantly, this bill protects the budget of the Office of Advocacy by allowing Congress to see the chief counsel's initial budget request to the Office of Management and Budget. Unfortunately, Advocacy has been threatened in the past with budget cuts unless the chief counsel changed his policy with respect to small business to be more in line with the administration. This provision is crucial to maintaining the independence of the Office of Advocacy, because, without it, other executive branch agencies could threaten its budget to influence a particular course of action. This bill would shed light on that practice in order to put enough pressure to end it.

Finally, the legislation authorizes modest increases in the budget of the Office of Advocacy over the next 3 years in order to increase its role and visibility within the executive branch to advocate for and on behalf of small businesses.

Mr. Speaker, I want to thank the ranking minority member, the gentlewoman from New York (Ms. VELÁZQUEZ), for working with me over the past 14 months on this issue. I urge my colleagues to support the Small Business Advocacy Improvement Act.

Mr. Speaker, passage of this bill is particularly appropriate today, shortly after National Small Business Week, because H.R. 4231 will produce untold benefits for our small business constituents for years to come.

Mr. Speaker, I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, even though small businesses serve as the engine of the economy, the critical role they play is often overlooked during the development and implementation of Federal policies. This oversight often results in a myriad of problems and regulations that have little benefit, or, in some cases, negative impact on this Nation's small businesses.

To make sure small business has a voice in the Federal Government, Congress created the Small Business Administration Office of Advocacy 25 years ago to defend, strengthen and represent small businesses in the legislative and executive rule-making process. To accomplish this, Advocacy, and in particular the chief counsel, has the unique power to take positions that are contrary to the administration. This ability to ''call them as he sees them'' allows Advocacy to put aside much of the partisan tone that all too often creeps into policy, and has just one standard: is it good for this Nation's small businesses?

Under this charge, the Office of Advocacy works to reduce legal and regulatory mandates that disproportionately burden small businesses. By bringing together Federal agencies, small businesses and interest groups, Advocacy then attempts to reach a mutually beneficial consensus. The result is an improved regulation that reduces regulatory and paperwork burdens so that small businesses can get back to the work they do best.

In addition, Advocacy highlights policies that support the development and growth of small businesses and produces studies and research aiding legislators and rule-makers in the decisions that affect small businesses.

As the complexity of Federal regulations has increased, so has the need to ensure that Advocacy's independent voice is in no way muffled. To do its job and do it well, Advocacy must point out problems and shortcomings of administration policy, not a particularly popular job to have, but a critical one. This often pits them against agencies and many times opposes the Office of Management and Budget, the very agency that sets Advocacy's funding levels each year.

Criticizing the very entity that holds its fate could compromise Advocacy's ability to be truly independent. Given the recent mishandling by OMB of such matters as the SBA loan program subsidy rates and size standards for disaster assistance, shielding Advocacy from OMB's heavy hand is more important than ever.

To that end, the Committee on Small Business provided the Office of Advocacy the ability to submit its own budget to Congress in our original bill. Unfortunately, this critical guarantee of Advocacy's independence has been removed from the final version under consideration today. I find this curious. The Office of Advocacy already submits testimony, correspondence and reports to Congress without any vetting by the administration. It only makes sense that this independence should be extended to the budget it submits to Congress. The power of a subordinate agency to submit a budget item is not without precedent. Currently, FDIC and the International Trade Commission, among others, submit their budget without change.

Testimony by experts before our hearings, committee reports and surveys of small business interest groups have all influenced the bipartisan proposal to secure Advocacy's independence. In fact, all the business groups supported the bill as it was reported by the committee, not as it was amended. We know that OMB's current budgetary power over the Office of Advocacy can hurt, co-opt or weaken the office, which will be less likely to raise issues with OMB that directly harm small businesses.

We should have retained the original language of this bill. I am afraid today's proposal is not a step forward, but a step back, in the drive to protect small businesses from disproportionate government regulations and compliance burdens. The Office of Advocacy has been successful because we have given it the flexibility to work with agencies to find creative solutions to the problems facing this country's small businesses.

Small businesses are powerful creators of growth and jobs, something to keep in mind as our unemployment rate peaks at 6 percent. The Office of Advocacy is a strong voice for small business, and we can make it stronger so that small businesses can get back to work. We should be strengthening it, not weakening it, as this legislation does today.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MANZULLO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Illinois (Mr. MANZULLO) that the House suspend the rules and pass the bill, H.R. 4231, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXTENDING AUTHORITY OF EXPORT-IMPORT BANK UNTIL JUNE 14, 2002

Mr. OXLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4782) to extend the authority of the Export-Import Bank until June 14, 2002.

The Clerk read as follows:

H.R. 4782

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

SECTION 1. EXTENSION OF EXPORT-IMPORT BANK.

Notwithstanding the dates specified in section 7 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) and section 1(c) of Public Law 103–428, the Export-Import Bank of the United States shall continue to exercise its functions in connection with and in furtherance of its objects and purposes through June 14, 2002.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. OXLEY) and the gentleman from New York (Mr. LAFALCE) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 4782.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OXLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation is a simple extension of the authority of the Export-Import Bank until June 14, 2002. Mr. Speaker, this is a rather routine extension. The conference committee is meeting literally as I speak, and we would hope to have a bill to the floor. But in case we do not, it is important that the activities of the Export-Import Bank maintain until June 14. I ask that the House would pass this.

Mr. Speaker, I reserve the balance of my time.

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur in the remarks of my friend, the gentleman from Ohio (Mr. OXLEY). The conferees are meeting as we speak, but it might be very difficult to come to conclusion and bring a conference report to the floor before there is a recess, especially since I understand we might be recessing tomorrow evening. Since the legislation we passed last time expires on May 31 of this month, I think it is prudent for us to pass this resolution now, extending it until June 14.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OXLEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

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Mr. OXLEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and pass the bill, H.R. 4782.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

FEDERAL DEPOSIT INSURANCE REFORM ACT OF 2002

Mr. OXLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3717) to reform the Federal deposit insurance system, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3717

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 ''Federal Deposit Insurance Reform Act of 2002''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Merging the BIF and SAIF.
Sec. 3. Increase in deposit insurance coverage.
Sec. 4. Setting assessments and repeal of special rules relating to minimum assessments and free deposit insurance.
Sec. 5. Replacement of fixed designated reserve ratio with reserve range.
Sec. 6. Requirements applicable to the risk-based assessment system.
Sec. 7. Refunds, dividends, and credits from Deposit Insurance Fund.
Sec. 8. Deposit Insurance Fund restoration plans.
Sec. 9. Regulations required.
Sec. 10. Studies of FDIC structure and expenses and certain activities and further possible changes to deposit insurance system.
Sec. 11. Technical and conforming amendments to the Federal Deposit Insurance Act relating to the merger of the BIF and SAIF.
Sec. 12. Other technical and conforming amendments relating to the merger of the BIF and SAIF.

SEC. 2. MERGING THE BIF AND SAIF.

(a) IN GENERAL.—

(1) MERGER.—The Bank Insurance Fund and the Savings Association Insurance Fund shall be merged into the Deposit Insurance Fund.

(2) DISPOSITION OF ASSETS AND LIABILITIES.—All assets and liabilities of the Bank Insurance Fund and the Savings Association Insurance Fund shall be transferred to the Deposit Insurance Fund.

(3) NO SEPARATE EXISTENCE.—The separate existence of the Bank Insurance Fund and the Savings Association Insurance Fund shall cease on the effective date of the merger thereof under this section.

(b) REPEAL OF OUTDATED MERGER PROVISION.—Section 2704 of the Deposit Insurance Funds Act of 1996 (12 U.S.C. 1821 note) is repealed.

(c) EFFECTIVE DATE.—This section shall take effect on the first day of the first calendar quarter that begins after the end of the 90-day period beginning on the date of the enactment of this Act.

SEC. 3. INCREASE IN DEPOSIT INSURANCE COVERAGE.

(a) IN GENERAL.—Section 11(a)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(1)) is amended—

(1) by striking subparagraph (B) and inserting the following new subparagraph:

''(B) NET AMOUNT OF INSURED DEPOSIT.—The net amount due to any depositor at an insured depository institution shall not exceed the standard maximum deposit insurance amount as determined in accordance with subparagraphs (C), (D), (E) and (F) and paragraph (3).''; and

(2) by adding at the end the following new subparagraphs:

''(E) STANDARD MAXIMUM DEPOSIT INSURANCE AMOUNT DEFINED.—For purposes of this Act, the term 'standard maximum deposit insurance amount' means—

''(i) until the effective date of final regulations prescribed pursuant to section 9(a)(2) of the Federal Deposit Insurance Reform Act of 2002, $100,000; and

''(ii) on and after such effective date, $130,000, adjusted as provided under subparagraph (F).

''(F) INFLATION ADJUSTMENT.—

''(i) IN GENERAL.—By April 1 of 2005, and the 1st day of each subsequent 5-year period, the Board of Directors and the National Credit Union Administration Board shall jointly prescribe the amount by which the standard maximum deposit insurance amount and the standard maximum share insurance amount (as defined in section 207(k) of the Federal Credit Union Act) applicable to any depositor at an insured depository institution shall be increased by calculating the product of—

''(I) $130,000; and

''(II) the ratio of the value of the Personal Consumption Expenditures Chain-Type Index (or any successor index thereto), published by the Department of Commerce, as of December 31 of the year preceding the year in which the adjustment is calculated under this clause, to the value of such index as of the date this subparagraph takes effect.

''(ii) ROUNDING.—If the amount determined under clause (ii) for any period is not a multiple of $10,000, the amount so determined shall be rounded to the nearest $10,000.

''(iii) PUBLICATION AND REPORT TO THE CONGRESS.—Not later than April 5 of any calendar year in which an adjustment is required to be calculated under clause (i) to the standard maximum deposit insurance amount and the standard maximum share insurance amount under such clause, the Board of Directors and the National Credit Union Administration Board shall—

''(I) publish in the Federal Register the standard maximum deposit insurance

amount, the standard maximum share insurance amount, and the amount of coverage under paragraph (3)(A) and section 207(k)(3) of the Federal Credit Union Act, as so calculated; and

''(II) jointly submit a report to the Congress containing the amounts described in subclause (I).

''(iv) 6-MONTH IMPLEMENTATION PERIOD.—Unless an Act of Congress enacted before July 1 of the calendar year in which an adjustment is required to be calculated under clause (i) provides otherwise, the increase in the standard maximum deposit insurance amount and the standard maximum share insurance amount shall take effect on January 1 of the year immediately succeeding such calendar year.''.

(b) COVERAGE FOR CERTAIN EMPLOYEE BENEFIT PLAN DEPOSITS.—Section 11(a)(1)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(1)(D)) is amended to read as follows:

''(D) COVERAGE FOR CERTAIN EMPLOYEE BENEFIT PLAN DEPOSITS.—

''(i) PASS-THROUGH INSURANCE.—The Corporation shall provide pass-through deposit insurance for the deposits of any employee benefit plan.

''(ii) PROHIBITION ON ACCEPTANCE OF BENEFIT PLAN DEPOSITS.—An insured depository institution that is not well capitalized or adequately capitalized may not accept employee benefit plan deposits.

''(iii) DEFINITIONS.—For purposes of this subparagraph, the following definitions shall apply:

''(I) CAPITAL STANDARDS.—The terms 'well capitalized' and 'adequately capitalized' have the same meanings as in section 38.

''(II) EMPLOYEE BENEFIT PLAN.—The term 'employee benefit plan' has the same meaning as in paragraph (8)(B)(ii), and includes any eligible deferred compensation plan described in section 457 of the Internal Revenue Code of 1986.

''(III) PASS-THROUGH DEPOSIT INSURANCE.—The term 'pass-through deposit insurance' means, with respect to an employee benefit plan, deposit insurance coverage provided on a pro rata basis to the participants in the plan, in accordance with the interest of each participant.''.

(c) DOUBLING OF DEPOSIT INSURANCE FOR CERTAIN RETIREMENT ACCOUNTS.—Section 11(a)(3)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(3)(A)) is amended by striking ''$100,000'' and inserting ''2 times the standard maximum deposit insurance amount (as determined under paragraph (1))''.

(d) INCREASED INSURANCE COVERAGE FOR MUNICIPAL DEPOSITS.—Section 11(a)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(2)) is amended—

(1) in subparagraph (A)—

(A) by moving the margins of clauses (i) through (v) 4 ems to the right;

(B) by striking, in the matter following clause (v), ''such depositor shall'' and all that follows through the period; and

(C) by striking the semicolon at the end of clause (v) and inserting a period;

(2) by striking ''(2)(A) Notwithstanding'' and all that follows through ''a depositor who is—'' and inserting the following:

''(2) MUNICIPAL DEPOSITORS.—

''(A) IN GENERAL.—Notwithstanding any limitation in this Act or in any other provision of law relating to the amount of deposit insurance available to any 1 depositor—

''(i) a municipal depositor shall, for the purpose of determining the amount of insured deposits under this subsection, be deemed to be a depositor separate and distinct from any other officer, employee, or agent of the United States or any public unit referred to in subparagraph (E); and

''(ii) except as provided in subparagraph (B), the deposits of a municipal depositor shall be insured in an amount equal to the standard maximum deposit insurance amount (as determined under paragraph (1)).

''(B) IN-STATE MUNICIPAL DEPOSITORS.—In the case of the deposits of an in-State municipal depositor described in clause (ii), (iii), (iv), or (v) of subparagraph (E) at an insured depository institution, such deposits shall be insured in an amount not to exceed the lesser of—

''(i) $2,000,000; or

''(ii) the sum of the standard maximum deposit insurance amount and 80 percent of the amount of any deposits in excess of the standard maximum deposit insurance amount.

''(C) MUNICIPAL DEPOSIT PARITY.—No State may deny to insured depository institutions within its jurisdiction the authority to accept deposits insured under this paragraph, or prohibit the making of such deposits in such institutions by any in-State municipal depositor.

''(D) IN-STATE MUNICIPAL DEPOSITOR DEFINED.—For purposes of this paragraph, the term 'in-State municipal depositor' means a municipal depositor that is located in the same State as the office or branch of the insured depository institution at which the deposits of that depositor are held.

''(E) MUNICIPAL DEPOSITOR.—In this paragraph, the term 'municipal depositor' means a depositor that is—'';

(3) by striking ''(B) The'' and inserting the following:

''(F) AUTHORITY TO LIMIT DEPOSITS.—The''; and

(4) by striking ''depositor referred to in subparagraph (A) of this paragraph'' each place such term appears and inserting ''municipal depositor''.

(e) TECHNICAL AND CONFORMING AMENDMENT RELATING TO INSURANCE OF TRUST FUNDS.—Paragraphs (1) and (3) of section 7(i) of the Federal Deposit Insurance Act (12 U.S.C. 1817(i)) are each amended by striking ''$100,000'' and inserting ''the standard maximum deposit insurance amount (as determined under section 11(a)(1))''.

(f) OTHER TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 11(m)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1821(m)(6)) is amended by striking ''$100,000'' and inserting ''an amount equal to the standard maximum deposit insurance amount''.

(2) Subsection (a) of section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828(a)) is amended to read as follows:

''(a) INSURANCE LOGO.—

''(1) INSURED DEPOSITORY INSTITUTIONS.—Each insured depository institution shall display at each place of business maintained by that institution a sign or signs relating to the insurance of the deposits of the institution, in accordance with regulations to be prescribed by the Corporation.

''(2) REGULATIONS.—The Corporation shall prescribe regulations to carry out this subsection, including regulations governing the substance of signs required by paragraph (1) and the manner of display or use of such signs.

''(3) PENALTIES.—For each day that an insured depository institution continues to violate this subsection or any regulation issued under this subsection, it shall be subject to a penalty of not more than $100, which the Corporation may recover for its use.''.

(3) Section 43(d) of the Federal Deposit Insurance Act (12 U.S.C. 1831t(d)) is amended by striking ''$100,000'' and inserting ''an amount equal to the standard maximum deposit insurance amount''.

(4) Section 6 of the International Banking Act of 1978 (12 U.S.C. 3104) is amended—

(A) by striking ''$100,000'' each place such term appears and inserting ''an amount equal to the standard maximum deposit insurance amount''; and

(B) by adding at the end the following new subsection:

''(e) STANDARD MAXIMUM DEPOSIT INSURANCE AMOUNT DEFINED.—For purposes of this section, the term 'standard maximum deposit insurance amount' means the amount of the maximum amount of deposit insurance as determined under section 11(a)(1) of the Federal Deposit Insurance Act.''.

(g) CONFORMING CHANGE TO CREDIT UNION SHARE INSURANCE FUND.—

(1) IN GENERAL.—Section 207(k) of the Federal Credit Union Act (12 U.S.C. 1787(k)) is amended—

(A) by striking ''(k)(1)'' and all that follows through the end of paragraph (1) and inserting the following:

''(k) INSURED AMOUNTS PAYABLE.—

''(1) NET INSURED AMOUNT.—

''(A) IN GENERAL.—Subject to the provisions of paragraph (2), the net amount of share insurance payable to any member at an insured credit union shall not exceed the total amount of the shares or deposits in the name of the member (after deducting offsets), less any part thereof which is in excess of the standard maximum share insurance amount, as determined in accordance with this paragraph and paragraphs (5) and (6), and consistently with actions taken by the Federal Deposit Insurance Corporation under section 11(a) of the Federal Deposit Insurance Act.

''(B) AGGREGATION.—Determination of the net amount of share insurance under subparagraph (A), shall be in accordance with such regulations as the Board may prescribe, and, in determining the amount payable to any member, there shall be added together all accounts in the credit union maintained by that member for that member's own benefit, either in the member's own name or in the names of others.

''(C) AUTHORITY TO DEFINE THE EXTENT OF COVERAGE.—The Board may define, with such classifications and exceptions as it may prescribe, the extent of the share insurance coverage provided for member accounts, including member accounts in the name of a minor, in trust, or in joint tenancy.'';

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) in clauses (i) through (v), by moving the margins 4 ems to the right;

(II) in the matter following clause (v), by striking ''his account'' and all that follows through the period; and

(III) by striking the semicolon at the end of clause (v) and inserting a period;

(ii) by striking ''(2)(A) Notwithstanding'' and all that follows through ''a depositor or member who is—'' and inserting the following:

''(2) MUNICIPAL DEPOSITORS OR MEMBERS.—

''(A) IN GENERAL.—Notwithstanding any limitation in this Act or in any other provision of law relating to the amount of insurance available to any 1 depositor or member, deposits or shares of a municipal depositor or member shall be insured in an amount equal to the standard maximum share insurance amount (as determined under paragraph (5)), except as provided in subparagraph (B).

''(B) IN-STATE MUNICIPAL DEPOSITORS.—In the case of the deposits of an in-State municipal depositor described in clause (ii), (iii), (iv), or (v) of subparagraph (E) at an insured credit union, such deposits shall be insured in an amount equal to the lesser of—

''(i) $2,000,000; or

''(ii) the sum of the standard maximum deposit insurance amount and 80 percent of the

amount of any deposits in excess of the standard maximum deposit insurance amount.

''(C) RULE OF CONSTRUCTION.—No provision of this paragraph shall be construed as authorizing an insured credit union to accept the deposits of a municipal depositor in an amount greater than such credit union is authorized to accept under any other provision of Federal or State law.

''(D) IN-STATE MUNICIPAL DEPOSITOR DEFINED.—For purposes of this paragraph, the term 'in-State municipal depositor' means a municipal depositor that is located in the same State as the office or branch of the insured credit union at which the deposits of that depositor are held.

''(E) MUNICIPAL DEPOSITOR.—In this paragraph, the term 'municipal depositor' means a depositor that is—'';

(iii) by striking ''(B) The'' and inserting the following:

''(F) AUTHORITY TO LIMIT DEPOSITS.—The''; and

(iv) by striking ''depositor or member referred to in subparagraph (A)'' and inserting ''municipal depositor or member''; and

(C) by adding at the end the following new paragraphs:

''(4) COVERAGE FOR CERTAIN EMPLOYEE BENEFIT PLAN DEPOSITS.—

''(A) PASS-THROUGH INSURANCE.—The Administration shall provide pass-through share insurance for the deposits or shares of any employee benefit plan.

''(B) PROHIBITION ON ACCEPTANCE OF DEPOSITS.—An insured credit union that is not well capitalized or adequately capitalized may not accept employee benefit plan deposits.

''(C) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

''(i) CAPITAL STANDARDS.—The terms 'well capitalized' and 'adequately capitalized' have the same meanings as in section 216(c).

''(ii) EMPLOYEE BENEFIT PLAN.—The term 'employee benefit plan'—

''(I) has the meaning given to such term in section 3(3) of the Employee Retirement Income Security Act of 1974;

''(II) includes any plan described in section 401(d) of the Internal Revenue Code of 1986; and

''(III) includes any eligible deferred compensation plan described in section 457 of the Internal Revenue Code of 1986.

''(iii) PASS-THROUGH SHARE INSURANCE.—The term 'pass-through share insurance' means, with respect to an employee benefit plan, insurance coverage provided on a pro rata basis to the participants in the plan, in accordance with the interest of each participant.

''(D) RULE OF CONSTRUCTION.—No provision of this paragraph shall be construed as authorizing an insured credit union to accept the deposits of an employee benefit plan in an amount greater than such credit union is authorized to accept under any other provision of Federal or State law.

''(5) STANDARD MAXIMUM SHARE INSURANCE AMOUNT DEFINED.—For purposes of this Act, the term 'standard maximum share insurance amount' means—

''(A) until the effective date of final regulations prescribed pursuant to section 9(a)(2) of the Federal Deposit Insurance Reform Act of 2002, $100,000; and

''(B) on and after such effective date, $130,000, adjusted as provided under section 11(a)(1)(F) of the Federal Deposit Insurance Act.''.

(2) DOUBLING OF SHARE INSURANCE FOR CERTAIN RETIREMENT ACCOUNTS.—Section 207(k)(3) of the Federal Credit Union Act (12 U.S.C. 1787(k)(3)) is amended by striking ''$100,000'' and inserting ''2 times the standard maximum share insurance amount (as determined under paragraph (1))''.

(h) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date the final regulations required under section 9(a)(2) take effect.

SEC. 4. SETTING ASSESSMENTS AND REPEAL OF SPECIAL RULES RELATING TO MINIMUM ASSESSMENTS AND FREE DEPOSIT INSURANCE.

(a) SETTING ASSESSMENTS.—Section 7(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)) is amended—

(1) by striking subparagraphs (A) and (B) and inserting the following new subparagraphs:

''(A) IN GENERAL.—The Board of Directors shall set assessments for insured depository institutions in such amounts as the Board of Directors may determine to be necessary or appropriate, subject to subparagraph (D).

''(B) FACTORS TO BE CONSIDERED.—In setting assessments under subparagraph (A), the Board of Directors shall consider the following factors:

''(i) The estimated operating expenses of the Deposit Insurance Fund.

''(ii) The estimated case resolution expenses and income of the Deposit Insurance Fund.

''(iii) The projected effects of the payment of assessments on the capital and earnings of insured depository institutions.

''(iv) the risk factors and other factors taken into account pursuant to paragraph (1) under the risk-based assessment system, including the requirement under such paragraph to maintain a risk-based system.

''(v) Any other factors the Board of Directors may determine to be appropriate.''; and

(2) by inserting after subparagraph (C) the following new subparagraph:

''(D) BASE RATE FOR ASSESSMENTS.—

''(i) IN GENERAL.—In setting assessment rates pursuant to subparagraph (A), the Board of Directors shall establish a base rate of not more than 1 basis point (exclusive of any credit or dividend) for those insured depository institutions in the lowest-risk category under the risk-based assessment system established pursuant to paragraph (1).

''(ii) SUSPENSION.—Clause (i) shall not apply during any period in which the reserve ratio of the Deposit Insurance Fund is less than the amount which is equal to 1.15 percent of the aggregate estimated insured deposits.''.

(b) ASSESSMENT RECORDKEEPING PERIOD SHORTENED.—Paragraph (5) of section 7(b) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)) is amended to read as follows:

''(5) DEPOSITORY INSTITUTION REQUIRED TO MAINTAIN ASSESSMENT-RELATED RECORDS.—Each insured depository institution shall maintain all records that the Corporation may require for verifying the correctness of any assessment on the insured depository institution under this subsection until the later of—

''(A) the end of the 3-year period beginning on the due date of the assessment; or

''(B) in the case of a dispute between the insured depository institution and the Corporation with respect to such assessment, the date of a final determination of any such dispute.''.

(c) INCREASE IN FEES FOR LATE ASSESSMENT PAYMENTS.—Subsection (h) of section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828(h)) is amended to read as follows:

''(h) PENALTY FOR FAILURE TO TIMELY PAY ASSESSMENTS.—

''(1) IN GENERAL.—Any insured depository institution which fails or refuses to pay any assessment shall be subject to a penalty in an amount not more than 1 percent of the amount of the assessment due for each day that such violation continues.

''(2) EXCEPTION IN CASE OF DISPUTE.—Paragraph (1) shall not apply if—

''(A) the failure to pay an assessment is due to a dispute between the insured depository institution and the Corporation over the amount of such assessment; and

''(B) the insured depository institution deposits security satisfactory to the Corporation for payment upon final determination of the issue.

''(3) AUTHORITY TO MODIFY OR REMIT PENALTY.—The Corporation, in the sole discretion of the Corporation, may compromise, modify or remit any penalty which the Corporation may assess or has already assessed under paragraph (1) upon a finding that good cause prevented the timely payment of an assessment.''.

(d) ASSESSMENTS FOR LIFELINE ACCOUNTS.—

(1) IN GENERAL.—Section 232 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1834) is amended by striking subsection (c).

(2) CLARIFICATION OF RATE APPLICABLE TO DEPOSITS ATTRIBUTABLE TO LIFELINE ACCOUNTS.—Section 7(b)(2)(H) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)(H)) is amended by striking ''at a rate determined in accordance with such Act'' and inserting ''at ½ the assessment rate otherwise applicable for such insured depository institution''.

(3) REGULATIONS.—Section 232(a)(1) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1834(a)(1)) is amended by striking ''Board of Governors of the Federal Reserve System, and the''.

(e) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Paragraph (3) of section 7(a) of the Federal Deposit Insurance Act (12 U.S.C. 1817(a)(3)) is amended by striking the 3d sentence and inserting the following: ''Such reports of condition shall be the basis for the certified statements to be filed pursuant to subsection (c).''.

(2) Subparagraphs (B)(ii) and (C) of section 7(b)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)) are each amended by striking ''semiannual'' where such term appears in each such subparagraph.

(3) Section 7(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2)) is amended—

(A) by striking subparagraphs (E), (F), and (G);

(B) in subparagraph (C), by striking ''semiannual''; and

(C) by redesignating subparagraph (H) (as amended by subsection (e)(2) of this section) as subparagraph (E).

(4) Section 7(b) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)) is amended by striking paragraph (4) and redesignating paragraphs (5) (as amended by subsection (b) of this section), (6), and (7) as paragraphs (4), (5), and (6) respectively.

(5) Section 7(c) of the Federal Deposit Insurance Act (12 U.S.C. 1817(c)) is amended—

(A) in paragraph (1)(A), by striking ''semiannual'';

(B) in paragraph (2)(A), by striking ''semiannual''; and

(C) in paragraph (3), by striking ''semiannual period'' and inserting ''initial assessment period''.

(6) Section 7(g)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1817(g)(6)) (as amended by subsection (c) of this section) is amended by striking ''(b)(5)'' and inserting ''(b)(4)''.

(7) Section 8(p) of the Federal Deposit Insurance Act (12 U.S.C. 1818(p)) is amended by striking ''semiannual''.

(8) Section 8(q) of the Federal Deposit Insurance Act (12 U.S.C. 1818(q)) is amended by striking ''semiannual period'' and inserting ''assessment period''.

(9) Section 13(c)(4)(G)(ii)(II) of the Federal Deposit Insurance Act (12 U.S.C. 1823(c)(4)(G)(ii)(II)) is amended by striking ''semiannual period'' and inserting ''assessment period''.

(10) Section 232(a) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1834(a)) is amended—

(A) in the matter preceding subparagraph (A) of paragraph (2), by striking ''the Board and'';

(B) in subparagraph (J) of paragraph (2), by striking ''the Board'' and inserting ''the Corporation'';

(C) by striking subparagraph (A) of paragraph (3) and inserting the following new subparagraph:

''(A) CORPORATION.—The term 'Corporation' means the Federal Deposit Insurance Corporation.''; and

(D) in subparagraph (C) of paragraph (3), by striking ''Board'' and inserting ''Corporation''.

(f) EFFECTIVE DATE.—Except as provided in subsection (c), this section and the amendments made by this section shall take effect on the date that the final regulations required under section 9(a)(5) take effect.

SEC. 5. REPLACEMENT OF FIXED DESIGNATED RESERVE RATIO WITH RESERVE RANGE.

(a) IN GENERAL.—Section 7(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(3)) is amended to read as follows:

''(3) DESIGNATED RESERVE RATIO.—

''(A) ESTABLISHMENT.—

''(i) IN GENERAL.—The Board of Directors shall designate, by regulation after notice and opportunity for comment, the reserve ratio applicable with respect to the Deposit Insurance Fund.

''(ii) NOT LESS THAN ANNUAL REDETERMINATION.—A determination under clause (i) shall be made by the Board of Directors at least before the beginning of each calendar year, for such calendar year, and at such other times as the Board of Directors may determine to be appropriate.

''(B) RANGE.—The reserve ratio designated by the Board of Directors for any year—

''(i) may not exceed 1.4 percent of estimated insured deposits; and

''(ii) may not be less than 1.15 percent of estimated insured deposits.

''(C) FACTORS.—In designating a reserve ratio for any year, the Board of Directors shall—

''(i) take into account the risk of losses to the Deposit Insurance Fund in such year and future years, including historic experience and potential and estimated losses from insured depository institutions;

''(ii) take into account economic conditions generally affecting insured depository institutions so as to allow the designated reserve ratio to increase during more favorable economic conditions and to decrease during less favorable economic conditions, notwithstanding the increased risks of loss that may exist during such less favorable conditions, as determined to be appropriate by the Board of Directors;

''(iii) seek to prevent sharp swings in the assessment rates for insured depository institutions; and

''(iv) take into account such other factors as the Board of Directors may determine to be appropriate, consistent with the requirements of this subparagraph.

''(D) PUBLICATION OF PROPOSED CHANGE IN RATIO.—In soliciting comment on any proposed change in the designated reserve ratio in accordance with subparagraph (A), the Board of Directors shall include in the published proposal a thorough analysis of the data and projections on which the proposal is based.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 3(y) of the Federal Deposit Insurance Act (12 U.S.C. 1813(y)) is amended—

(1) by striking ''(y) The term'' and inserting ''(y) DEFINITIONS RELATING TO DEPOSIT INSURANCE FUND.—

''(1) DEPOSIT INSURANCE FUND.—The term''; and

(2) by inserting after paragraph (1) (as so designated by paragraph (1) of this subsection) the following new paragraph:

''(2) DESIGNATED RESERVE RATIO.—The term 'designated reserve ratio' means the reserve ratio designated by the Board of Directors in accordance with section 7(b)(3).''.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the date that the final regulations required under section 9(a)(1) take effect.

SEC. 6. REQUIREMENTS APPLICABLE TO THE RISK-BASED ASSESSMENT SYSTEM.

Section 7(b)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)) is amended by adding at the end the following new subparagraphs:

''(E) INFORMATION CONCERNING RISK OF LOSS AND ECONOMIC CONDITIONS.—

''(i) SOURCES OF INFORMATION.—For purposes of determining risk of losses at insured depository institutions and economic conditions generally affecting depository institutions, the Corporation shall collect information, as appropriate, from all sources the Board of Directors considers appropriate, such as reports of condition, inspection reports, and other information from all Federal banking agencies, any information available from State bank supervisors, State insurance and securities regulators, the Securities and Exchange Commission (including information described in section 35), the Secretary of the Treasury, the Commodity Futures Trading Commission, the Farm Credit Administration, the Federal Trade Commission, any Federal reserve bank or Federal home loan bank, and other regulators of financial institutions, and any information available from credit rating entities, and other private economic or business analysts.

''(ii) CONSULTATION WITH FEDERAL BANKING AGENCIES.—

''(I) IN GENERAL.—Except as provided in subclause (II), in assessing the risk of loss to the Deposit Insurance Fund with respect to any insured depository institution, the Corporation shall consult with the appropriate Federal banking agency of such institution.

''(II) TREATMENT ON AGGREGATE BASIS.—In the case of insured depository institutions that are well capitalized (as defined in section 38) and, in the most recent examination, were found to be well managed, the consultation under subclause (I) concerning the assessment of the risk of loss posed by such institutions may be made on an aggregate basis.

''(iii) RULE OF CONSTRUCTION.—No provision of this paragraph shall be construed as providing any new authority for the Corporation to require submission of information by insured depository institutions to the Corporation.

''(F) MODIFICATIONS TO THE RISK-BASED ASSESSMENT SYSTEM ALLOWED ONLY AFTER NOTICE AND COMMENT.—In revising or modifying the risk-based assessment system at any time after the date of the enactment of the Federal Deposit Insurance Reform Act of 2002, the Board of Directors may implement such revisions or modification in final form only after notice and opportunity for comment.''.

SEC. 7. REFUNDS, DIVIDENDS, AND CREDITS FROM DEPOSIT INSURANCE FUND.

(a) IN GENERAL.—Subsection (e) of section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817(e)) is amended to read as follows:

''(e) REFUNDS, DIVIDENDS, AND CREDITS.—

''(1) REFUNDS OF OVERPAYMENTS.—In the case of any payment of an assessment by an insured depository institution in excess of the amount due to the Corporation, the Corporation may—

''(A) refund the amount of the excess payment to the insured depository institution; or

''(B) credit such excess amount toward the payment of subsequent assessments until such credit is exhausted.

''(2) DIVIDENDS FROM EXCESS AMOUNTS IN DEPOSIT INSURANCE FUND.—

''(A) RESERVE RATIO EQUAL TO OR IN EXCESS OF 1.4 PERCENT OF ESTIMATED INSURED DEPOSITS.—Whenever the reserve ratio of the Deposit Insurance Fund equals or exceeds 1.4 percent of estimated insured deposits, the Corporation shall declare the amount in the Fund in excess of the amount required to maintain the reserve ratio at the designated reserve ratio in effect at such time, as dividends to be paid to insured depository institutions.

''(B) RESERVE RATIO EQUAL TO OR IN EXCESS OF 1.35 PERCENT OF ESTIMATED INSURED DEPOSITS AND LESS THAN 1.4 PERCENT.—Whenever the reserve ratio of the Deposit Insurance Fund equals or exceeds 1.35 percent of estimated insured deposits and is less than 1.4 percent of such deposits, the Corporation shall declare the amount in the Fund that is equal to 50 percent of the amount in excess of the amount required to maintain the reserve ratio at 1.35 percent of the estimated insured deposits as dividends to be paid to insured depository institutions.

''(C) BASIS FOR DISTRIBUTION OF DIVIDENDS.—

''(i) IN GENERAL.—Solely for the purposes of dividend distribution under this paragraph and credit distribution under paragraph (3)(B), the Corporation shall determine each insured depository institution's relative contribution to the Deposit Insurance Fund (or any predecessor deposit insurance fund) for calculating such institution's share of any dividend or credit declared under this paragraph or paragraph (3)(B), taking into account the factors described in clause (ii).

''(ii) FACTORS FOR DISTRIBUTION.—In implementing this paragraph and paragraph (3)(B) in accordance with regulations, the Corporation shall take into account the following factors:

''(I) The ratio of the assessment base of an insured depository institution (including any predecessor) on December 31, 1996, to the assessment base of all eligible insured depository institutions on that date.

''(II) The total amount of assessments paid on or after January 1, 1997, by an insured depository institution (including any predecessor) to the Deposit Insurance Fund (and any predecessor deposit insurance fund).

''(III) That portion of assessments paid by an insured depository institution (including any predecessor) that reflects higher levels of risk assumed by such institution.

''(IV) Such other factors as the Corporation may determine to be appropriate.

''(D) NOTICE AND OPPORTUNITY FOR COMMENT.—The calculation, declaration, and payment of dividends under this paragraph shall be made at such times, in such manner, and on such conditions as the Corporation shall prescribe by regulation, after notice and opportunity for comment.

''(3) CREDIT POOL.—

''(A) ONE-TIME CREDIT BASED ON TOTAL ASSESSMENT BASE AT YEAR-END 1996.—

''(i) IN GENERAL.—Before the end of the 270-day period beginning on the date of the enactment of the Federal Deposit Insurance Reform Act of 2002, the Board of Directors shall, by regulation, provide for a credit to each eligible insured depository institution, based on the assessment base of the institution (including any predecessor institution) on December 31, 1996, as compared to the combined aggregate assessment base of all eligible insured depository institutions, taking into account such factors as the Board of Directors may determine to be appropriate.

''(ii) CREDIT LIMIT.—The aggregate amount of credits available under clause (i) to all eligible insured depository institutions shall equal the amount that the Corporation could collect if the Corporation imposed an assessment of 12 basis points on the combined assessment base of the Bank Insurance Fund and the Savings Association Insurance Fund as of December 31, 2001.

''(iii) ELIGIBLE INSURED DEPOSITORY INSTITUTION DEFINED.—For purposes of this paragraph, the term 'eligible insured depository institution' means any insured depository institution that—

''(I) was in existence on December 31, 1996, and paid a deposit insurance assessment prior to that date; or

''(II) is a successor to any insured depository institution described in subclause (II).

''(iv) APPLICATION OF CREDITS.—

''(I) IN GENERAL.—The amount of a credit to any eligible insured depository institution under this paragraph may be applied by the Corporation to those portions of the assessments imposed on such institution under subsection (b) that become due for assessment periods beginning after the effective date of regulations prescribed under clause (i).

''(II) REGULATIONS.—The regulations prescribed under clause (i) shall establish the qualifications and procedures governing the application of assessment credits pursuant to subclause (I).

''(v) CRITERIA FOR DETERMINATION.—In determining whether to provide assessment credits under this paragraph and the amounts of any such credits, the Board of Directors shall take into account the factors for designating the reserve ratio under subsection (b)(3) and the factors for setting assessments under subsection (b)(2)(B).

''(vi) LIMITATION ON AMOUNT OF CREDIT FOR CERTAIN DEPOSITORY INSTITUTIONS.—In the case of an insured depository institution that exhibits financial, operational, or compliance weaknesses ranging from moderately severe to unsatisfactory, or is not adequately capitalized (as defined in section 38) at the beginning of an assessment period, the amount of any credit allowed under this paragraph against the assessment on that depository institution for such period may not exceed the amount calculated by applying to that depository institution the average assessment rate on all insured depository institutions for such assessment period.

''(vii) PREDECESSOR DEFINED.—For purposes of this paragraph, the term 'predecessor', when used with respect to any insured depository institution, includes any other insured depository institution acquired by or merged with such insured depository institution.

''(B) ON-GOING CREDIT POOL.—

''(i) IN GENERAL.—In addition to the credit provided pursuant to subparagraph (A) and subject to the limitation contained in clause (vi) of such subparagraph, the Corporation shall, by regulation, establish an on-going system of credits to be applied against future assessments under subsection (b)(1) on the same basis as the dividends provided under paragraph (2)(C).

''(ii) LIMITATION ON CREDITS UNDER CERTAIN CIRCUMSTANCES.—No credits may be allowed by the Corporation under this subparagraph during any period in which—

''(I) the reserve ratio of the Deposit Insurance Fund is less than the designated reserve ratio of such Fund; or

''(II) the designated reserve ratio of the Fund is less than 1.25 percent of the amount of estimated insured deposits.

''(4) ADMINISTRATIVE REVIEW.—

''(A) IN GENERAL.—The regulations prescribed under paragraph (2)(D) and subparagraphs (A) and (B) of paragraph (3) shall include provisions allowing an insured depository institution a reasonable opportunity to challenge administratively the amount of the credit or dividend determined under paragraph (2) or (3) for such institution.

''(B) ADMINISTRATIVE REVIEW.—Any review under subparagraph (A) of any determination of the Corporation under paragraph (2) or (3) shall be final and not subject to judicial review.''.

(b) DEFINITION OF RESERVE RATIO.—Section 3(y) of the Federal Deposit Insurance Act (12 U.S.C. 1813(y)) (as amended by section 5(b) of this Act) is amended by adding at the end the following new paragraph:

''(3) RESERVE RATIO.—The term 'reserve ratio', when used with regard to the Deposit Insurance Fund other than in connection with a reference to the designated reserve ratio, means the ratio of the net worth of the Deposit Insurance Fund to the value of the aggregate estimated insured deposits.''.

SEC. 8. DEPOSIT INSURANCE FUND RESTORATION PLANS.

Section 7(b)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1917(b)(3)) (as amended by section 5(a) of this Act) is amended by adding at the end the following new subparagraph:

''(E) DIF RESTORATION PLANS.—

''(i) IN GENERAL.—Whenever—

''(I) the Corporation projects that the reserve ratio of the Deposit Insurance Fund will fall below the designated reserve ratio within 6 months of such determination; or

''(II) the reserve ratio of the Deposit Insurance Fund actually falls below the designated reserve ratio without any determination under subclause (I) having been made,

the Corporation shall establish and implement a Deposit Insurance Fund restoration plan within 30 days that meets the requirements of clause (ii) or (iii), as the case may be, and such other conditions as the Corporation determines to be appropriate.

''(ii) REQUIREMENTS OF PLAN IF RESERVE RATIO DOES NOT FALL BELOW 1.0 PERCENT.—If the reserve ratio of the Deposit Insurance Fund is not projected to or has not fallen below an amount equal to 1.0 percent of the aggregate estimated insured deposits, a Deposit Insurance Fund restoration plan meets the requirements of this clause if the plan provides that the reserve ratio of the Fund will meet or exceed the designated reserve ratio that was in effect before the occurrence of the event described in subclause (I) or (II) of clause (i) before the end of the 3-year period beginning upon implementation of the plan.

''(iii) REQUIREMENTS OF PLAN IF RESERVE RATIO FALLS BELOW 1.0 PERCENT.—If the reserve ratio of the Deposit Insurance Fund has fallen below an amount equal to 1.0 percent of the aggregate estimated insured deposits, a Deposit Insurance Fund restoration plan meets the requirements of this clause if the plan provides that the reserve ratio of the Fund—

''(I) will meet or exceed an amount equal to 1.0 percent of the aggregate estimated insured deposits before the end of the 2-year period beginning upon implementation of the plan; and

''(II) will meet or exceed the designated reserve ratio that was in effect before the occurrence of the event described in subclause (I) or (II) of clause (i) before the end of the 3-year period beginning on the date the reserve ratio first meets or exceeds an amount equal to 1.0 percent of the aggregate estimated insured deposits after the implementation of the plan.

''(iv) TRANSPARENCY.—Not more than 90 days after the Corporation establishes and implements a restoration plan under clause (i), the Corporation shall publish in the Federal Register a detailed analysis of the factors considered and the basis for the actions taken with regard to the plan.''.

SEC. 9. REGULATIONS REQUIRED.

(a) IN GENERAL.—Not later than 270 days after the date of the enactment of this Act, the Board of Directors of the Federal Deposit Insurance Corporation shall prescribe final regulations, after notice and opportunity for comment—

(1) designating the reserve ratio for the Deposit Insurance Fund in accordance with section 7(b)(3) of the Federal Deposit Insurance Act (as amended by section 5 of this Act);

(2) implementing increases in deposit insurance coverage in accordance with the amendments made by section 3 of this Act;

(3) implementing the dividend requirement under section 7(e)(2) of the Federal Deposit Insurance Act (as amended by section 7 of this Act).

(4) implementing the 1-time assessment credit to certain insured depository institutions in accordance with section 7(e)(3) of the Federal Deposit Insurance Act, as amended by section 7 of this Act, including the qualifications and procedures under which the Corporation would apply assessment credits; and

(5) providing for assessments under section 7(b) of the Federal Deposit Insurance Act, as amended by this Act.

(b) RULE OF CONSTRUCTION.—No provision of this Act or any amendment made by this Act shall be construed as affecting the authority of the Corporation to set or collect deposit insurance assessments before the effective date of the final regulation prescribed under subsection (a).

SEC. 10. STUDIES OF FDIC STRUCTURE AND EXPENSES AND CERTAIN ACTIVITIES AND FURTHER POSSIBLE CHANGES TO DEPOSIT INSURANCE SYSTEM.

(a) STUDY BY COMPTROLLER GENERAL.—

(1) STUDY REQUIRED.—The Comptroller General shall conduct a study of the following issues:

(A) The efficiency and effectiveness of the administration of the prompt corrective action program under section 38 of the Federal Deposit Insurance Act by the Federal banking agencies (as defined in section 3 of such Act), including the degree of effectiveness of such agencies in identifying troubled depository institutions and taking effective action with respect to such institutions, and the degree of accuracy of the risk assessments made by the Corporation.

(B) The appropriateness of the organizational structure of the Federal Deposit Insurance Corporation for the mission of the Corporation taking into account—

(i) the current size and complexity of the business of insured depository institutions (as such term is defined in section 3 of the Federal Deposit Insurance Act);

(ii) the extent to which the organizational structure contributes to or reduces operational inefficiencies that increase operational costs; and

(iii) the effectiveness of internal controls.

(2) REPORT TO THE CONGRESS.—The Comptroller General shall submit a report to the Congress before the end of the 1-year period beginning on the date of the enactment of

this Act containing the findings and conclusions of the Comptroller General with respect to the study required under paragraph (1) together with such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

(b) INTERNAL STUDY BY THE FDIC.—

(1) STUDY REQUIRED.—Concurrently with the study required to be conducted by the Comptroller General under subsection (a), the Federal Deposit Insurance Corporation shall conduct an internal study of the same conditions and factors included in the study under subsection (a).

(2) REPORT TO THE CONGRESS.—The Federal Deposit Insurance Corporation shall submit a report to the Congress before the end of the 1-year period beginning on the date of the enactment of this Act containing the findings and conclusions of the Corporation with respect to the study required under paragraph (1) together with such recommendations for legislative or administrative action as the Board of Directors of the Corporation may determine to be appropriate.

(c) STUDY OF FURTHER POSSIBLE CHANGES TO DEPOSIT INSURANCE SYSTEM.—

(1) STUDY REQUIRED.—The Board of Directors of the Federal Deposit Insurance Corporation and the National Credit Union Administration Board shall each conduct a study of the following:

(A) The feasibility of establishing a voluntary deposit insurance system for deposits in excess of the maximum amount of deposit insurance for any depositor and the potential benefits and the potential adverse consequences that may result from the establishment of any such system.

(B) The feasibility of privatizing all deposit insurance at insured depository institutions and insured credit unions.

(2) REPORT.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Board of Directors of the Federal Deposit Insurance Corporation and the National Credit Union Administration Board shall each submit a report to the Congress on the study required under paragraph (1) containing the findings and conclusions of the reporting agency together with such recommendations for legislative or administrative changes as the agency may determine to be appropriate.

(d) STUDY REGARDING APPROPRIATE DEPOSIT BASE IN DESIGNATING RESERVE RATIO.—

(1) STUDY REQUIRED.—The Federal Deposit Insurance Corporation shall conduct a study of the feasibility of using actual domestic deposits rather than estimated insured deposits in calculating the reserve ratio of the Deposit Insurance Fund and designating a reserve ratio for such Fund.

(2) REPORT.—The Federal Deposit Insurance Corporation shall submit a report to the Congress before the end of the 1-year period beginning on the date of the enactment of this Act containing the findings and conclusions of the Corporation with respect to the study required under paragraph (1) together with such recommendations for legislative or administrative action as the Board of Directors of the Corporation may determine to be appropriate.

(e) STUDY OF RESERVE METHODOLOGY AND ACCOUNTING FOR LOSS.—

(1) STUDY REQUIRED.—The Federal Deposit Insurance Corporation, in consultation with the Comptroller General, shall conduct a study of the reserve methodology and loss accounting used by the Corporation during the period beginning on January 1, 1992, and ending December 31, 2002, with respect to insured depository institutions in a troubled condition (as defined in the regulations prescribed pursuant to section 32(f) of the Federal Deposit Insurance Act).

(2) FACTORS TO BE INCLUDED.—In conducting the study pursuant to paragraph (1), the Federal Deposit Insurance Corporation shall—

(A) consider the overall effectiveness and accuracy of the methodology used by the Corporation for establishing and maintaining reserves and estimating and accounting for losses at insured depository institutions, during the period described in such paragraph;

(B) consider the appropriateness and reliability of information and criteria used by the Corporation in determining—

(i) whether an insured depository institution was in a troubled condition; and

(ii) the amount of any loss anticipated at such institution;

(C) analyze the actual historical loss experience over the period described in paragraph (1) and the causes of the exceptionally high rate of losses experienced by the Corporation in the final 3 years of that period; and

(D) rate the Corporation's efforts of the Corporation to reduce losses in such 3-year period to minimally acceptable levels and to historical levels.

(3) REPORT REQUIRED.—The Board of Directors of the Federal Deposit Insurance Corporation shall submit a report to the Congress before June 30, 2003, containing the findings and conclusions of the Corporation, in consultation with the Comptroller General, with respect to the study required under paragraph (1), together with such recommendations for legislative or administrative action as the Board of Directors may determine to be appropriate.

SEC. 11. TECHNICAL AND CONFORMING AMENDMENTS TO THE FEDERAL DEPOSIT INSURANCE ACT RELATING TO THE MERGER OF THE BIF AND SAIF.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended—

(1) in section 3 (12 U.S.C. 1813)—

(A) by striking subparagraph (B) of subsection (a)(1) and inserting the following new subparagraph:

''(B) includes any former savings association.''; and

(B) by striking paragraph (1) of subsection (y) (as so designated by section 5(b) of this Act) and inserting the following new paragraph:

''(1) DEPOSIT INSURANCE FUND.—The term 'Deposit Insurance Fund' means the Deposit Insurance Fund established under section 11(a)(4).'';

(2) in section 5(b)(5) (12 U.S.C. 1815(b)(5)), by striking ''the Bank Insurance Fund or the Savings Association Insurance Fund,'' and inserting ''the Deposit Insurance Fund,'';

(3) in section 5(c)(4), by striking ''deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(4) in section 5(d) (12 U.S.C. 1815(d)), by striking paragraphs (2) and (3);

(5) in section 5(d)(1) (12 U.S.C. 1815(d)(1))—

(A) in subparagraph (A), by striking ''reserve ratios in the Bank Insurance Fund and the Savings Association Insurance Fund as required by section 7'' and inserting ''the reserve ratio of the Deposit Insurance Fund'';

(B) by striking subparagraph (B) and inserting the following:

''(2) FEE CREDITED TO THE DEPOSIT INSURANCE FUND.—The fee paid by the depository institution under paragraph (1) shall be credited to the Deposit Insurance Fund.'';

(C) by striking ''(1) UNINSURED INSTITUTIONS.—''; and

(D) by redesignating subparagraphs (A) and (C) as paragraphs (1) and (3), respectively, and moving the left margins 2 ems to the left;

(6) in section 5(e) (12 U.S.C. 1815(e))—

(A) in paragraph (5)(A), by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(B) by striking paragraph (6); and

(C) by redesignating paragraphs (7), (8), and (9) as paragraphs (6), (7), and (8), respectively;

(7) in section 6(5) (12 U.S.C. 1816(5)), by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(8) in section 7(b) (12 U.S.C. 1817(b))—

(A) in paragraph (1)(C), by striking ''deposit insurance fund'' each place that term appears and inserting ''Deposit Insurance Fund'';

(B) in paragraph (1)(D), by striking ''each deposit insurance fund'' and inserting ''the Deposit Insurance Fund''; and

(C) in paragraph (5) (as so redesignated by section 4(e)(4) of this Act)—

(i) by striking ''any such assessment'' and inserting ''any such assessment is necessary'';

(ii) by striking subparagraph (B);

(iii) in subparagraph (A)—

(I) by striking ''(A) is necessary—'';

(II) by striking ''Bank Insurance Fund members'' and inserting ''insured depository institutions''; and

(III) by redesignating clauses (i), (ii), and (iii) as subparagraphs (A), (B), and (C), respectively, and moving the margins 2 ems to the left; and

(iv) in subparagraph (C) (as so redesignated)—

(I) by inserting ''that'' before ''the Corporation''; and

(II) by striking ''; and'' and inserting a period;

(9) in section 7(j)(7)(F) (12 U.S.C. 1817(j)(7)(F)), by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(10) in section 8(t)(2)(C) (12 U.S.C. 1818(t)(2)(C)), by striking ''deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(11) in section 11 (12 U.S.C. 1821)—

(A) by striking ''deposit insurance fund'' each place that term appears and inserting ''Deposit Insurance Fund'';

(B) by striking paragraph (4) of subsection (a) and inserting the following new paragraph:

''(4) DEPOSIT INSURANCE FUND.—

''(A) ESTABLISHMENT.—There is established the Deposit Insurance Fund, which the Corporation shall—

''(i) maintain and administer;

''(ii) use to carry out its insurance purposes, in the manner provided by this subsection; and

''(iii) invest in accordance with section 13(a).

''(B) USES.—The Deposit Insurance Fund shall be available to the Corporation for use with respect to insured depository institutions the deposits of which are insured by the Deposit Insurance Fund.

''(C) LIMITATION ON USE.—Notwithstanding any provision of law other than section 13(c)(4)(G), the Deposit Insurance Fund shall not be used in any manner to benefit any shareholder or affiliate (other than an insured depository institution that receives assistance in accordance with the provisions of this Act) of—

''(i) any insured depository institution for which the Corporation has been appointed conservator or receiver, in connection with any type of resolution by the Corporation;

''(ii) any other insured depository institution in default or in danger of default, in connection with any type of resolution by the Corporation; or

''(iii) any insured depository institution, in connection with the provision of assistance under this section or section 13 with respect to such institution, except that this clause shall not prohibit any assistance to any insured depository institution that is not in default, or that is not in danger of default, that is acquiring (as defined in section 13(f)(8)(B)) another insured depository institution.

''(D) DEPOSITS.—All amounts assessed against insured depository institutions by the Corporation shall be deposited into the Deposit Insurance Fund.'';

(C) by striking paragraphs (5), (6), and (7) of subsection (a); and

(D) by redesignating paragraph (8) of subsection (a) as paragraph (5);

(12) in section 11(f)(1) (12 U.S.C. 1821(f)(1)), by striking '', except that—'' and all that follows through the end of the paragraph and inserting a period;

(13) in section 11(i)(3) (12 U.S.C. 1821(i)(3))—

(A) by striking subparagraph (B);

(B) by redesignating subparagraph (C) as subparagraph (B); and

(C) in subparagraph (B) (as so redesignated), by striking ''subparagraphs (A) and (B)'' and inserting ''subparagraph (A)'';

(14) in section 11(p)(2)(B) (12 U.S.C. 1821(p)(2)(B)), by striking ''institution, any'' and inserting ''institution, the'';

(15) in section 11A(a) (12 U.S.C. 1821a(a))—

(A) in paragraph (2), by striking ''LIABILITIES.—'' and all that follows through ''Except'' and inserting ''LIABILITIES.—Except'';

(B) by striking paragraph (2)(B); and

(C) in paragraph (3), by striking ''the Bank Insurance Fund, the Savings Association Insurance Fund,'' and inserting ''the Deposit Insurance Fund'';

(16) in section 11A(b) (12 U.S.C. 1821a(b)), by striking paragraph (4);

(17) in section 11A(f) (12 U.S.C. 1821a(f)), by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(18) in section 12(f)(4)(E)(iv) (12 U.S.C. 1822(f)(4)(E)(iv)), by striking ''Federal deposit insurance funds'' and inserting ''the Deposit Insurance Fund (or any predecessor deposit insurance fund)'';

(19) in section 13 (12 U.S.C. 1823)—

(A) by striking ''deposit insurance fund'' each place that term appears and inserting ''Deposit Insurance Fund'';

(B) in subsection (a)(1), by striking ''Bank Insurance Fund, the Savings Association Insurance Fund,'' and inserting ''Deposit Insurance Fund'';

(C) in subsection (c)(4)(E)—

(i) in the subparagraph heading, by striking ''FUNDS'' and inserting ''FUND''; and

(ii) in clause (i), by striking ''any insurance fund'' and inserting ''the Deposit Insurance Fund'';

(D) in subsection (c)(4)(G)(ii)—

(i) by striking ''appropriate insurance fund'' and inserting ''Deposit Insurance Fund'';

(ii) by striking ''the members of the insurance fund (of which such institution is a member)'' and inserting ''insured depository institutions'';

(iii) by striking ''each member's'' and inserting ''each insured depository institution's''; and

(iv) by striking ''the member's'' each place that term appears and inserting ''the institution's'';

(E) in subsection (c), by striking paragraph (11);

(F) in subsection (h), by striking ''Bank Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(G) in subsection (k)(4)(B)(i), by striking ''Savings Association Insurance Fund member'' and inserting ''savings association''; and

(H) in subsection (k)(5)(A), by striking ''Savings Association Insurance Fund members'' and inserting ''savings associations'';

(20) in section 14(a) (12 U.S.C. 1824(a)), in the 5th sentence—

(A) by striking ''Bank Insurance Fund or the Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund''; and

(B) by striking ''each such fund'' and inserting ''the Deposit Insurance Fund'';

(21) in section 14(b) (12 U.S.C. 1824(b)), by striking ''Bank Insurance Fund or Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(22) in section 14(c) (12 U.S.C. 1824(c)), by striking paragraph (3);

(23) in section 14(d) (12 U.S.C. 1824(d))—

(A) by striking ''Bank Insurance Fund member'' each place that term appears and inserting ''insured depository institution'';

(B) by striking ''Bank Insurance Fund members'' each place that term appears and inserting ''insured depository institutions'';

(C) by striking ''Bank Insurance Fund'' each place that term appears (other than in connection with a reference to a term amended by subparagraph (A) or (B) of this paragraph) and inserting ''Deposit Insurance Fund'';

(D) by striking the subsection heading and inserting the following:

''(d) BORROWING FOR THE DEPOSIT INSURANCE FUND FROM INSURED DEPOSITORY INSTITUTIONS.—'';

(E) in paragraph (3), in the paragraph heading, by striking ''BIF'' and inserting ''THE DEPOSIT INSURANCE FUND''; and

(F) in paragraph (5), in the paragraph heading, by striking ''BIF MEMBERS'' and inserting ''INSURED DEPOSITORY INSTITUTIONS'';

(24) in section 14 (12 U.S.C. 1824), by adding at the end the following new subsection:

''(e) BORROWING FOR THE DEPOSIT INSURANCE FUND FROM FEDERAL HOME LOAN BANKS.—

''(1) IN GENERAL.—The Corporation may borrow from the Federal home loan banks, with the concurrence of the Federal Housing Finance Board, such funds as the Corporation considers necessary for the use of the Deposit Insurance Fund.

''(2) TERMS AND CONDITIONS.—Any loan from any Federal home loan bank under paragraph (1) to the Deposit Insurance Fund shall—

''(A) bear a rate of interest of not less than the current marginal cost of funds to that bank, taking into account the maturities involved;

''(B) be adequately secured, as determined by the Federal Housing Finance Board;

''(C) be a direct liability of the Deposit Insurance Fund; and

''(D) be subject to the limitations of section 15(c).'';

(25) in section 15(c)(5) (12 U.S.C. 1825(c)(5))—

(A) by striking ''the Bank Insurance Fund or Savings Association Insurance Fund, respectively'' each place that term appears and inserting ''the Deposit Insurance Fund''; and

(B) in subparagraph (B), by striking ''the Bank Insurance Fund or the Savings Association Insurance Fund, respectively'' and inserting ''the Deposit Insurance Fund'';

(26) in section 17(a) (12 U.S.C. 1827(a))—

(A) in the subsection heading, by striking ''BIF, SAIF,'' and inserting ''THE DEPOSIT INSURANCE FUND''; and

(B) in paragraph (1)—

(i) by striking ''the Bank Insurance Fund, the Savings Association Insurance Fund,'' each place that term appears and inserting ''the Deposit Insurance Fund''; and

(ii) in subparagraph (D), by striking ''each insurance fund'' and inserting ''the Deposit Insurance Fund'';

(27) in section 17(d) (12 U.S.C. 1827(d)), by striking '', the Bank Insurance Fund, the Savings Association Insurance Fund,'' each place that term appears and inserting ''the Deposit Insurance Fund'';

(28) in section 18(m)(3) (12 U.S.C. 1828(m)(3))—

(A) by striking ''Savings Association Insurance Fund'' in the 1st sentence of subparagraph (A) and inserting ''Deposit Insurance Fund'';

(B) by striking ''Savings Association Insurance Fund member'' in the last sentence of subparagraph (A) and inserting ''savings association''; and

(C) by striking ''Savings Association Insurance Fund or the Bank Insurance Fund'' in subparagraph (C) and inserting ''Deposit Insurance Fund'';

(29) in section 18(o) (12 U.S.C. 1828(o)), by striking ''deposit insurance funds'' and ''deposit insurance fund'' each place those terms appear and inserting ''Deposit Insurance Fund'';

(30) in section 18(p) (12 U.S.C. 1828(p)), by striking ''deposit insurance funds'' and inserting ''Deposit Insurance Fund'';

(31) in section 24 (12 U.S.C. 1831a)—

(A) in subsections (a)(1) and (d)(1)(A), by striking ''appropriate deposit insurance fund'' each place that term appears and inserting ''Deposit Insurance Fund'';

(B) in subsection (e)(2)(A), by striking ''risk to'' and all that follows through the period and inserting ''risk to the Deposit Insurance Fund.''; and

(C) in subsections (e)(2)(B)(ii) and (f)(6)(B), by striking ''the insurance fund of which such bank is a member'' each place that term appears and inserting ''the Deposit Insurance Fund'';

(32) in section 28 (12 U.S.C. 1831e), by striking ''affected deposit insurance fund'' each place that term appears and inserting ''Deposit Insurance Fund'';

(33) by striking section 31 (12 U.S.C. 1831h);

(34) in section 36(i)(3) (12 U.S.C. 1831m(i)(3)), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(35) in section 37(a)(1)(C) (12 U.S.C. 1831n(a)(1)(C)), by striking ''insurance funds'' and inserting ''Deposit Insurance Fund'';

(36) in section 38 (12 U.S.C. 1831o), by striking ''the deposit insurance fund'' each place that term appears and inserting ''the Deposit Insurance Fund'';

(37) in section 38(a) (12 U.S.C. 1831o(a)), in the subsection heading, by striking ''FUNDS'' and inserting ''FUND'';

(38) in section 38(k) (12 U.S.C. 1831o(k))—

(A) in paragraph (1), by striking ''a deposit insurance fund'' and inserting ''the Deposit Insurance Fund'';

(B) in paragraph (2), by striking ''A deposit insurance fund'' and inserting ''The Deposit Insurance Fund''; and

(C) in paragraphs (2)(A) and (3)(B), by striking ''the deposit insurance fund's outlays'' each place that term appears and inserting ''the outlays of the Deposit Insurance Fund''; and

(39) in section 38(o) (12 U.S.C. 1831o(o))—

(A) by striking ''ASSOCIATIONS.—'' and all that follows through ''Subsections (e)(2)'' and inserting ''ASSOCIATIONS.—Subsections (e)(2)'';

(B) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively, and moving the margins 2 ems to the left; and

(C) in paragraph (1) (as so redesignated), by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively, and moving the margins 2 ems to the left.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the first day of the first calendar

quarter that begins after the end of the 90-day period beginning on the date of the enactment of this Act.

SEC. 12. OTHER TECHNICAL AND CONFORMING AMENDMENTS RELATING TO THE MERGER OF THE BIF AND SAIF.

(a) SECTION 5136 OF THE REVISED STATUTES.—The paragraph designated the ''Eleventh'' of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24) is amended in the 5th sentence, by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund''.

(b) INVESTMENTS PROMOTING PUBLIC WELFARE; LIMITATIONS ON AGGREGATE INVESTMENTS.—The 23d undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 338a) is amended in the 4th sentence, by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund''.

(c) ADVANCES TO CRITICALLY UNDERCAPITALIZED DEPOSITORY INSTITUTIONS.—Section 10B(b)(3)(A)(ii) of the Federal Reserve Act (12 U.S.C. 347b(b)(3)(A)(ii)) is amended by striking ''any deposit insurance fund in'' and inserting ''the Deposit Insurance Fund of''.

(d) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—Section 255(g)(1)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 905(g)(1)(A)) is amended—

(1) by striking ''Bank Insurance Fund'' and inserting ''Deposit Insurance Fund''; and

(2) by striking ''Federal Deposit Insurance Corporation, Savings Association Insurance Fund (51–4066–0–3–373);''.

(e) AMENDMENTS TO THE FEDERAL HOME LOAN BANK ACT.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended—

(1) in section 11(k) (12 U.S.C. 1431(k))—

(A) in the subsection heading, by striking ''SAIF'' and inserting ''THE DEPOSIT INSURANCE FUND''; and

(B) by striking ''Savings Association Insurance Fund'' each place such term appears and inserting ''Deposit Insurance Fund'';

(2) in section 21 (12 U.S.C. 1441)—

(A) in subsection (f)(2), by striking '', except that'' and all that follows through the end of the paragraph and inserting a period; and

(B) in subsection (k), by striking paragraph (4);

(3) in section 21A(b)(4)(B) (12 U.S.C. 1441a(b)(4)(B)), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(4) in section 21A(b)(6)(B) (12 U.S.C. 1441a(b)(6)(B))—

(A) in the subparagraph heading, by striking ''SAIF-INSURED BANKS'' and inserting ''CHARTER CONVERSIONS''; and

(B) by striking ''Savings Association Insurance Fund member'' and inserting ''savings association'';

(5) in section 21A(b)(10)(A)(iv)(II) (12 U.S.C. 1441a(b)(10)(A)(iv)(II)), by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(6) in section 21A(n)(6)(E)(iv) (12 U.S.C. 1441(n)(6)(E)(iv)), by striking ''Federal deposit insurance funds'' and inserting ''the Deposit Insurance Fund'';

(7) in section 21B(e) (12 U.S.C. 1441b(e))—

(A) in paragraph (5), by inserting ''as of the date of funding'' after ''Savings Association Insurance Fund members'' each place that term appears; and

(B) by striking paragraphs (7) and (8); and

(8) in section 21B(k) (12 U.S.C. 1441b(k))—

(A) by inserting before the colon '', the following definitions shall apply'';

(B) by striking paragraph (8); and

(C) by redesignating paragraphs (9) and (10) as paragraphs (8) and (9), respectively.

(f) AMENDMENTS TO THE HOME OWNERS' LOAN ACT.—The Home Owners' Loan Act (12 U.S.C. 1461 et seq.) is amended—

(1) in section 5 (12 U.S.C. 1464)—

(A) in subsection (c)(5)(A), by striking ''that is a member of the Bank Insurance Fund'';

(B) in subsection (c)(6), by striking ''As used in this subsection—'' and inserting ''For purposes of this subsection, the following definitions shall apply:'';

(C) in subsection (o)(1), by striking ''that is a Bank Insurance Fund member'';

(D) in subsection (o)(2)(A), by striking ''a Bank Insurance Fund member until such time as it changes its status to a Savings Association Insurance Fund member'' and inserting ''insured by the Deposit Insurance Fund'';

(E) in subsection (t)(5)(D)(iii)(II), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund'';

(F) in subsection (t)(7)(C)(i)(I), by striking ''affected deposit insurance fund'' and inserting ''Deposit Insurance Fund''; and

(G) in subsection (v)(2)(A)(i), by striking ''the Savings Association Insurance Fund'' and inserting ''or the Deposit Insurance Fund''; and

(2) in section 10 (12 U.S.C. 1467a)—

(A) in subsection (c)(6)(D), by striking ''this title'' and inserting ''this Act'';

(B) in subsection (e)(1)(B), by striking ''Savings Association Insurance Fund or Bank Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(C) in subsection (e)(2), by striking ''Savings Association Insurance Fund or the Bank Insurance Fund'' and inserting ''Deposit Insurance Fund'';

(D) in subsection (e)(4)(B), by striking ''subsection (1)'' and inserting ''subsection (l)'';

(E) in subsection (g)(3)(A), by striking ''(5) of this section'' and inserting ''(5) of this subsection'';

(F) in subsection (i), by redesignating paragraph (5) as paragraph (4);

(G) in subsection (m)(3), by striking subparagraph (E) and by redesignating subparagraphs (F), (G), and (H) as subparagraphs (E), (F), and (G), respectively;

(H) in subsection (m)(7)(A), by striking ''during period'' and inserting ''during the period''; and

(I) in subsection (o)(3)(D), by striking ''sections 5(s) and (t) of this Act'' and inserting ''subsections (s) and (t) of section 5''.

(g) AMENDMENTS TO THE NATIONAL HOUSING ACT.—The National Housing Act (12 U.S.C. 1701 et seq.) is amended—

(1) in section 317(b)(1)(B) (12 U.S.C. 1723i(b)(1)(B)), by striking ''Bank Insurance Fund for banks or through the Savings Association Insurance Fund for savings associations'' and inserting ''Deposit Insurance Fund''; and

(2) in section 536(b)(1)(B)(ii) (12 U.S.C. 1735f–14(b)(1)(B)(ii)), by striking ''Bank Insurance Fund for banks and through the Savings Association Insurance Fund for savings associations'' and inserting ''Deposit Insurance Fund''.

(h) AMENDMENTS TO THE FINANCIAL INSTITUTIONS REFORM, RECOVERY, AND ENFORCEMENT ACT OF 1989.—The Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note) is amended—

(1) in section 951(b)(3)(B) (12 U.S.C. 1833a(b)(3)(B)), by inserting ''and after the merger of such funds, the Deposit Insurance Fund,'' after ''the Savings Association Insurance Fund,''; and

(2) in section 1112(c)(1)(B) (12 U.S.C. 3341(c)(1)(B)), by striking ''Bank Insurance Fund, the Savings Association Insurance Fund,'' and inserting ''Deposit Insurance Fund''.

(i) AMENDMENT TO THE BANK HOLDING COMPANY ACT OF 1956.—The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended—

(1) in section 2(j)(2) (12 U.S.C. 1841(j)(2)), by striking ''Savings Association Insurance Fund'' and inserting ''Deposit Insurance Fund''; and

(2) in section 3(d)(1)(D)(iii) (12 U.S.C. 1842(d)(1)(D)(iii)), by striking ''appropriate deposit insurance fund'' and inserting ''Deposit Insurance Fund''.

(j) AMENDMENTS TO THE GRAMM-LEACH-BLILEY ACT.—Section 114 of the Gramm-Leach-Bliley Act (12 U.S.C. 1828a) is amended by striking ''any Federal deposit insurance fund'' in subsection (a)(1)(B), paragraphs (2)(B) and (4)(B) of subsection (b), and subsection (c)(1)(B), each place that term appears and inserting ''the Deposit Insurance Fund''.

(k) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the first day of the first calendar quarter that begins after the end of the 90-day period beginning on the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. OXLEY) and the gentleman from New York (Mr. LAFALCE) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. OXLEY).

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation, and to insert extraneous material on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OSE. Mr. Speaker, I am in opposition to the bill, and I have a procedural question to ask as to who would claim the time in opposition.

The SPEAKER pro tempore. Is the gentleman from New York (Mr. LAFALCE) opposed to the motion?

Mr. LAFALCE. Mr. Speaker, I am not opposed to the motion.

The SPEAKER pro tempore. The gentleman from California (Mr. OSE) will control 20 minutes in opposition to the motion.

Mr. OXLEY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise today in strong support of H.R. 3717, the Federal Deposit Insurance Reform Act of 2002. The U.S. has the largest, most complex, most stable banking system in the world. Deposit insurance is one of the major reasons for this stability. Today we will strengthen this system so that it continues to serve as a model for the world.

Depositors, taxpayers, and depository institutions will be well served by this legislation which will modernize the Federal deposit insurance system. Federal deposit insurance was created by Congress in 1934 and it has successfully served the American people for 68 years. Public confidence has been maintained and the stability of the Nation's banking system has been preserved during periods of financial uncertainty.

The deposit insurance system has been significantly modified only twice since 1934, both times in response to the savings and loan crisis of the late 1980s and early 1990s. During this crisis, the FDIC and the RTC resolved 2,363 failures of insured institutions involving more than $700 billion in assets. As FDIC Chairman Powell stated, ''There were no bank runs, no panics, no disruptions to financial markets, and no debilitating impact on overall economic activity.'' The existence of Federal deposit insurance was a critical factor in the financial markets remaining relatively stable.

Mr. Speaker, H.R. 3717, though technical in nature, seeks to apply the experiences of the last decade to today's banking marketplace. It is 21st century legislation for a 21st century banking industry. While the purpose of deposit insurance remains the same, industry growth, bank expansion from new powers, and the integration of banking and securities activities require that the scope and coverage of deposit insurance evolve so as to reflect the realities of a modern financial services industry.

Moreover, the presence of Federal deposit insurance continues to be a key consideration for consumers in their decisions about where they do their banking and what level of deposit risk they are willing to assume.

Mr. Speaker, there is broad consensus in this body. The Bush administration and the Federal banking and thrift regulators and business and consumer groups are in favor of improving and strengthening the deposit insurance system and making it more responsive to the cyclical nature of banking activities in the post-Gramm-Leach-Bliley financial and economic environment. This legislation fulfills our commitment to the American public. Indeed, H.R. 3717 was reported out of the committee on a bipartisan vote of 52 to 2, a testimony to its responsiveness and timeliness.

This legislation is both responsive and responsible. It recognizes that depositors, savers, and investors have integrated financial needs, and that the deposit insurance system must be stronger, more flexible, and adaptable to changing depositor behaviors in ''real time.''

This bill allows the FDIC to do just that. It provides the FDIC with the necessary authority and supervisory tools to manage the deposit insurance fund in a way that balances all affected interests. It recognizes that all financial institutions present some type of risk, and that deposit insurance benefits all stakeholders, consumers, institutions and taxpayers, and that its associated benefit and costs should be allocated evenly and fairly. It expands benefits for depositors based upon their current needs and ensures premiums are assessed on insured financial institutions based upon their applicable risks.

Finally, this bill has mechanisms to ensure that the deposit insurance fund grows responsibly, that it remains at a more than adequate level during good and bad times, and that excess funds are returned to communities for loans and other economic growth programs.

I want to thank the gentleman from Alabama (Mr. BACHUS), the chairman of the Subcommittee on Financial Institutions and Consumer Credit of the Committee on Financial Services, for taking on this challenging, highly technical legislative project and for engaging all of the major stakeholders in developing a bipartisan piece of well-balanced, highly effective 21st century legislation. I also want to thank all of the bipartisan cosponsors of this bill.

Mr. Speaker, I strongly urge my colleagues to support this bill. By doing so we ensure the public continues to maintain its confidence in the U.S. financial services industry, by far the most stable in the world.

Mr. Speaker, I ask unanimous consent that the gentleman from Alabama (Mr. BACHUS) be permitted to control the remainder of my time for consideration of this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. OXLEY. Mr. Speaker, I reserve the balance of my time.

Mr. OSE. Mr. Speaker, I rise today to oppose this legislation, and I yield myself such time as I may consume.

Much of this bill is useful, and it is needed reform, and I do want to commend the chairman of the full committee, the gentleman from Ohio (Mr. OXLEY), and the chairman of the subcommittee, the gentleman from Alabama (Mr. BACHUS) for their hard work. In fact, I fully support most of the reforms in this bill that will provide needed flexibility and stability to the insurance corporation and the deposit insurance fund. I support merging the Bank Insurance Fund and the Savings Association Insurance Fund. I support the flexibility provided to adjust reserve ratios to reflect risk, and I support the increases in protection that are provided for retirement fund accounts.

However, there is something here that I cannot support, and it, frankly, in balance, outweighs the rest of the bill. That is that I cannot support a bill that places the taxpayers at greater risk without any benefit for consumers.

This bill, in part, would increase the insured levels of individual accounts from $100,000 per account to $130,000 per account, and also it includes future automatic increases that would result from inflation. The fact of the matter is I do not understand why this particular provision was included when every expert has testified or written that this is, in fact, a bad idea.

Let me just highlight a few quotes from some of our Nation's top experts on fiscal policy.

The first I would cite is Alan Greenspan, the chairman of the Federal Reserve Board, who testified in opposition to these particular increases in deposit insurance coverages in front of both the House and Senate committees and followed up his testimony with a written letter. In his most recent testimony, Chairman Greenspan said, ''In the Board's judgment, it is unlikely that increased coverage, even by indexing, would add measurably to the stability of the banking system today. Macroeconomic policy and other elements of the safety net, combined with the current, still significant level of deposit insurance, continue to be an important bulwark against bank runs. Thus, the problem that increased coverage is designed to solve must be related to either the individual depositor, the party originally intended to be protected, or to the individual bank or thrift. Clearly, both groups would prefer higher coverage if it costs them nothing, but Congress needs to be clear about the nature of a specific problem for which increased coverage would be the solution.''

Clearly he is suggesting in no uncertain terms that this is a solution in search of a problem.

The Bush administration also opposes increases in the coverage. Both Secretary of the Treasury Paul O'Neill and Under Secretary of the Treasury for Domestic Monetary Policy Peter R. Fisher have testified on this issue. Secretary O'Neill also wrote to the committee noting that, ''However, the administration continues to believe that the deposit insurance coverage level should remain unchanged. There is no evidence that an increase in the coverage level would promote competition or materially improve the ability of community banks to obtain funds. Moreover, raising coverage could weaken market discipline and increase risk to the FDIC and, ultimately, the taxpayers.''

Under Secretary Fisher said just 2 weeks ago, ''Given the lack of potential benefits for consumers or of potential improvement in banking system competition, we cannot justify the increase in the government's off-balance sheet liabilities that would result from higher deposit insurance coverage limits. These higher contingent liabilities enlarge the exposure of the insurance fund and ultimately of taxpayers to potential future losses. Moreover, increasing the overall coverage limit could weaken market discipline and further increase the level of risk to the FDIC and taxpayers.''

My colleagues will note the similarity between that last piece of quote of Mr. Fisher and Mr. O'Neill, Secretary O'Neill's. Again, I repeat, Secretary O'Neill said, ''Raising coverage could weaken market discipline and increase risk.'' Mr. Fisher said, ''Increasing the overall coverage limit could weaken market discipline and further increase the level of risk.''

However, this is not all of the people who have testified. Other leaders have also spoken up. The Comptroller of the

Currency, John D. Hawke, Jr. testified, ''We see no compelling evidence that increased coverage levels would offer depositors substantial benefits. Anyone who wants to use insured bank deposits as a means of holding their wealth can do so virtually without limits, subject only to the minor inconvenience of having to open accounts at multiple banks. Despite the ability of depositors to achieve almost unlimited coverage at banks, money market mutual funds, which have some of the same features as bank transactions accounts and generally offer higher returns than bank deposits, today hold over $2 trillion. Because these funds could easily be placed in insured accounts, these facts suggest that many depositors are not concerned about the additional risk involved in holding their liquid funds in uninsured form, and that households are comfortable with the status quo.''

The Director of the Office of Thrift Supervision, Mr. James Gilleran, also testified on this subject saying, ''While I applaud efforts to increase the ability of institutions, particularly small community-based depositories, to attract more deposits, I am not convinced that increasing the insurance cap will achieve this result. I do not think this approach can be supported from a cost-benefit standpoint. Increasing the current insurance coverage level to $130,000 would incur significant costs for insured institutions, since premiums would necessarily be increased. The benefits of an increase are unclear. I have heard from many of our institutions that they see no merit to bumping up the current limit for standard accounts. In their view, projected increases in insured deposits would not lead to a substantive increase in new accounts. Moreover, individuals with amounts in excess of $100,000 already have numerous opportunities to invest their funds in one or more depository institutions and obtain full insurance coverage for their funds.''

Mr. Speaker, I want to again just repeat, the Comptroller of the Currency John Hawke says people have the ability to open multiple accounts to hold their money, and that, in fact, they seem to have personally gotten comfortable with the level of risk in excess of $100,000; and Director of the Office of Thrift Supervision James Gilleran says people have significant and ample opportunities to open accounts at multiple depository institutions and provide themselves with the insurance coverage that they might otherwise seek.

Now, interestingly enough, it is not just the administration officials who are speaking out. The Financial Services Roundtable wrote to the chairman, the gentleman from Ohio (Mr. OXLEY), with their concerns noting, ''We are writing in opposition to the provisions of H.R. 3717 that would raise deposit insurance coverage levels and increase premiums on all institutions. Raising coverage could weaken market discipline and increase risk to the FDIC, all insured institutions and, ultimately, taxpayers. The FDIC has said that these coverage increases could dilute the fund by as much as 13.6 basis points or $6.1 billion,'' $6.1 billion. ''We believe that this is too high a price to pay for something that could yield minimal, if any, benefit.'' This letter was signed by a former Congressman, Steve Bartlett.

In addition, the Association for Financial Professionals, which represents many of the men and women in the business community who deal with finances every day, wrote just this week that, ''The deposit insurance coverage level should remain unchanged. It is not clear to us that a higher coverage limit would address funding concerns at smaller institutions. But, more importantly, we do not believe that the use of the deposit insurance system for the competitive purpose of trying to help some banks with their funding is an appropriate public policy position. Deposit insurance coverage is not a competitive issue. Coverage is intended to benefit the depositors, not banks.''

□ 1945

The Association of Financial Professionals chair also testified before the subcommittee of the gentleman from Alabama (Mr. BACHUS) on this very issue. George Kauffman, a professor of banking and finance at Loyola University in Chicago, Illinois, also wrote on the issue, noting that an increase in coverage ''is likely to encourage some depositors to become less concerned about the financial health of their banks, and banks to take more risks, which would increase the chances of bank losses and failures.''

Many of the expert witnesses who testified before the subcommittee of the gentleman from Alabama spoke at great detail in opposition to an increase in coverage. I do not know why Members disregarded the advice they solicited.

Mr. Speaker, I reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. LAFALCE), the ranking member of the Committee.

Mr. LAFALCE. Mr. Speaker, I thank the distinguished chairman of the Subcommittee on Financial Institutions and Consumer Credit for yielding time to me.

Mr. Speaker, our Federal deposit insurance system is a critically important element in our economic stability, and it has served our people quite well for almost 70 years. I do believe that H.R. 3717 makes some very important improvements to that system.

Among the bill's strong points: it would merge the bank insurance fund, the BIF, and the savings association insurance fund, the SAIF. It would make the system less pro-cyclical by permitting the FDIC to charge risk-based assessments at all times, and it would eliminate the so-called ''cliff'' of extremely high required assessments should the fund fall below the Designated Reserve Ratio for an extended period.

It also deals with the so-called ''free rider'' problem. It also provides the FDIC with enhanced flexibility to manage the fund.

Now, for years I and a number of other Members and industry leaders and regulators have been calling for these reforms; and I am pleased, very pleased, that these reforms are included in this legislation that we consider today.

I am also very pleased that the longstanding law encouraging life-line banking that the gentlewoman from California (Ms. WATERS) has promoted since she has been in Congress will be made operational by a provision in this bill that she drafted. All those factors persuaded me to support going forward on this bill.

On the other hand, there are some provisions of the bill, most of them articulated by the gentleman from California (Mr. OSE), that do give me some concern. I hope we will be able to give closer attention to them in conference, should we ever get to a conference. These are features that could result in increased risk to the Federal deposit insurance funds and the banking system.

Specifically, I am concerned that the increase in the coverage limits for standard bank deposits and the increase in the limits for municipal deposits, especially, could create increased incentives for risk-taking by banks, thrifts, and credit unions without an appropriate compensating benefit for depositors, and without any assurance that the increased limits will result in a net increase in deposit in the institutions that claim these increases are needed to fund loans to their customers.

My concerns are not isolated. They are shared by Federal Reserve Chairman Alan Greenspan, by the FDIC chairman, by the former Secretary of the Treasury, Larry Summers, and by the present Secretary of the Treasury, Paul O'Neill. Mr. O'Neill points out that ''an increase in coverage would primarily benefit high net worth individuals, and do little for the great majority of savers who have deposit balances far below the current coverage limit.''

To raise the general coverage level to $130,000 would, the FDIC estimates, reduce the fund balance by almost four basis points immediately, and more than an additional four basis points in the future. Now, eight basis points may not seem like much, but it would be the difference today between a combined fund ratio of 1.29 above today's statutory designated reserve ratio and 1.21, which is below the current DRR of 1.25.

Under current law, a fund ratio at that level would definitely result in increased premiums and under this legislation would likely prompt the FDIC to begin to assess higher insurance premiums.

Every basis point of premiums takes money out of the banking system and away from lending to communities. The CBO predicts that the bill will result in a net premium increase to banks, thrifts, and credit unions of $3.5 billion over 10 years. That is $3.5 billion that could be used for community lending.

I am encouraged that the gentleman from Ohio (Chairman OXLEY) and the subcommittee chairman, the gentleman from Alabama (Mr. BACHUS), have been willing to address some of my concerns about the increased coverage by agreeing to reduce the maximum municipal deposit insurance limit from $5 million to $2 million. The lower limit reduces risk to the deposit insurance fund and the banking system, but it still permits more than 80 percent of the Nation's local governments to place all their cash in their local community banks, while enjoying the maximum FDIC protection provided by the bill.

On balance, however, especially because of the merger of the BIF and the SAIF, the Federal Deposit Insurance Reform Act of 2002 represents a serious effort to reform our current deposit insurance system, and it should be taken to the next step in the legislative process.

I look forward to working with the chairman of the full committee, the subcommittee, the ranking members, and the Members of the other body to reduce the legislation's potential increased risk to the Federal insured deposit system, and hence, the American taxpayer.

Mr. OSE. Mr. Speaker, I yield 4 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I thank my colleague and friend, the gentleman from California (Mr. OSE), for yielding me the time.

Mr. Speaker, today we are considering one of the most important reforms to our Nation's banking system that Congress will vote on for many years. It was at our Nation's darkest economic hour that the deposit insurance system was founded to save our country's banking system. The bill we are considering on the floor today makes many positive changes to the system, but also includes one provision that in my opinion is seriously damaging.

As other Members have stated, the underlying bill takes some very important steps forward. We increase the long-term stability of the deposit insurance funds by combining the BIF and the SAIF. This merger is long past due.

We also eliminate the 23 basis point ''cliff'' that mandated a massive potential charge to the system at the worst possible time. Additionally, the bill contains language added during the full committee markup in the amendment in the nature of a substitute dealing with calculating dividends and credits that I authored with the gentleman from Nebraska (Mr. BEREUTER).

Minor changes to the language of this provision have been made, in full agreement with the FDIC and the bill on the floor before us today.

At its heart, the provision ensures that any excess funds that are returned to financial institutions under the bill, either through assessment credits or dividends, be given in proportion to the contributions these institutions have made to capitalize the insurance funds. Banks and thrifts have made sizeable contributions to the deposit insurance funds over the years. Those contributions should be given great weight when determining what proportion of any excess in the deposit insurance fund those institutions are entitled to.

Importantly, not only do these provisions recognize the contributions of those institutions that originally capitalized insurance funds, but they also recognize the new capital put in by institutions now and in the future. In this way, a fair distribution of any excess capital in the insurance fund will occur. This is a very positive step, and I thank the gentleman from Nebraska (Mr. BEREUTER) and his staff for working with me and my staff on this language.

Unfortunately, this bill also plays a dangerous game by increasing deposit insurance coverage by 30 percent, and increasing risk to the deposit insurance fund.

I sat through many hearings on this issue and listened to all the testimony. Today, I am in general agreement with statements by FDIC Chairman Don Powell, Federal Reserve Chairman Alan Greenspan, Treasury Secretary Paul O'Neill, and many if not most in the banking industry itself who do not see a reason for a major increase in basic insurance coverage.

As Secretary O'Neill wrote to the committee, and I quote, ''An increase in coverage would primarily benefit high net worth individuals and do little for the great majority of savers.''

Alan Greenspan weighed in writing that ''The FDIC's recent projections of losses suggest that any expansion in coverage would have to be matched by increases in premiums in order to raise the reserve coverage of the fund.''

Accordingly, I had planned to offer an amendment with my good friend, the gentleman from California (Mr. OSE), to keep the coverage level at the $100,000 level. This is a huge issue that Congress should have to decide on the record, and I would have preferred that this bill come to the floor under such a rule.

While I strongly oppose this increase in coverage, I am supporting the bill on the floor today because I believe it improves the system overall. I am truly hopeful that the Senate is able to fix the coverage level as the process moves forward; and I want to thank the ranking member, the gentleman from New York (Mr. LAFALCE), and the gentlewoman from California (Ms. WATERS) and the gentleman from Ohio (Chairman OXLEY) and the gentleman from Alabama (Mr. BACHUS) for moving this very important bill forward. I hope the final product that returns from the Senate repairs the flaws with the legislation we are voting on today.

Mr. BACHUS. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. KELLY) to speak in support of the legislation.

Mrs. KELLY. Mr. Speaker, I thank the gentleman from Alabama for yielding me the time.

Mr. Speaker, I rise today in strong support for H.R. 3717, the Federal Deposit Insurance Reform Act. This legislation should be supported for two important reasons: first, it increases deposit insurance coverage for the first time since 1980; and, second, the bill introduces flexibility into the designated reserve ratio.

As we are all aware, the FDIC insurance plays a critical role in our Nation's financial system, ensuring both consumer confidence in banks and stability in the system. Today, community banks are facing serious funding challenges due to the lack of core deposits, which is why an increase in the deposit insurance coverage levels is such an important issue.

While I support higher deposit insurance levels, I also support the increase in the bill which raises the Federal deposit coverage to $130,000. It provides for automatic inflation adjustments and provides for up to $2 million in municipal deposit coverage.

Increasing coverage levels would benefit communities, retirees, consumers, farmers, the economy, and small business customers by enabling depositors to keep more of their money in local banks where it can be reinvested for community projects and local lending.

In addition, the legislation removes the current hard target of the designated reserve ratio and replaces it with a flexible range. This change will allow banks to do their job and provide credit when it is most important: when the economy is struggling.

This is an acknowledgment of the harsh effect these assessments can have on the economy and allows the FDIC to coordinate the imposition of such assessments with the Federal Reserve. This legislation enjoys strong bipartisan support, having passed the Committee on Financial Services by a vote of 52 to 2.

I ask all my colleagues to join me in support of strong legislation which will enhance the effectiveness of the FDIC and help consumers and our communities.

Mr. OSE. Mr. Speaker, I yield myself such time as I may consume. I feel like Churchill up here when I hear the 52 to 2 vote.

Mr. Speaker, I do want to say, one of the things that the gentlewoman from New York (Mrs. KELLY) mentioned was the impact on, in particular, rural communities, where we have such trouble keeping deposits in the community because of the ability to go get higher returns outside.

Representing a rural community, we could have dealt with this particular issue by crafting, in my opinion, some sort of vehicle whereby banks in rural communities, under some set of conditions, could have addressed that. I regret that this idea only came to me late in the process, but I would hope that the conference committee would at least consider that in their deliberations.

Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. ROHRABACHER).

□ 2000

PARLIAMENTARY INQUIRY

Mr. BACHUS. Mr. Speaker, parliamentary inquiry.

Mr. Speaker, the gentleman consumed about a minute on that explanation, and that does go towards his time, does it not?

The SPEAKER pro tempore (Mr. SIMPSON). It does.

Mr. OSE. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I rise in strong opposition to H.R. 3717. The last speaker, my colleague, the gentlewoman from New York (Mrs. KELLY), mentioned that this proposal would be the first major increase in the Federal deposit insurance in 20 years. Well, let us take a look at what happened 20 years ago when we had a major increase in federal deposit insurance. What happened? Let us think about it.

What happened 20 years ago when there was a major increase? There was a complete meltdown of the savings and loan industry and it ended up costing us, the taxpayers, tens of billions, if not hundreds of billions, of dollars. I am not sure exactly what it was, but it was one of the worst economic catastrophes this country has had to deal with.

So here we are again. We want to have a major increase in Federal deposit insurance. Now, let us make this clear, what Federal deposit insurance is supposed to be all about. Federal deposit insurance came about in the 1930s as a way of trying to protect the little guy and give the little guy some confidence to put his or her money into a small bank so that that person would have some confidence and their savings would be protected. I think it started out at $3,500. For a long time it stayed at $10,000. It stayed there for a long time at $10,000 because that is how much regular Americans could expect to try to save.

Well, guess what? Back in 1980 they took it up to $100,000 for a deposit insurance; and then on top of that, it is not just one account of $100,000 we are talking about.

Now, we are talking about not just protecting the little guy who wants to save 5 or $10,000 in an account, we are talking about rich people taking advantage of a program that was established to help little guys, so you have multiple accounts. As the gentleman from California (Mr. OSE) pointed out, rich people can take $100,000 and just pour it into account after account after being in various different banks. And, in fact, your own bank, one bank can sort of manipulate the system so that an individual, a wealthy individual, can have seven individual accounts in one bank.

Now, this was not set up to try to protect people who are multi, multimillionaires, but that is what it has turned into. And, by the way, this increase, this increase in the level will only make that matter worse. What we could do is we should be going in the opposite direction. What this has evolved into and what this continues to evolve into is the little guys now are being taxed in order to take away the risk for the big guys.

So what we now have is a Federal deposit insurance program that taxes the little guy in order to protect the fat cats from any risk. That is not the way it was supposed to be. And by increasing that deposit insurance, we are making that even worse.

And by the way, the gentleman from California (Mr. OSE) quoted expert after expert after expert saying that this would have the same destabilizing effect that it had in 1980, to increase this deposit insurance. It takes away from people's consideration of where they are placing their money. It takes risk off their shoulders so it makes them more irresponsible even to a certain degree. We do not want to put more irresponsibilities into our system. Let us do the opposite. Let us decrease Federal deposit insurance so it only protects the little guy instead of opening up our system to be exploited by a bunch of fat cats at the expense of the little guy.

I would ask all of my colleagues to oppose this dramatic increase in Federal deposit insurance even though there are some reforms that were part of this legislation that are certainly good reforms.

Mr. BACHUS. Mr. Speaker, I yield 2 minutes to the gentleman from South Dakota (Mr. THUNE) in support of the legislation.

Mr. THUNE. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise today in support of the Deposit Insurance Reform Act and I am pleased that it has been brought to the floor. I credit the gentleman from Alabama (Mr. BACHUS) for his hard work and leadership as well as colleagues on both sides of the aisle and the Committee on Financial Services for getting this bill to the House floor for a vote.

Deposit insurance helps banks keep local deposits at work in local communities. In the communities of South Dakota, deposit insurance helps banks attract deposits to fund consumer and small business loans, community development projects, mortgages, education assistance and small business start-ups.

As we know, this legislation increases deposit insurance coverage to $130,000 and that indexes it for inflation. This will be helpful to rural communities as it helps to mitigate the impact of the declining rural population and fewer depositors. I believe that local dollars should be invested locally and this bill will make that happen. Rural banks often find depositors see the current $100,000 insurance limit as a deposit cap, limiting their ability to grow, thrive and serve their communities. Additional deposits over $100,000 often force rural residents to send deposits to other banks outside of their area. Rural residents, oftentimes elderly, should not have to send their deposits elsewhere. They ought to feel safe and secure depositing their funds in the local banks where the money can be used to support local lending and local economies.

If it stays in the community, this money can serve as lendable funds for local projects in development in a small community. When depositors send their money to other communities, the cycle of reduced investment and opportunity and increased population flights only continues.

This legislation will also help farmers keep on pace with the dynamically changing agricultural economy. As production input costs and technology increase, local banks are constrained by artificially low deposit insurance caps, while at the same time being asked to make loans for increasingly costly farming operations. These loans can easily exceed what the business or farming operation can have insured at that banking institution.

Mr. Speaker, I believe H.R. 3717 is common-sense legislation. It will provide security for bank customers and diversify the economies of small communities. I ask my colleagues to vote yes. This reform will be good for rural communities across this country that many of us represent.

The SPEAKER pro tempore. The gentleman from Alabama (Mr. BACHUS) has 6½ minutes remaining. The gentleman from California (Mr. OSE) has 1 minute remaining.

Mr. OSE. Mr. Speaker, I reserve the balance of my time.

Mr. BACHUS. Mr. Speaker, I yield 3½ minutes to the gentlewoman from California (Ms. WATERS) to speak in support of the legislation.

Ms. WATERS. Mr. Speaker, I rise in support of H.R. 3717. Deposit insurance has served America well for over 65 years. It has maintained public confidence in our banking system throughout times of prosperity and times that were not so good.

The bill we reported out of the Committee on Financial Services is designed to maintain and strengthen today's system for tomorrow's consumers so that we can ensure that we have a deposit insurance system that will serve us well throughout the new millennium. I am particularly concerned

about our small independent community banks and I believe they will benefit from this legislation.

Not everyone agrees with this increase in FDIC. However, the Senate will continue to reconcile some of the differences that have been articulated, but I believe we should vote to pass this bill off the floor. This legislation merges the bank insurance funds and the savings association insurance funds into one deposit insurance fund. It also grants the FDIC increased flexibility to manage the funds, particularly in replacing the hard trigger designated reserve ratio with a range which will permit the FDIC to respond to economic conditions in setting the designated reserve ratio.

I am particularly pleased that the legislation includes an amendment that I offered during subcommittee consideration. This amendment represents a small but important change that will implement a law that has been on the books since 1991. During the consideration of the FDIC Improvement Act, then-Congressman Tom Ridge and Floyd Flake sponsored legislation to provide for a discount in deposit insurance assessment for deposits attributable to lifeline for basic banking accounts.

Basic banking is just what it sounds like. At least one quarter of low income families are currently unbanked, that is, they exist outside of the traditional banking system, often relying on check-cashing services or notorious payday lenders to facilitate basic transactions, generally paying exorbitant fees in the process.

We all take for granted the ease and convenience of having a checking account, but many families lack that luxury because they are unable to maintain large minimum balances in these accounts. These lifeline accounts, by their very nature, do not hold large deposits.

Furthermore, the FDIC concedes that any effect on the fund would be negligible. However, implementation of the Flake/Ridge provision was wholly dependent on appropriated funds which never materialized.

My amendment simply removes the requirement for appropriated funds so that this provision, after more than a decade on the books, can finally be implemented. My amendment was adopted by voice vote at subcommittee and upheld at full committee by a bipartisan vote. It attracted the support of both industry and consumer groups, including AARP, the Independent Community Bankers of America, the New Jersey League of Community Bankers, the Consumer Federation of America, U.S. Public Interest Research Group, Consumers Union and the National Consumer Law Center.

I would like to thank all of my colleagues on the Committee on Financial Services who supported the amendment, especially the gentleman from Alabama (Mr. BACHUS). He has worked tirelessly in support of this provision because he truly understands that providing a small incentive for banks to offer these accounts can make all the difference in the world for millions of American families. I thank him once again.

Mr. BACHUS. Mr. Speaker, we had several speakers that wanted to speak out in favor of this measure and we have only got a limited amount of time. I ask unanimous consent that both sides be given an additional 10 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The gentleman from Alabama (Mr. BACHUS) now has 13 minutes remaining. The gentleman from California (Mr. OSE) has 11 minutes remaining.

Mr. BACHUS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all, I want to stress the great consensus of opinion on most aspects of this deposit insurance legislation, and I mean that sincerely. There is broad support from the administration. There is broad support from the regulatory agencies. There is broad support from Members of the House and members of the Senate, from those of the Democratic party and the Republican party for most aspects of this bill. And as I think this debate has pretty clearly identified, it is 10 percent of this bill that has caused 90 percent of the problems for certain members of the committee.

What I want to address, first of all, is that 90 percent of the bill which I find really no opposition for, and I want to stress those things because I think they are the heart of this bill. The first one is that we merge the bank and thrift insurance funds. That would not only diversify the risk, and everyone agrees on that, the Treasury, the Federal Reserve, both the Senate and the House, because the BIF reserve ratio has recently declined to 1.26. So by combining these funds it reduces the risk that any of our financial institutions will have to pay any premiums in the future. It reduces that risk. So whatever else happens, this legislation will reduce the risk of paying premiums to the majority of our institutions.

Now, Mr. Speaker, there are certain rapid insured deposit growth, well, what I am saying is sweep programs have caused a reduction of four basis points in the BIF program or the BIF reserve ratio funds.

□ 2015

This is from a very few financial institutions that have set up multiple subsidiary banks and they are using sweep accounts, and they are sweeping all that money into FDIC, and they are not compensating the FDIC and the Federal Reserve, the Treasury, the administration; and I think every Member of our committee agrees that this should not go on. We have addressed this.

We have reforms in this bill that compensate banks for the adverse effect of these so-called free riders. We give transition assessment credits, recognizing the contribution of those banks to the insurance reserves that they made during the early and mid-1990s, and those credits will offset future premiums for all but the newest and the most recent new institutions and also those fast-growing institutions.

The premium-setting reforms prevent future free rider inequity, and there is consensus on this and there is consensus that that ought to be done.

Finally, we have eliminated the hard trigger in the current system that can force banks to pay significantly higher premiums during economic downturns. That promotes economic stability and the well-being of the financial system. I have not heard a dissenting voice from us doing that. So those are the main components of the bill.

Where the disagreement is is the coverage rates; and Mr. Speaker, let me simply point out these things about the coverage rates, and I am going to go back for a minute to those few large institutions, financial institutions that have established sweep accounts and have established multiple subsidiary banks.

What those institutions are doing is they are going out and they are advertising $700,000, $800,000, $1 million worth of coverage, and my colleagues have heard testimony from those who oppose a coverage increase, that the people do not want an increase of coverage, they do not need an increase of coverage. The same Treasury Department that says people do not want it have also come to us and said these very institutions that are offering $700,000 worth of coverage or $800,000 worth of coverage, ''that they have reduced these large financial companies controlling multiple industry banks, have reduced the BIF reserve ratio by four basis points to an alarming level without compensating the FDIC.''

Now, I ask all the Members this question: If they are sweeping all this money into these accounts by offering additional coverage, where is the money coming from if it is not coming from people who want additional coverage? How can the Treasury and how can the Federal Reserve and how can certain Members of the House and Senate say that people do not need additional coverage, they will not use additional coverage, and yet at the same time agree that these, really a couple of financial institutions mainly, are sweeping millions and millions and millions of dollars into these accounts? Well, obviously the people are using these accounts, and obviously they feel the need for this protection; and that is why we need additional coverage.

In 1974, we increased coverage. We over-doubled coverage. Was there a crisis then? No, there was no crisis then. So increasing it 150 percent did not cause any crisis then. In 1980 we increased the coverage for all the banks

in this country. Did banks fail? No, banks did not fail. It was savings and loans that fell. Yes, we increased it for savings and loans; but if it was because of increase of coverage, do my colleagues not think banks would have failed, along with the savings and loans? Of course they would have, but it was only the savings and loans.

Yes, we got a lot of testimony about, oh, the last time we did this there was the savings and loans, several of them failed, but they do not say the banks did not fail and we increased it for banks. It just does not fly.

In 1974, the coverage was at $40,000. If we went back to 1974 and we increased it allowing for inflation, we would have gone to $140,000. We only go to $130,000. So we are not even keeping pace with 1974 when the chairman of the Federal Reserve said we had a safe amount and it was at a safe level. Well, if that is the case, then I guess he is advocating for $140,000, not $130,000. When we increased it to $100,000, if we only adjusted for that inflation today, it would be $200,000, not $130,000. What we do in this bill is increase it to $130,000, which is less coverage than the people of the United States had enjoyed in 1974, in 1980 and at any time.

We do not take care of all the inflationary loss, and we hear a lot of strange talk up here in Washington. We hear talk that the people do not need this coverage, but Mr. Speaker, we heard that every time there was a bank failure, there were people who lost a great amount of their retirement funds because the coverage was not there. Five thousand Americans every day sell their home, and the vast majority of them deposit the proceeds from those sales in their bank account.

The gentleman from California would tell us, and the Federal Reserve and the Treasury would tell us, that people have an opportunity to open multiple accounts and establish that money in multiple accounts. Well, I ask my colleagues, Mr. Speaker, I ask the Members of this body, When people sell their home, how many of them go out and establish three bank accounts and deposit that money in three different accounts? Experience tells us that almost no one does that, and when they deposit it, when they deposit that $200,000 or $300,000 in a bank account and that bank fails, they lose two-thirds of their life savings.

Retirement accounts, $150,000, $200,000, not unusual. How many people go out and establish multiple IRA accounts? Well, I think we know the answer to that. The AARP has strongly, in fact, they have urged a greater increase in coverage than we give, because people do not run around all over town establishing one account here, another account there, another account there; and they should not have to do that.

They should not have to rely on a couple of large financial institutions of this country that have come in here and battled against this bill, and they have said we do not need over $100,000; but those same companies and the financial services roundtable that has represented their interests have come up here and told them they do not need $100,000. Those same companies that were on this hill lobbying against an increase were going out and buying six or eight banks and advertising $800,000 worth of coverage, bankrupting the funds; and then they had the audacity to come up here and oppose this bill and oppose our efforts to stop their raid on the FDIC.

Thank goodness in committee, thank goodness in subcommittee and thank goodness in the morning when we vote on this legislation we will pass it, and we will stop the abuse that we have seen in the last couple of years on free riders who not only free ride on the FDIC, they come to the Members of this body and lobby against our efforts to stop their efforts to, as Peter Fisher said, to reduce the BIF reserve ratio by four basis points without compensating the fund.

That is what they have done. Certainly they have gimmicked the system. They are getting a free ride. They are paying nothing; and they are going to communities like the communities in South Dakota, like communities in Alabama, communities all over the Nation, and they are saying we will offer $700,000 worth of coverage; and then they and friends and supporters that they have at the Federal Reserve and the Treasury are coming over here and telling us to do something about these free riders but do not do anything about the free riders which would interfere with a free ride, do not do anything which allows the community banks to increase coverage, we do not need an increase of coverage.

Well, the marketplace is demanding it. The marketplace is getting it. The free riders have gone out and gotten an increase in coverage, and it is absolutely ludicrous for us to let this continue to go on.

Mr. Speaker, I reserve the balance of my time.

Mr. OSE. Mr. Speaker, I yield myself such time as I may consume.

Lacking any other speakers, I do want to make a few remarks. I think the gentleman from Alabama started out very accurately reflecting the broad consensus on 90 percent of this bill, and I think he closed here just this moment with a very eloquent case as to why we need to stop the free rider practice from continuing, but the free rider issue is not related to the deposit insurance level issue. They are two separate issues, and they need to be considered separately.

I would just for clarification, I think the gentleman from Alabama did say that few, if any, banks had failed; and I will say that to my recollection that Continental Bank failed and that there were a lot of banks in agricultural areas around this country that failed. Manufactures Hanover I think had its doors closed, related to the risk that they undertook in taking the increase in deposits, they received subsequent to the jump up in 1982 and trying to put them to work to defray the added costs that they bore from carrying those deposits.

So I agree with him on the free rider thing. But the free rider issue is separate from the deposit insurance increase issue, and I want to be clear about that.

The average size in a deposit account, a demand account across this country is about $10,000, $10,000, not $100,000, not $130,000. The market sector that the gentleman from Alabama referred to as ''known as a high income sector,'' they get a lot of preferential treatment from many financial institutions. It is a marketing aspect of what those institutions do, and it works very well; but this is not about the free rider issue. This is about the added risk that comes by increasing deposit insurance levels and the cost that goes with that that a bank would have to confront.

I do think, going back to the gentleman from Alabama's (Mr. BACHUS) point about the retirement accounts, absolutely concur about increasing the level of coverage for retirement accounts. That money is very conservatively managed. It is a very stable source of funds. The fact of the matter is the bill takes it to a certain level I would actually advocate for taking it even further, if I had thought to put an amendment in at the committee. So I concur with the gentleman that 10 percent of the bill is causing 90 percent of the heartache here.

I do want to complete my statement from earlier, and then I would be happy to reserve the balance of my time after that. Mr. Speaker, let me just point out two witnesses who presented extensive, in addition to all these others that I cited earlier, presented extensive scholarly materials to the subcommittee in opposition to an increase in the coverage levels.

First was Mr. Richard Carnell who is an associate professor of law at Fordham University School of Law who testified: ''I urge Members to take a skeptical view of proposals to index or otherwise increase the $100,000 limit on deposit insurance coverage. Proponents of increasing the coverage limits stress the effects of inflation since 1980. But the 1980 level was by no means normal; adjusted for inflation, it amounted to an all-time high.''

Professor Carnell was joined by Dr. Kenneth Thomas who is a lecturer in finance at the Wharton School at the University of Pennsylvania, who listed 21 major reasons, I will not cite all 21, Mr. Speaker, but 21 major reasons to oppose an increase in the coverage limit. Among those reasons were, Dr. Thomas spoke at length on the savings and loan bailout and how increases in 1980 in the deposit insurance coverage levels led to risky behavior and even larger bailouts.

□ 2030

Dr. Thomas highlighted the historical perspective from former FDIC and Resolution Trust Corporation chairman, and if my colleagues will recall, the Resolution Trust Corporation was the entity the Federal Government used to solve the early 1980s problem in the financial industry, the Resolution Trust Corporation Chairman Seidman, who said, ''The original intent of deposit insurance, which began with a $2,500 insurance limit, was to protect 'small savers.' The primary beneficiaries of the 1980 increase to $100,000 were Wall Street firms and deposit brokers. The currently proposed increase to $200,000,'' which is not what we are talking about today, we are talking about $130,000, but the premise still holds, ''the currently proposed increase to 200,000 has nothing to do with small or even midsized savers. Besides Wall Street and other money brokers, the only beneficiaries would be very wealthy and high net worth depositors, a far cry from the small savers originally envisioned by the FDIC.''

This speaks directly to the comments of the gentleman from Alabama a moment ago about the sweeps. Dr. Thomas also noted that, ''Considering the present environment's increased level of risk exposure for the deposit insurance funds, good public policy dictates consideration of proposals that reduce, not increase, risk exposure. Any increase in the deposits covered by the FDIC will increase risk exposure to the funds.''

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Alabama (Mr. BACHUS) has three-quarters of 1 minute remaining and the gentleman from California (Mr. OSE) has 5 minutes remaining.

Mr. BACHUS. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. GILLMOR).

(Mr. GILLMOR asked and was given permission to revise and extend his remarks.)

Mr. GILLMOR. Mr. Speaker, I rise in strong support of the bill, particularly the municipal deposit part.

I rise today in strong support of H.R. 3717, the Federal Deposit Insurance Reform Act of 2002. I am very proud to be an original cosponsor of this legislation and commend Chairman OXLEY and Subcommittee Chairman BACHUS for their diligent work and dedication in crafting this reform package and delivering it to the full House for consideration. Significant reform of the Federal Deposit Insurance system is long overdue, specifically with regard to municipal deposit coverage.

I have worked hard with the cooperation of several other members of the Financial Services Committee to see a meaningful increase in FDIC coverage for public deposits included in HR 3717. The Federal Deposit Insurance Reform Act will provide full FDIC coverage for 80% of all in-state municipal deposits at an FDIC insured institution up to two million dollars. This is a vast improvement from the current coverage cap of 100,000 dollars on each account.

Providing this essential coverage will help local communities keep public moneys in their area, which will improve the economic climate by enabling local banks to offer more loans for cars, homes, education and community needs.

Currently, municipalities are faced with a hard choice when deciding where to place their deposits. Local officials care about their communities and would like to foster economic development by putting their funds in local banks. However, without the guarantee of FDIC coverage, they are often instead forced to put the money in large out of state institutions.

It may also be the case that small banks are not even in a position to accept such deposits. Many states require institutions to collateralize municipal deposits. This makes it harder for community and small banks to compete for these funds with larger banks. Many community banks are so loaned-up that they do not have the available securities to use as collateral.

Just a few months ago, the FDIC closed a bank in my congressional district: the Oakwood Deposit Bank in Oakwood, OH. Local municipalities and other public entities that held deposits at this institution are now put at risk due to the $100,000 cap in FDIC coverage. In cases of fraud such as this one, securitization may not have been adequate insurance as many bonds and securities appearing on the bank's balance sheet may not still be held. The expansion of FDIC coverage is the only way to truly alleviate this risk to local public entities.

Again, I would like to thank Chairman OXLEY and Chairman BACHUS for their leadership on this important issue and ask all my colleagues to strongly support this legislation.

Mr. BACHUS. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. FORD).

Mr. OSE. Mr. Speaker, I yield 1 minute as well to the gentleman from Tennessee (Mr. FORD).

The SPEAKER pro tempore. The gentleman from Tennessee is recognized for 2 minutes.

Mr. FORD. Mr. Speaker, there is nothing like bringing your colleagues together. I appreciate both the gentleman from California (Mr. OSE) and the gentleman from Alabama (Mr. BACHUS) for yielding me this time, and I thank my friend, the gentlewoman from California (Ms. WATERS), and certainly the ranking member, the gentleman from New York (Mr. LAFALCE), for all their hard work. I stand here in support of this legislation and thankful the subcommittee decided to take up the issue concerning the FDIC's treatment of loss reserves in its calculation of its reserve ratio, Mr. Speaker. With that issue resolved, I think many of us feel more comfortable in supporting this legislation.

I want to take this opportunity to discuss one final issue, and I hope that at some point we can take this up. As enthusiastic as I am about supporting the legislation, I am disappointed in one decision the FDIC has made in recent weeks involving a proposed reorganization of the regional office structure. In particular, the FDIC has proposed to fold the Memphis regional office, which is in my district, and the Boston regional office, which is represented by many of my colleagues here in the Congress. The Memphis office would be folded into the Dallas region and Boston into New York. I believe this proposed change would lessen the FDIC's responsiveness to the concerns of financial institutions presently within the region of the country in which I live.

Moreover, it would not save much money at all. I think it is estimated to save somewhere around $100,000 to $150,000, which is a decent chunk of change, but when you consider the relationship that has developed over the years between bankers in the Mississippi, Arkansas, Kentucky, and Tennessee area, and then having to move that office to Dallas, I do not think the benefits outweigh the cost to those in this area of the country.

It is my hope that my colleagues in the New England area, as well as in those 4 or 5 States covered in my region, can work together to persuade Chairman Powell and those in the FDIC that this is not the right move nor is it the right time to make this move.

With that, Mr. Speaker, I again wish to thank both the gentleman from California (Mr. OSE) and the gentlemen from Alabama (Mr. BACHUS), and would close by saying that I do think this increase of $130,000 is fair, though I hear some of the concerns being raised by the gentleman from California.

And I might add, the University of Pennsylvania professor, I think I had him when I was there. He did not give me a good grade, so he may not be right all the time.

Mr. OSE. Mr. Speaker, I yield myself such time as I may consume, and I want to go back, finally, to Dr. Thomas' 21 citations. Again, I am not going to cite the remaining 18 or 19 of them, but I do want to run through his testimony here.

Dr. Thomas raises the issue that ''There is absolutely no public outcry over or even widespread interest in the proposal to,'' he says, ''double the FDIC insurance limit. Most people know or should know from their banks that any couple can get multiple account coverage, and singles need only open another account at any bank via a personal visit, a telephone call, or even the Internet. There is no shortage of $100,000 insured deposit investment opportunities. Some seniors may have a preference to keep their jumbo CDs spread out among several banks in $100,000 or less amounts, even if they have the opportunity to keep $200,000 at one bank.''

This speaks directly to what the current situation is. The current situation allows people to protect themselves under the current $100,000 limit. The testimony we have had at the subcommittee from high ranking government officials, from people in the business to academia, is that increasing this limit significantly increases the risk to the insurance funds.

Speaking from personal experience, I actually weathered the last time we went through this. Many of my colleagues in the real estate business did not. The fact of the matter is, it was a wholesale winnowing of the real estate business in California and it took us years to recover. My colleagues, increasing the deposit insurance coverage limit will lead to a potential for repeating that.

California leads this country's economy up and down. If we increase the risk to the insurance fund by placing on our bankers the requirement to put more money to work in a quick or hasty fashion, we are going to replay the nightmare of the early 1980s and pay billions more the next time this occurs. This body does not need to fund additional billion dollar bailouts.

I am in favor of 90 percent of this bill. There are good things in this bill. But when we look at the hands of Lady Justice balancing, in her case justice, in this case we are talking about the security and sanctity of the economy and deposits across this country, if we look at how that is balanced, in Lady Justice's case her hands are even. In the case of today's bill, the increase in deposit insurance skews that balance. We do not need to do this, my colleagues. This is unnecessary.

Unfortunately, I am forced to go against my chairman, and I ask my colleagues to oppose this bill in its current form.

Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from California has 45 seconds remaining.

Mr. OSE. Mr. Speaker, I yield the balance of my time to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Speaker, I thank the gentleman for yielding me this time, and let me just close by saying that there has been a rapid insurance deposit growth. In other words, people are putting a lot of money in accounts, in 2 or 3 financial institutions in this country, which have gone out and bought multiple subsidiaries and are advertising $500,000, $600,000, and $700,000 worth of coverage.

Now, where is that money coming from, those hundreds of millions of dollars? It is coming from community banks in small towns and mainstream banks. People ought to have an option not to put that money in a Wall Street financial institution. A small business that has $300,000 or $400,000 deposited, they ought to have the option of putting that in their hometown bank.

We talk about $100,000. Yes, $10,000 may be the average account, but there are a lot of small businesses in this country that maintain one bank account in their local bank. They ought to have more coverage.

Mr. BENTSEN. Mr. Speaker, I rise today in strong support of H.R. 3717, the Federal Deposit Insurance Reform Act of 2002, legislation that will reform our federal deposit insurance programs. As a member of the Financial Services Committee, I am pleased that the House of Representatives is now acting to consider this legislation.

H.R. 3717 would combine the Bank Insurance Fund (BIF) and the Savings Association Insurance Fund (SAIF) into one insurance Fund. This legislation would also permit the Federal Deposit Insurance Fund greater flexibility in setting the designated reserve ratio (DRR). Under current law, the BIF and SAIF have target DRR ratios of 1.25 percent. Today, both the BIF and SAIF have DRR levels which are higher than this target rate with the DRR for BIF at 1.26 percent and the DRR for SAIF at 1.37 percent. I believe another important part of this bill would allow the FDIC to set the DRR between the range of 1.15 percent to 1.4 percent in order to ensure that the new insurance fund is counter cyclical and avoid sharp rate swings. When the insurance fund is in distress under current law, it is likely that premiums would be increased on those institutions which may be facing increased costs and financial pressures. By charging premiums when institutions are healthy, they will be better prepared to deal with any unforeseen financial hardships.

Finally, this bill increases the maximum deposit insurance coverage for an individual from $100,000 to $130,000. I believe that this higher insurance coverage is long overdue. The deposit insurance coverage limit has not been changed since 1980. I believe that this higher coverage will help smaller financial institutions to compete for customers. Another important provision in this bill would permit consumers to get insurance coverage of $260,000 for their Individual Retirement Accounts (IRAs). In this time when we are working to encourage consumers to save for their futures, I believe that this higher IRA coverage will ensure that consumers have several options for where to keep their IRAs.

I am also pleased that this legislation includes a provision to increase the number of ''lifeline'' accounts for underserved consumers. This provision is based upon an amendment offered by Rep. MAXINE WATERS (D–CA) to ensure that the underserved consumers have access to low-cost accounts. Many poor elderly do not currently have checking accounts and may be able to use this lifeline accounts to receive electronic transfers of their social security and other direct deposits.

I urge my colleagues to support H.R. 3717, legislation to improve our federal deposit insurance program.

Mrs. ROUKEMA. I rise in strong support of HR 3717, the Federal Deposit Insurance Reform Act of 2002. This is an important bill and I want to commend the Chairman OXLEY of the Full Committee and Chairman BACHUS of the Subcommittee for pushing this bill forward. This is the most opportune time for Congress to implement these changes—when the industry is still strong and healthy.

There is no doubt that the passage of Gramm-Leach-Bliley created a brave new financial world—with new challenges for the regulators and our deposit insurance fund. This legislation makes adjustments that will not only enhance the safety and soundness of the entire financial service industry by preserving the value of insured deposits, advancing the national priority of enhancing retirement savings for all Americans, and ensuring that the value, benefit and cost of deposit insurance is fair to consumers and institutions alike.

Many of the provisions in HR 3717 are provisions that I have long supported. In fact, I introduced legislation including many of these provisions in the last Congress. For example, HR 3717 mergers the two insurance funds. Merging the funds will create a more stable, actuarially strong insurance fund, and reduce the risk of fund insolvency.

Second, the bill increases the standard maximum deposit insurance limit from $100,000 to $130,000 and indexes future coverage limits to inflation. The $100,000 coverage limit was set in 1980 and it is time to increase that coverage for consumers. In addition, Federal Credit Unions are provided with parity in general standard maximum deposit insurance coverage, coverage for retirement accounts and municipal deposits.

This bill provides double coverage limits for certain types of IRAs & 401(k)s—up to $260,000. Finally, this bill provides rebates requiring that ½ of the excess funds be returned to banks when the DRR is above 1.35 percent, and all of the excess reserves when the DRR reaches 1.4 percent. With the current fund balances, much above the 1.2 designated reserve ratio, certainly this is appropriate.

This is important legislation that deserves our support. The Federal Deposit Insurance Fund has served this Nation well for the last 68 years—public confidence and stability in the Nation's banking system were preserved through one of the largest banking crises—the 1980 Savings and Loan crisis. HR 3717 makes the necessary changes that will protect not only depositors but our financial system in times of crisis.

Mr. PAUL. Mr. Speaker, H.R. 3717, the Federal Deposit Insurance Reform Act, expands the federal government's unconstitutional control over the financial services industry and raises taxes on all financial institutions. Furthermore, this legislation could increase the possibility of future bank failures. Therefore, I must oppose this bill.

I primarily object to the provisions in H.R. 3717 which may increase the premiums assessed on participating financial institutions. These ''premiums,'' which are actually taxes, are the premier sources of funds for the Deposit Insurance Fund. This fund is used to bail out banks who experience difficulties meeting their commitments to their depositors. Thus, the deposit insurance system transfers liability for poor management decisions from those who made the decisions, to their competitors. This system punishes those financial institutions which follow sound practices, as they are forced to absorb the losses of their competitors. This also compounds the moral hazard problem created whenever government socializes business losses.

In the event of a severe banking crisis, Congress will likely transfer funds from the general revenue into the Deposit Insurance Fund, which could make all taxpayers liable for the mistakes of a few. Of course, such a bailout would require separate authorization from Congress, but can anyone imagine Congress saying ''No'' to banking lobbyists pleading for relief from the costs of bailing out their weaker competitors?

Government subsidies lead to government control, as regulations are imposed on the recipients of the subsidies in order to address the moral hazard problem. This is certainly the case in banking, which is one of the most

heavily regulated industries in America. However, as George Kaufman, the John Smith Professor of Banking and Finance at Loyola University in Chicago, and co-chair of the Shadow Financial Regulatory Committee, pointed out in a study for the CATO Institutes, the FDIC's history of poor management exacerbated the banking crisis of the eighties and nineties. Professor Kaufman properly identifies a key reason for the FDIC's poor track record in protecting individual depositors: regulators have incentives to downplay or even cover-up problems in the financial system such as banking facilities. Banking failures are black marks on the regulators' records. In addition, regulators may be subject to political pressure to delay imposing sanctions on failing institutions, thus increasing the magnitude of the loss.

Immediately after a problem in the banking industry comes to light, the media and Congress will inevitably blame it on regulators who were ''asleep at the switch.'' Yet, most politicians continue to believe that giving the very regulators whose incompetence (or worst) either caused or contributed to the problem will somehow prevent future crises!

The presence of deposit insurance and government regulations removes incentives for individuals to act on their own to protect their deposits or even inquire as to the health of their financial institutions. After all, why should individuals be concerned with the health of their financial institutions when the federal government is insuring banks following sound practices and has insured their deposits?

Finally, I would remind my colleagues that the federal deposit insurance program lacks constitutional authority. Congress' only mandate in the area of money, and banking is to maintain the value of the money. Unfortunately, Congress abdicated its responsibility over monetary policy with the passage of the Federal Reserve Act of 1913, which allows the federal government to erode the value of the currency at the will of the central bank. Congress' embrace of fiat money is directly responsible for the instability in the banking system that created the justification for deposit insurance.

In conclusion, Mr. Speaker, H.R. 3717 imposes new taxes on financial institutions, forces sound institutions to pay for the mistakes of their reckless competitors, increases the chances of taxpayers being forced to bail out unsound financial institutions, reduces individual depositors' incentives to take action to protect their deposits, and exceeds Congress's constitutional authority. I therefore urge my colleagues to reject this bill. Instead of extending this federal program, Congress should work to prevent the crises which justify government programs like deposit insurance, by fulfilling our constitutional responsibility to pursue sound monetary policies.

Mr. NEY. Mr. Speaker, I rise in support of H.R. 3717, the ''Federal Deposit Insurance Reform Act of 2002.''

I want to commend my colleagues, MIKE OXLEY, the chairman of the House Financial Services Committee and SPENCER BACHUS, the chairman of the House Financial Institutes Subcommittee, for crafting sound legislation to improve the federal deposit insurance system. This bill will reform the FDIC so that it can continue to provide the stability that Americans have depended on for years.

Last year, I introduced H.R. 1293, the ''Deposit Insurance Stabilization Act.'' This bipartisan piece of legislation addressed three of the most pressing needs of the deposit insurance system. My legislation merged the Bank Insurance Fund and the Savings Association Insurance Fund into a single sounder deposit insurance fund. My legislation also eliminated the 23 basis point cliff facing FDIC-insured institutions if the deposit insurance fund were required by law to be recaptilized. I am pleased that both of these provisions are included in the bill before us today.

My legislation included a third important component, commonly referred to as the ''free rider'' provision. This provision would give the FDIC statutory authority to assess a special premium on any insured institution with excessive net deposit growth. It was drafted to address the possible dilution of the deposit insurance fund by a handful of institutions. It was not meant to serve as a penalty or impediment to legitimate growth, but rather as an equitable to ensure that the cost of doing the business of deposit insurance is borne by those who benefit from that business.

I was pleased that the Ney free rider provision was included as part of this bill, as reported by the Financial Services Committee. It represented a good faith effort to fairly resolve a problem first brought to my attention by bankers in my state and across the country.

Unfortunately, because of the controversy it generated, this provision is not part of the managers' amendment before us today. While other provisions of the managers' amendment address the free rider problem, the absence of statutory authority for the FDIC to deal with prospective free riding could remain a problem. I am anxious to work with my colleagues in Congress and organizations like America's Community Bankers to adequately address this problem as this bill moves forward.

Again, I would like to commend the sponsors of this bill for addressing the challenges facing the federal deposit insurance system, and urge my colleagues to support this bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Alabama (Mr. BACHUS) that the House suspend the rules and pass the bill, H.R. 3717, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have not voted in the affirmative.

Mr. BACHUS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

CONFERENCE REPORT ON H.R. 3448, PUBLIC HEALTH SECURITY AND BIOTERRORISM PREPAREDNESS AND RESPONSE ACT OF 2002

Mr. TAUZIN (during consideration of H.R. 3717) submitted the following conference report and statement on the bill (H.R. 3448) to improve the ability of the United States to prevent, prepare for, and respond to bioterrorism and other public health emergencies.

See pages H2691 of the RECORD of May 21, 2002

PAYING TRIBUTE TO WORKERS IN NEW YORK CITY FOR RESCUE, RECOVERY, AND CLEAN-UP EFFORTS AT SITE OF WORLD TRADE CENTER

Mr. OSE. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 424) paying tribute to the workers in New York City for their rescue, recovery, and clean-up efforts at the site of the World Trade Center.

The Clerk read as follows:

H. RES. 424

Whereas on September 11, 2001, terrorists hijacked four civilian aircraft, crashing two of them into the towers of the World Trade Center in New York City;

Whereas these attacks were by far the deadliest terrorist attacks ever launched against the United States, claiming the lives of more than 3,000 innocent people;

Whereas in the aftermath of the attacks, without showing any hesitation, public safety officers, steel workers, electricians, construction workers, and thousands of skilled workers and volunteers spent endless days and nights, many without sleep for over 36 hours, risking their own lives to assist in the search for and rescue of anyone that might have survived the devastation at the site of the World Trade Center, which has come to be known as ''Ground Zero'';

Whereas the resolve of our nation was strengthened by the courage of the thousands of brave rescue and recovery workers who used their own hands in the hours and days after September 11th to this day to remove rubble from the site to locate those trapped and buried beneath the debris of the World Trade Center;

Whereas these workers inspired the American people with their extraordinary bravery and heroism, often risking their own life and limb to help find the remains of those who perished on September 11th;

Whereas many rescue and recovery workers were not just searching for a stranger but rather their lost son, daughter, aunt, uncle, brother, sister, husband, wife, mother, father, lifelong friend, or co-worker; each of these workers were helping to clear the debris just hoping to come across any one of their loved ones;

Whereas people, not only in New York but across the nation, worked to supply Ground Zero workers with such things as food and water, clothing, and medical supplies, surmounted numerous challenges and difficulties in securing and distributing these goods, and made it happen within hours and continuing still today, never once looked at how difficult it might be to get supplies, but rather went out and did whatever it took to ensure that the needs for those supplies were met;

Whereas local businesses, churches, and citizens opened their doors to police, fire, and other workers with places to sleep, eat, or even simply pray;

Whereas the selflessness displayed by the rescue and recovery workers helped unify our nation, bringing together good people to demonstrate to the forces of terror that good would triumph over evil;

Whereas all involved in the efforts at Ground Zero were working unselfishly beyond the point of exhaustion without regard for food, water, or sleep, simply to save and recover anyone and everyone possible; and

Whereas the recovery effort will conclude after more than nine months of hard work, removing over 1.6 million tons of debris while at the same time taking great care to collect all victims' remains, thereby allowing more than 1,000 families to lay their loved ones to rest: Now, therefore, be it

Resolved, That the House of Representatives pays tribute to the workers in New York City for their rescue, recovery, and clean-up efforts at the site of the World Trade Center, which was destroyed by the terrorist attack of September 11, 2001.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. OSE) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. OSE).

GENERAL LEAVE

Mr. OSE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 424.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. OSE. Mr. Speaker, I ask unanimous consent that the gentleman from New York (Mr. FOSSELLA) be permitted to control the time on House Concurrent Resolution 424.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York.

Mr. FOSSELLA. Mr. Speaker, I yield myself such time as I may consume, and I thank the gentleman for yielding me this time.

Mr. Speaker, my colleague, the gentlewoman from New York (Mrs. MALONEY), and I join, I think, with the entire country to introduce a House resolution to pay tribute to the hundreds, if not thousands, of workers who have responded to the World Trade Center since that fateful day on September 11.

As a Nation, we need not be reminded, but in a way we always need to be reminded, of what happened that day; of the loss of life, of those who lost loved ones, aunts, uncles, sons, daughters who were lost, fathers, mothers. We know the tragedy, and it will forever be written of. But out of that tragedy really came a resilience and strength in this country, and some of that was demonstrated by the workers who reported immediately to ground zero and have been there almost every day since.

Believe it or not, Mr. Speaker, the recovery and ultimate redevelopment of the World Trade Center, which just a few months ago was thought to be almost impossible, will be coming to a close. In just the next few short days there will be a ceremony in New York City to honor and to pay tribute to those who have responded.

For someone who was there on September 11, I can tell my colleagues that the dedication and the commitment of these individuals has been unbelievable. But with all that, all the work that they have done, the 1.6 million tons of debris, some of it, sadly, tragically, containing the remains of those who perished in the Trade Center, a lot of it ending up on Staten Island, so it hits close to home for all of us, I cannot tell you how proud we should be of them. They responded. They give their time, sometimes working 16, 18, 20 hours a day, many of them looking for their loved ones.

You can just read the papers. Take the time necessary and see of those fathers who responded day in and day out hoping to find their sons, or those hoping to find a sister or a wife. Perhaps as we look back, this will be one of the darkest, if not the darkest, spot in American history. But if we look for a silver lining to it, it is the fundamental belief that there were those who responded heroically, with honor, with a sense of purpose to rebuild this country.

When we were attacked on September 11 at the Trade Center, we began the process of rebuilding almost immediately, all with the sense of honor to those who lost their life.

I can only tell my colleagues, as someone who lost almost 300 people from the district that I am very privileged to represent, and I think I can speak for a lot of those families, that each one of those individuals who have been at the Trade Center, Ground Zero as it has become known, we say thank you.

□ 2045

I think the entire Congress of this country has said thank you. Everybody across this country has responded wonderfully, Members on both sides. All 50 States have offered their advice, guidance, support, financial, emotional, spiritual, and it is not underappreciated. But this is the way we formally say thank you.

Mr. Speaker, I reserve the balance of my time.

Mrs. MALONEY of New York. Mr. Speaker, I yield myself such time as I may consume. I am very pleased to join with the gentleman from New York (Mr. FOSSELLA) in support of this very important resolution. I also would like to take this opportunity to thank my colleagues in Congress for their support of New York, for voting for the $20 billion to help us restore our site, and for all of their support that continues each day in this Congress for our constituents and for our city.

I rise in support of this important resolution in praise of the workers at Ground Zero. After many months of around-the-clock work, the clearing of debris from the attacks on the World Trade Center has neared completion. The cleanup efforts in response to the attacks on the World Trade Center involved unprecedented, selfless acts of heroism by thousands of men and women from the construction and building trades who worked in an extremely dangerous atmosphere as they cleared the disaster site. In total they have cleared more than 1.6 million tons of debris in 8 months.

In the immediate aftermath of the attack, volunteers from the construction unions, iron and steelworkers and many others, toiled alongside firefighters and police officers and volunteers digging tunnels and gaining access to victims by operating cranes, burning steel, driving trucks, and moving debris by hand as part of the famous Bucket Brigade. Over the many months, the workers completed the cleanup of Ground Zero in an atmosphere which was filled with danger and in the midst of still burning fires and deadly debris. They completed their work ahead of schedule and with safety as an ultimate concern. I think that it is remarkable that they toiled in such dangerous conditions, yet there was not one serious injury of the volunteers and the construction workers who worked at the site.

Despite these dangerous conditions, the contracting firms themselves began the rescue and cleanup of the site without any government guarantee that they would be compensated for legal liability that they might incur during the cleanup. Nevertheless, the workers of Ground Zero and the contracting companies embraced this unprecedented and perilous challenge. Their actions personified the enduring determination to get New York back on its feet and to restore Lower Manhattan's majesty.

Throughout this heartbreaking cleanup, they worked tirelessly, many times away from their families for days. Of all of the things that I remember the most about Ground Zero, having gone there that night and the next day on September 12 and many other days, was the absolute silence at the site, the hushed silence at the site which lasted for many days after the bombing. It reflected an appreciation for the magnitude of the horror and the fact that they were working on the surface of a mass grave.

I want to extend my deepest gratitude to the Tully Construction Company who at my request preserved a segment of the ruins to be transformed into a national monument at an appropriate time in the future. We all remember the images of steel fragments from the towers that plunged upright into the pavement like arrows into the hearts of all New Yorkers, and I would say all citizens of America, and nearby fire trucks that were partially submerged and ruined in the rubble.

Thanks to the care and respect that workers have demonstrated in dismantling and removing the wreckage, these images will be preserved in honor of those who were lost, and in remembrance of a black Tuesday that this Nation must never forget. The scores of companies, organizations and union members who have cooperated in clearing the site with extraordinary speed, efficiency and safety include, but are not limited to, a special team of the New York City Office of Emergency Management and the New York City Department of Design and Construction; with main contractors Turner

Construction, Plaza Construction, Bovis Construction, Amec Construction and Tully Construction; and dozens of subcontractors, including Thornton-Tomasette Engineering, LZA Engineering, New York Crane, Bay Crane, Cranes Inc., Slattery Association, Grace Industries, Big Apple Demolition, Regional Scaffolding & Hoisting, Atlantic-Heydt Scaffolding, York Scaffolding, Weeks Marine and Bechtel Corp.

Mr. Speaker, many Members of Congress and the Senate have gone to Ground Zero. They have seen the devastation but also resilience and redemption in the work that is being done there. I know I speak for this entire body in expressing our country's deep appreciation for the risks taken and sacrifices made by the unsung heroes at Ground Zero who have reminded us what the American spirit is all about.

We will be having a ceremony soon that will mark the completion of the cleanup. I join my colleagues tonight in honoring all that participated, the police, the fire, the emergency medical, the volunteers and the construction trades who toiled selflessly to help our city and this country.

Mr. Speaker, I reserve the balance of my time.

Mr. FOSSELLA. Mr. Speaker, I yield myself such time as I may consume.

I thank the gentlewoman from New York (Mrs. MALONEY) for really articulating, I think, the sentiments of many. As we saw those firefighters rush in or the police officers, the Port Authority police officers or the construction trades, the ironworkers, the steelworkers, the carpenters, as she has indicated, selflessly, without fear for their own life in an attempt to help others, they have been there since day one. There is no question that this was a terrible, terrible moment. There is no question that so many lives were lost and that we need to honor them every day. There is also no question that we need to pay tribute as so many Americans really have come to Ground Zero to pay their respects, to really offer a helping hand to the good people of New York, New York City. This is one way really Congress just does it formally.

To the local businesses that had opened their doors to those volunteers to sleep on cots or on the floor, to have a meal, or to get something to drink or just simply to sit and pray, we say thank you to them. I thank my colleagues on both sides for being so supportive of New York financially, in helping us to rebuild, and also paying honor to those at the Fresh Kills Landfill on Staten Island where so much of this, of the trade center, is sent on a daily basis and continues to be sent on a daily basis, 24 hours a day, 7 days a week. We have hundreds of professionals and volunteers going through with the utmost delicacy and utmost respect for the human beings that were lost on that fateful day. They should be honored as well.

But tonight we pay tribute to those at the trade center. As we have indicated, there will be a ceremony and they will know that the United States House of Representatives says thank you.

Mr. Speaker, I yield back the balance of my time.

Mrs. MALONEY of New York. Mr. Speaker, I yield myself such time as I may consume.

I join my colleagues in thanking the gentleman from New York (Mr. FOSSELLA). We have stood in this well practically every day to thank our colleagues for their support, for their aid, for their friendship, for their concern. We can never say thank you enough for being there for New Yorkers in our time of greatest need. We appreciate so much the actions of this body. We appreciate the honorable work of all that were involved in the cleanup and in saving lives.

Mr. CROWLEY. Mr. Speaker, I rise in strong support of the resolution offered by my friend and colleague from Staten Island, VITO FOSSELLA, in honor of all of the people who served at Ground Zero, whether looking for survivors to aid, helping to locate remains that would allow a family some closure, or rebuilding our City.

After September 11, the terrorists responsible thought they could scare America into submission, but the faces of the people working at Ground Zero—the public safety officers, the volunteers, the contractors, clean-up crews and union members—everyone there proved them wrong. In the face of the worst of humanity, New York displayed the best of humanity. America witnessed the bravery of its people that day as thousands of people rushed to the scene to help find survivors. Not just our brave firefighters, police and emergency medical technicians who were working that day, but office workers, students, construction workers, vendors, tourists and off-duty public safety officers.

There were so many but I would like to highlight one, Michael Weinberg of Maspeth, Queens. He was a 34-year-old firefighter who was off duty on September 11 and engaging in his passion—golf. It was on the course that he first learned of the news at the World Trade Center. Concerned for the people in the building, including his older sister Patricia, he rushed to his station house where he joined Fire Department Chaplain Rev. Mychal Judge and Capt. Daniel Brethel to go to the Towers. As the towers collapsed, all three perished in the building trying to aid victims.

His sister, who did escape safely from the Tower, remembered him with the simple but telling phrase ''He loved to help people.'' This was a phrase used to describe so many people that day.

Our City was overwhelmed with offers of support from all over the Country, from people like Michael Weinberg who loved to help other people. Such as the welders who came to Manhattan from all over the area—not just the City or the State but all over; they jumped in their trucks to help at Ground Zero. Police and Fire fighters had to be convinced to take time off—even just a few minutes—from the rescue and recovery efforts; people who had been working for several days straight whether on duty or not. So many people rushed to the scene to join our firefighters, police, emergency medical technicians, court officers and Port Authority Police among so many already there to help.

Many of us remember the horribly tragic sight of seeing families waving pictures of missing loved ones on posters, or photos of the missing on telephone polls and windows in the City. What we didn't see were the people who tried to help find these people—we salute them today.

Blood banks had lines going for blocks from those citizens who couldn't go down to Ground Zero and help, but felt the need to contribute to the effort. People opened their wallets for the Twin Towers Fund and other relief charities for the families.

But this sense of volunteerism did not end after a few days—workers toiled day and night at Ground Zero—and still do. The fires at the World Trade Center could not be completely extinguished until December, with firefighters battling them daily; with police combing the wreckage; and with construction workers starting the clean-up and rebuilding process. They worked in some of the most horrible conditions known to humans—conditions that are unfathomable to all those except the few who were down there.

It was these workers that voiced the initial anger in the attacks and the pride in our nation shortly after that day when President Bush visited Ground Zero. People like that construction workers at Ground Zero, who shouted that he could not hear the President. At which the President responded with the memorable and inspirational line that while he may not be heard by all of those at Ground Zero, the people at Ground Zero were being heard by him, by the American people and soon by the terrorists that knocked those buildings down.

We honor their work today—work that took them into the most gruesome place imaginable. They are the people who make our country work and have helped us restore our sense of being—and showed the world what it is to be an American.

But while we salute our workers at Ground Zero, we must also work to remember their courage and their work everyday. The crowds that saluted and cheered our firefighters, are no longer there, but our respect and admiration for them must continue—both through encouraging words and also through support and assistance. All of the people who went to Ground Zero and worked there are a true inspiration for all of us.

This is a timely resolution and I am pleased it will coincide with the events being held next week, by Mayor Bloomberg to honor those at Ground Zero who worked to clean up the rubble and helped repair a broken City. They have removed almost 2 million tons of debris in less time then expected. They worked for us and we owe them a debt of gratitude. While the terrorists may have broken buildings we will never be a broken people.

Mrs. MALONEY of New York. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from California (Mr. OSE) that the House suspend the rules and agree to the resolution, H. Res. 424.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. FOSSELLA. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

HONORING THE 61st ANNIVERSARY OF THE BATTLE OF CRETE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. MALONEY) is recognized for 5 minutes.

Mrs. MALONEY of New York. Mr. Speaker, I rise today to mark the 61st anniversary of the Battle of Crete. This is a historic event with direct significance to the allies' victory of World War II.

On May 20, 1941, thousands of German paratroopers and gliders began landing on the island of Crete. Both the allies and Nazis wanted Crete because of its strategic location. At the time the British controlled the island. It was a very strong point on the lifeline to India and protected both Palestine and Egypt. The Nazi invasion force included the elite German paratroopers and glider troops. Hitler felt that this would be an easy victory. Yet he is quoted to have said shortly after the invasion, ''France fell in 8 days. Why is Crete free?''

The invasion of Crete lasted 11 days. It resulted in more than 6,000 German troopers listed as killed, wounded or missing in action. The losses to the elite 7th parachute division were felt so hard by the German military, it signified the end of large scale airborne operations. They did not have another parachute division invasion in the rest of the war. This valiant fight by the Cretan people began in the first hour of the Nazi airborne invasion, in contrast to the European underground movements that took a year or more after being invaded to activate. Young boys, old men and women displayed breathtaking bravery in defending their Crete. German soldiers never got used to Cretan women fighting against them. They would tear the dress from the shoulder of suspected women to find bruises from the recoil of the rifle. The penalty was death.

The London Times of July 28, 1941 reported, and I quote, that ''500 Cretan women have been deported to Germany for taking part in the defense of their native island.''

Another surprise for the German soldiers who invaded Crete was the heroic resistance of the clergy. A priest leading his parishioners into battle was not what the Germans anticipated. At Paleochora, Father Stylianos Frantzeskis, hearing of the German airborne invasion, rushed to his church, sounded the bell, took his rifle and marched his volunteers toward Maleme to write history. This struggle became an example for all Europe to follow in defying German occupation and aggression.

The price paid by the Cretans for their valiant resistance to Nazi forces was extremely high. Thousands of civilians died from random executions, starvation and imprisonment.

□ 2100

Entire communities were burned and destroyed by the Germans as punishment for the Cretan resistance movement. Yet this resistance lasted for 4 years.

The Battle of Crete was to change the final outcome of World War II. The Battle of Crete significantly contributed in delaying Hitler's plan to invade Russia. The invasion was delayed from April to June of 1941. The 2-month delay in the invasion made Hitler's forces face the harsh Russian winter. The Russian snow storms and the subzero temperatures eventually stalled the Nazi invasion before they could take Moscow or Leningrad. This was the beginning of the downfall of the Nazi reign of terror.

This significant battle and the heroic drive of the Cretan people must always be remembered and honored. Democracy came from Greece, and the Cretan heroes exemplify the courage that it takes to preserve it.

Today, the courage of the Cretan people is seen in the Members of the Pancretan Association of America and the Cretan Association ''Omonoia'' that is located in Astoria-Queens, which I have the honor of representing.

The Pancretan Association officers are Theodore Panagiotakis, president; Michael Papoutsakis, vice president; John Stavroulakis, secretary; and Emmanuel Kavrakis, treasurer. They are assisted by outstanding board members George Bassias, George Bombolakis, Nikos Chartzoulakis, George Fradelakis, George Kokonas, George Malandrakis, and Vassilis Manrangoudakis.

The Cretan people fought a seen enemy. Today we need the courage they displayed to fight the unseen enemy that struck on 9–11 and that continues to threaten our freedom and democracy.

I request my colleagues to join me in honoring the Cretans in the United States, Greece and the Diaspora.

THE SIXTY-FIRST ANNIVERSARY OF THE HEROIC BATTLE OF CRETE

The SPEAKER pro tempore (Mr. FLAKE). Under a previous order of the House, the gentleman from Florida (Mr. BILIRAKIS) is recognized for 5 minutes.

Mr. BILIRAKIS. Mr. Speaker, I too rise proudly to celebrate the 61st anniversary of the Battle of Crete, a World War II event that had a profound impact on the ultimate result of the war.

Amidst the cataclysm that had engulfed the countries of Europe at the time, it seems now preposterous that a small island dared to stand up to such a powerful enemy. For the benefit of future generations, I will share a brief account of these events as they unfolded.

In early April 1941, Greece was invaded by the German Army rushing to the aid of their defeated and humiliated ally, Italy. Following a valiant struggle against overwhelmingly superior German forces in and among the mountains to the north, Greek forces had been pushed entirely off the continent and were forced to take refuge on the Island of Crete.

The German Army then looked across the sea to Crete because of the British airfields on the island, which could be used by the allies for air strikes against the oil fields of Romania, thereby denying this vital war commodity to Hitler's forces. If captured, it would also provide air and sea bases from which the Nazis could dominate the eastern Mediterranean and launch air attacks against Allied forces in northern Africa. In fact, the Nazi high command envisioned the capture of Crete to be the first of a series of assaults leading to the Suez Canal.

Finally, as a result of the battle, Hitler's master plan to invade Russia before the coming of winter had to be postponed, thus directly resulting in the deaths of many of their troops as a consequence of not being properly prepared to survive the harsh Russian winter.

On May 20, 1941, Crete became the theater of the largest German airborne operation of the war, code named Operation Mercury. On that day, more than 8,000 paratroopers were dropped on the island. They were met with ferocious resistance by the Allied troops waiting for them and by the Cretan population.

Cretans fought bravely with whatever was at hand during the invasion. Even though the Allied forces had decided not to arm them, old men, women and children used whatever makeshift weapons they could find. They pointed their rusty guns at the descending German paratroopers. They used sticks, sickles and even their bare hands to fight those soldiers already on the ground. Most of them were illiterate villagers, but their intuition led them to fight with courage and bravery. ''Aim for the legs and you will get them in the heart'' was the popular motto that summarized their hastily acquired battle experience.

Although a tactical victory for the Germans, the Battle of Crete proved to be rather costly to them in terms of casualties and loss of aircraft. Of the 8,100 paratroopers involved in this operation, close to 4,000 were killed and

1,600 were wounded. So injured were the German units in fact that they never again, never again, attempted an airborne assault of the magnitude of that launched at Crete.

In retaliation for the losses they incurred, the Nazis spread punishment, terror and death on the innocent civilians of the island. More than 2,000 Cretans were executed during the first month alone, and thousands more the following 4 years. Despite these atrocities, the people of Crete put up a courageous guerrilla resistance.

Mr. Speaker, there are historical reasons why we Americans are very appreciative of the sacrifices of the Cretan people in defending their island during the Battle of Crete. We have a history replete with similar heroic events, starting with our popular revolt that led to the birth of our Nation more than 2 centuries ago.

We must always remember that as long as there are people willing to sacrifice their lives for the just cause of defending the integrity and freedom of their country, there is always hope for a better tomorrow. May we take inspiration from the shining example of the people of Crete in ensuring that this is indeed the case.

Mr. PALLONE. Mr. Speaker, I come to the House floor this evening to commemorate the 61st anniversary of one of the most critical battles of the World War II—the Battle of Crete. I want to thank Congressman BILIRAKIS, co-chairman of the Congressional Caucus on Hellenic Issues, for organizing today's recognition of the resilience of the Cretan people in May 1941—a resilience that lasted long after the battle ended, and played an instrumental role in the downfall of Hitler and his Nazi regime.

In October of 1940, Mussolini's Italy invaded Greece. Shortly thereafter, the British rushed to Greece's aid and quickly sent army and Royal Air Force units to the island of Crete. With Italian troops bogged down in Greece and delaying his brutal campaign of world domination, Hitler sent German troops into Greece and directed the Nazi war machine take control of Crete.

On the morning of May 20, 1941 the Nazis began executing Hitler's directive and launched an airborne invasion on a scale unprecedented in history. The Germans dropped some 20,000 troops on the island by air. In addition, the Germans and Italians launched a land invasion, sending troops by sea from the Greek, mainland, which had fallen to the Nazis a few weeks earlier.

The ensuing battle put up by the people of Crete and other allied forces against the superior Nazi war machine was one of the most significant of World War II. And though the Germans won the battle and took the island, they did so at the highest possible cost. Karl Student, the Nazi General in charge of the invasion, called the battle ''the fiercest struggle any German formation had ever had to face.'' The German High Command would never again attempt an operation of its size again, and because of the loss of nearly 6,000 paratroopers, the Germans never used the parachute arm of their force again in large scale operations.

The unanticipated heroism and ferocity with which the people of Crete fought delayed Hitler's planned invasion of Russia for three months. There were heavy losses on both sides. Strengthened by the knowledge that they were defending a concept—democracy—that had originated from their homeland, Cretan civilians, including women, children and the elderly, joined in the battle against the Nazis, wielding pitchforks and fashioning homemade weapons. By the Battle's end, the Cretans and the Royal Air Force had inflicted so much damage on Hitler's elite 7th Air Division that it was rendered useless to the Nazi effort to conquer the Middle East.

The battle, moreover, continued long after the 11 days it took Hitler to finally take the Greek Island. The Cretans organized a resistance movement, which for the remaining four years of the war zealously fought the occupying Nazi force. They suffered horrendously for their resistance; the Germans executed thousands of civilians and randomly decimated entire towns, villages and communities. They did not, however, suffer in vein.

The resistance the people of Crete mounted against the invasion forced the Germans to attempt to invade Russia during the oppressive Russian winter—a task that proved to be too much for the Nazis.

We here in Congress should do our best to ensure Americans never forget the role the citizens of Crete played in defeating fascism.

Mr. Speaker, I am proud to participate in the remembrance of a historical even as important as the Battle of Crete. As the sacrifices the Cretans made 55 years ago demonstrate, we are indebted to Greece not only for giving the world the system upon which our country was founded, but for shedding the blood of their sons and daughters to protect that system as well. I strongly encourage all Americans to join me in honoring Greek-Americans of Cretan decent, and our friends in Greece and Crete, for their contribution to one of the most important battles of the 20th Century.

Mr. DIAZ-BALART. Mr. Speaker, I rise today to speak about the famed Battle of Crete which occurred at the beginning of World War II. I would like to thank my colleague from Florida, Mr. BILIRAKIS for helping to keep alive the memory of this important battle.

Following the Allied loss of Greece, on May 20th, 1941, the Battle of Crete began in earnest. German forces were far better equipped than the Allied forces left on the island. Described by British Prime Minister Winston Churchill as ''A head-on collision with the very spearhead of the German lance'' the Battle of Crete displayed the early valiant efforts of Allied forces to stem the tide of the Nazi onslaught.

The majority of the resistance fighters on Crete were natives of the island as well as forces from New Zealand, Australian, and British forces. Having fallen back from defeat in Greece, many of the soldiers came ready to defend the island with little more than small arms.

As is now known, through the monitoring and decoding of German Enigma traffic, the British forces were well aware of the German intentions against Crete, and thus how to wreak havoc against the overwhelming number of paratroopers. Superior intelligence combated superior force numbers and provisions. Initially the Allied defenders had great success against the Nazi war machine—delaying the Axis foothold on the island.

Despite the eventual loss of Crete to the Nazis due to the overwhelming number of oppressor soldiers and supplies streaming to the island, the nearly 4000 killed and missing German paratroopers from the assault served as a significant blow to the myth of German invincibility. After Crete the German parachute arm was never used again in large scale airborne operations.

Aside from its military importance, the main reason we rise today to commemorate the Battle of Crete is to herald the brave stand that the many brave fighters from Crete and Allied forces made in the face of the Nazi onslaught. Rather than capitulate to Nazi tyrannical will, the defenders of Crete fought not only for their land and for their liberty, but for the world's freedom as well. Their sacrifice will never be forgotten.

Ms. ROS-LEHTINEN. Mr. Speaker, it is an honor to join my colleagues today in rendering a salute to the heroic men and women who fought tirelessly for the sake of freedom 61 years ago at the Battle of Crete.

As we come upon this anniversary which marks an incredible turning point in what would become the Allied victory of World War II, we are once again reminded of the current and unabated commitment of our Greek allies to the defense of freedom, especially today as we wage a global campaign against terrorism.

Sixty-one years ago, over a 10 day period, Nazi Germany committed a grave error: it underestimated the might and will to resist repression amongst the people of this quiet island nestled in the Mediterranean waters.

Lured to Crete by its strategic amidst three continents, the Axis Powers believed this island, the temporary station of retreating Allied units and home to an unarmed local community, would be an easy victory. That was not the case.

The battle Hitler thought would take a few hours took many days. Nazi Germany launched its first and most substantial airborne attack during the WWII at Crete.

The outcome was a disastrous and shameful loss of strength for the Germans. Over 4,000 Axis Powers troops died.

This loss rendered the German airborne division a faint tool in the War, never again to be used with the same intensity.

The great blow suffered by the Germans at Crete prevent the Axis Powers ability to penetrate the Middle East, but most importantly delayed their invasion of Russia—a determining moment in the victorious end of WWII.

Mr. Speaker, what makes the Battle of Crete such a remarkable moment in the history of our modern time, is that it epitomized the resilience of people when left with no other choice but to fight against repression.

The people of Crete took on the fight for their homeland. Faced with a weak Allied presence and the mounting invasion of the Germans, the people of Crete—men and women, farmers, local police, townspeople—armed with mere pistols pitchforks, hand grenades, knives their bare hands created a resistance against the Germans that began the Battle of Crete and lasted until the end of German occupation of Crete in 1945.

Thus, Mr. Speaker, it is with solemn honor and respect that I stand here today to render this tribute to a people who fought with every bit of might and kept the spirit of freedom alive through their resistance.

Their unwavering struggle represented to a world engaged in war hope in the face of despair and the promise of a more peaceful existence.

GENERAL LEAVE

Mr. SHERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the Special Orders on the 61st anniversary of the Battle of Crete.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOYER) is recognized for 5 minutes.

(Mr. HOYER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. DIAZ-BALART) is recognized for 5 minutes.

(Mr. DIAZ-BALART addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

A FAILURE TO IMAGINE

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, today I went up before the Committee on Rules and, not knowing the rule that would be allowed on the supplemental appropriations bill that will be coming up later this week, I asked that I be allowed to offer a motion to strike $6 million that is included in the supplemental appropriation bill to fund the Colombian Army to protect the pipeline, the oil pipeline owned by that country, but operated in conjunction with Occidental Petroleum and two other multinational oil companies. I am hoping I will be able to offer that amendment here on the floor, because I do not think that U.S. taxpayers should be paying for the protection of private oil when in fact Occidental, for example, made over $2 billion over the last 2 years. Why should the American people be asked to pay $6 million or $100 million to protect that particular facility?

I was reminded of how very difficult it is to get America and certain decision-makers to think beyond the petroleum age. Sometimes you wonder if you can ever win this fight and wean us off our terrible, terrible strategic vulnerability to imported petroleum.

Then I come upon an article this past Sunday in the New York Times by Thomas Friedman that is so good I want to read it into the RECORD tonight. It is called ''A Failure to Imagine.'' Wherever Mr. Friedman is in the world, believe me, he has my thanks, because he is an ally in our cause to get America refocused on what is really important and to no longer use oil as our proxy for foreign policy in the Middle East or Venezuela or Colombia or anywhere else.

He says: ''If you ask me, the press has this whole story about whether President Bush had a warning of a possible attack before 9–11, and didn't share it, upside down.

''The failure to prevent September 11 was not a failure of intelligence or coordination. It was a failure of imagination. Even if all the raw intelligence signals had been shared among the FBI, the CIA and the White House,'' Mr. Friedman writes, he is convinced that ''there was no one there who would have put them all together, who would have imagined evil on the scale that Osama bin Laden imagined it.

''Osama bin Laden was (or is) a unique character.'' He says, ''He is a combination of Charles Manson and Jack Welch, a truly evil, twisted personality, but with the organizational skills of a top corporate manager who translated his evil into a global campaign that rocked a superpower. In some ways, I am glad that America (outside Hollywood) is not full of people with bin Laden-like imaginations. One Timothy McVeigh is enough.

''Imagining evil of this magnitude simply does not come naturally to the American character, which is why, even after we are repeatedly confronted with it, we keep reverting to our natural, naively optimistic view. Because our open society is so much based on trust, and that trust is so hard-wired into the American character and citizenry, we can't get rid of it, even when we so obviously should.

''So someone drives a truck bomb into the U.S. Embassy in Beirut, and we still don't really protect the Marine barracks there from a similar, but much bigger, attack a few months later. Someone blows up two U.S. embassies in east Africa with truck bombs, and we still don't imagine that someone would sail an exploding dinghy into a destroyer, the U.S.S. *Cole*, a few years later. Someone tries to blow up the World Trade Center in 1993 with a truck bomb, and the guy who did it tells us he had always wanted to slam a plane into the CIA, but we still couldn't imagine someone doing just that to the Twin Towers on 9–11.

''So I don't fault the President for not having imagined evil of this magnitude. But given the increasingly lethal nature of terrorism, we are going to have to adapt. We need an 'Office of Evil' whose job would be to constantly sift all intelligence data and imagine what the most twisted mind might be up to.''

No, the author, Mr. Friedman, does not blame President Bush at all for his failure to imagine evil, but he blames him for ''something much worse: his failure to imagine good.'' Mr. Friedman blames him for ''squandering all the positive feeling in America after 9–11, particularly among young Americans who wanted to be drafted for a great project that would strengthen America in some lasting way, a Manhattan Project for energy independence. Such a project could have enlisted young people in a national movement for greater conservation and enlisted science and industry in a crash effort to produce enough renewable energy, efficiencies and domestic production to wean us gradually off oil imports.

''Such a project not only would have made us safer by making us independent of countries who share none of our values. It would also have made us safer by giving the world a much stronger reason to support our war on terrorism.''

Mr. Speaker, I will include the remaining part of this article in the RECORD and would say that America, our country and the planet would be a whole lot greener, cleaner, and safer in the broadest sense if America were truly energy independent.

Mr. Speaker, I include the balance of the article for the RECORD.

There is no way we can be successful in this war without partners, and there is no way America will have lasting partners, especially in Europe, unless it is perceived as being the best global citizen it can be. And the best way to start conveying that would be by reducing our energy gluttony and ratifying the Kyoto treaty to reduce global warming.

President Bush is not alone in this failure. He has had the full cooperation of the Democratic Party leadership, which has been just as lacking in imagination. This has made it easy for Mr. Bush, and his oil-industry paymasters, to get away with it.

We and our kids are going to regret this. Because a war on terrorism that is fought only by sending soldiers to Afghanistan or by tightening our borders will ultimately be unsatisfying. Such a war is important, but it can never be definitively won. Someone will always slip through. But a war on terrorism that, with some imagination, is broadly defined as making America safer by also making it better is a war that could be won. It's a war that could ensure that something lasting comes out of 9/11, other than longer lines at the airport—and that something would be enhanced respect for America and a country and a planet that would be greener, cleaner and safer in the broadest sense.

Too bad we don't have a president who could imagine that.

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida (Ms. ROS-LEHTINEN) is recognized for 5 minutes.

(Ms. ROS-LEHTINEN addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 5 minutes.

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. GEKAS) is recognized for 5 minutes.

(Mr. GEKAS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

PROJECT VARELA, A HISTORIC STEP TOWARD DEMOCRATIC REFORM IN CUBA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise today to draw attention to Project Varela, a historic step towards democratic reform in Cuba.

On Friday, May 10, over 11,000 citizens of Cuba took a courageous stand and petitioned the Cuban National Assembly to hold a nationwide referendum vote on guarantees of human rights and civil liberties.

Named for the nineteenth century priest and Cuban independence hero, Padre Felix Varela, the Varela Project received no funding or support from foreign organizations or foreign governments. This was a grassroots effort by the Cuban people to call on their government to provide them with internationally accepted standards of human and civil rights, including freedom of speech, the right to own a business, electoral reform and amnesty for political prisoners. This is the largest nonviolent challenge to Castro's decade-long, single-party control of the Cuban Government.

With its 11,000-plus signatures, the project qualifies under article 88 of the Cuban constitution, which states if the Cuban National Assembly receives the verified signatures of 10,000 legal voters, a referendum on the issue should be scheduled. Unfortunately, Cuban officials have given little hope for the project's success, stating that the national assembly is unlikely to agree to accept the petition and follow through with their constitutional obligation to hold a referendum vote.

□ 2115

Mr. Speaker, the ultimate goal of U.S. policy towards Cuba has always been to promote the island's peaceful transition to democracy. Many of my colleagues have varying views on the best approach to achieve the democracy; however, we can all agree on the importance of a grass-roots democratic effort like Project Varela.

That is why I plan to introduce, Mr. Speaker, a resolution praising Project Varela and calling on the Cuban government to accept the petition and to hold the referendum. I urge all of my colleagues to join with me in commending the citizens of Cuba for actively exercising their constitutional rights and taking a stand for the rights of all Cubans.

The SPEAKER pro tempore (Mr. FLAKE). Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

(Mr. SMITH of Michigan addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois (Ms. CARSON) is recognized for 5 minutes.

(Ms. CARSON of Indiana addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

WORLD BANK PLANS MORE LOANS TO IRAN OVER U.S. OBJECTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. SHERMAN) is recognized for 5 minutes.

Mr. SHERMAN. Mr. Speaker, where you sit now or stand now, the President of the United States told this Nation right after September 11 that there are those who are with us and those who are with the terrorists. I was not surprised to hear our President indicate that the government of Iran is on the side of the terrorists. Yes, it is true that there is a nominal, though impotent, figurehead reformist posing as President of Iran, but, of course, the real power is exercised by unelected officials who take the most extreme proterrorist views. So I was not surprised when our President used the term ''axis of evil'' and included the government of Iran, not the people of Iran who have given us one of the world's great civilizations, but the current unelected real power in the government of Iran.

I was not surprised today when the United States State Department identified the Iranian government as the number one sponsor of terrorism, but there was something that surprised me. I am surprised that we are about to finance those who finance terrorism. Yes, we do not have to comb the mountains of Afghanistan to find Mohammed Omar, because here in Washington down on K Street are those who are ready to finance those in the government of Iran who are the number one sponsors of terrorism.

This entity does not only enjoy the protection of the American government, but surprise further, they are about to receive over 800 million of our tax dollars this year, just as they did in prior years. I refer to the World Bank, an organization that does many worthy projects. Of course, Osama bin Laden built hospitals as well. Now they are about to fund the number one sponsor of terrorism.

Let us reflect that money is fungible. The government in Tehran spends the minimum they have to on domestic affairs in order to secure their power. Whatever is left over goes for nuclear weapons development and to finance terrorism, and to help meet those domestic needs the World Bank financed by our taxpayers.

I want to skip a little ahead in my speech to make sure I identify this point. I am currently working on legislation, and I hope others will join me in drafting it, not as mere cosponsors, but as genuine coauthors, to say to the World Bank: Enough is enough. That if you make further loans to Iran, you will not be allowed to receive any additional monies from the United States and, perhaps further, that if you make additional loans to Iran, we will withdraw the capital that we have already invested. This is because weak protests, a mere vote and voice, virtually guarantees that the World Bank will send over $700 million, $755 million, to be more precise, over the next year to the government in Tehran.

Two years ago when the World Bank proposed a loan, we weakly voted against it. We told them we were against it. We voted all of our shares. It did not matter. And if this House is willing to settle for nothing more than a weak protest, then let us remember that when Iran develops nuclear weapons, they are not going to be smuggling them in to Paris or Rome; those nuclear weapons, scarcely the size of a human being, will be smuggled into Washington or New York or Los Angeles. And those European governments that stood with Tehran and demanded that they get funded will not be the immediate targets of Iranian nuclear terrorism. We will.

So perhaps we need to do more than weakly protest and get outvoted than have tea with the diplomats who are sending our money to Tehran.

Now, we will be told that the World Bank is 5 different entities and we are funding the right hand and the money to Tehran is coming out of the left hand. Let us not be fooled. There is one staff, there is one president, there is one group of directors making one group of decisions, and if we are going to send over $800 million this fiscal year alone in this upcoming appropriations bill, not the supplemental, but the annual, if we are going to send that money to the very people who delight in the financing of the Tehran regime, and we can get outvoted as to how it is spent, a mere change in the bylaws, then even the right hand could send money to Tehran or to Khartoum in Sudan.

Mr. Speaker, let us hope that this Congress has the courage to upset the diplomats at their tea parties and say no money for the World Bank if that World Bank is financing the government in Iran.

[From Dow Jones International News, May 17, 2002]

WORLD BANK, OVER US OBJECTIONS, PLANS MORE LOANS TO IRAN

(By Joseph Rebello)

WASHINGTON (DOW JONES).—The World Bank, undeterred by President George W. Bush's condemnation of Iran as part of an ''axis of evil, arming to threaten the peace of the world,'' is pressing ahead with a plan that would provide as much as $755 million in loans to the country over the next two years.

Since the bank began preparing the plan, Iran has mostly disappointed Western expectations that political reformers would succeed in making it more democratic and liberal. Reformers were silenced, and public executions and public floggings increased last year, according to Human Rights Watch. Iran remained the world's ''most active'' state sponsor of terrorism, according to the U.S. government.

But inside the bank support for more loans to Iran has only grown, officials say. In January, just as Bush identified Iran as a key threat to U.S. security in his State of the Union address, a team of bank directors returned from a visit to Tehran. Its recommendation: ''deeper and faster involvement of the bank'' in Iran, said Jean-Louis Sarbib, the bank's vice president for the Middle East and North Africa.

STAFF EXPECTS TO SEEK APPROVAL FOR NEW LOAN BY DEC.

''We have been quite impressed with the way they have gone about some of their macroeconomic reforms,'' said Sarbib, citing the country's success in building its foreign reserves, in reducing poverty and in ensuring basis education for all Iranian girls. ''What we see on the economic side are people who are really trying to build economic democracy, who are trying to build a market system.''

The bank's staff intends to seek approval for a new loan—worth about $150 million—by the end of the year. That loan is an element of a tentative plan, endorsed last year by the bank's board of directors, that advocates the approval of $755 million in loans to Iran in fiscal 2002 and 2003. Iran could eventually be eligible for more than $500 million a year, if it continues to satisfy the bank's requirements, officials said.

For the U.S. government, the bank's biggest shareholder, the courtship of Iran has been a lingering source of embarrassment. The U.S. contributes 29% of the bank's capital. It control 16% of the votes cast by the bank's directors—usually a decisive share. It is forbidden by Congress from supporting loans to Iran. But it has been powerless to stop them in recent years.

U.S. HASN'T BEEN ABLE TO STOP LOANS TO IRAN RECENTLY

Two years ago, the bank's directors ended a seven-year lull in lending to Iran and approved two loans worth $232 million. The U.S. objected strenuously. Madeline Albright, the secretary of state, lobbied leaders of other governments, asking them to oppose the loans because of Iran's human-rights record. She made little headway: the U.S. cast the sole no vote. Canada and France abstained.

James Wolfensohn, the bank's president, told U.S. officials at the time that the loans addressed ''basic human needs'' and were designed to support the reform efforts of Mohammad Khatami, a moderate cleric who had been elected Iranian president in a landslide in 1997. But any future loans, he told the bank's U.S. representative, would be considered only after a ''review of all aspects of the economic and governance programs of his government.''

Iran's performance since then has been mixed. Khatami was reelected to a second four-year term last June. His government briefly warmed toward the U.S. after the terrorist attacks of Sept. 11—it offered, at one point, to rescue U.S. pilots downed in the war in Afghanistan. But Khatami's influence soon faded amid a crackdown by the country's conservative clerics, who control Iran's judiciary and security forces.

''Even after his sweeping election victory in June, when he increased his share of the popular vote, (Khatami) continued to shy away from open confrontation with his opponents and made no discernible progress in implementing his promised reforms,'' Human Rights Watch said in a report in January that warned of ''mounting'' social and economic problems. ''Increasingly . . . he appeared to represent more of a safety valve than an agent of tangible change,'' it said.

The World Bank, however, measures Iran's performance differently. It considers itself apolitical: The bank's mandate, officials say, is simply to reduce poverty and promote sustainable economic development among poorer countries. In deciding to make loans, accordingly, it avoids making official judgments abut the borrower's stance on human rights, terrorism or nuclear weapons. Instead it keeps a close eye on economic and social indicators and the speed with which governments improve those statistics.

By those measures, Iran has performed splendidly. The poverty rate has fallen to 15.5% from 47% in 1978. The infant mortality rate dropped to 26 for every 1,000 births from 47 in 1990. Iran has also built up $17 billion in foreign reserves, partly because of the recent rebound in oil prices and partly because it has paid off much of its debt. It has lowered tariffs, removed most non-tariff trade barriers and unified its system of multiple exchange rates—all well ahead of schedule.

''We are seeing concrete results—in terms of economic and social reforms,'' Sarbib said. Last year, the bank's staff completed the review that Wolfensohn and the bank directors had called for, and advanced a short-term plan calling for the launch of a half-dozen development projects in 2002 and 2003. With the exception of the bank's U.S. representative, all of the bank's 24 directors supported the proposal. The bank's staff plans to present a long-term lending plan to the directors next year.

''The general sense among executive directors is that they are supportive of the bank's engagement with Iran, with the exception of the U.S.,'' said one director who asked not to be named. ''It's difficult to see how the U.S. position could influence other countries. My sense is there is not widespread support for the U.S. position.''

U.S. LAWMAKER CRITICIZES BANK; SAYS U.S. LACKADAISICAL

At least one U.S. lawmaker is incensed, saying the loans will merely bolster Iran's repressive leadership. ''Money is fungible,'' said Rep. Brad Sherman, D–Calif. ''The money that the World Bank is providing to Iran's government is not particularly benefiting its people. That government will engage in the minimum domestic expenditures necessary to maintain power. Whatever is left over they'll spend on terrorism and nuclear weapons.''

Sherman said he has been trying to get the Bush administration to take a harder line with World Bank, with little success. ''Nobody's blood pressure is up on this,'' he said. ''The problem is the U.S. bureaucracy. They say, 'Oh, gee, we'll vote no. If we get outvoted, que sera sera.' It's as if they hadn't listened to the State of the Union address. It's as if they were unaware of what happened on Sept. 11.''

A Treasury Department spokeswoman, Michele Davis, said the U.S. government has regularly expressed its displeasure with the World Bank's plans for Iran. ''The U.S. opposes World Bank lending to Iran and has consistently communicated this position to Bank management, including in May of 2002, when the World Bank approved two loans to Iran despite U.S. opposition,'' she said.

World Bank officials, meanwhile, said they can see no reason why Iran should be deprived of loans. Sarbib rejects the argument that World Bank loans for humanitarian and development purposes allow Iran to spend its own resources to develop nuclear weapons and promote terrorism. ''Look, they have $17 billion of reserves,'' he says. ''If they want to do all these things, they can do it. They don't need World bank funds to do that kind of stuff.''

Besides, he said, ''Iran is a member in good standing of the World Bank. They are current on all their obligations. As a member in good standing of the cooperative, they are entitled to the services of the cooperative.''

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa (Mr. FALEOMAVAEGA) is recognized for 5 minutes.

(Mr. FALEOMAVAEGA addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

BLUE DOG COALITION TAKES STRONG POSITION REGARDING DEBT CEILING

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. TURNER) is recognized for 60 minutes as the designee of the minority leader.

Mr. TURNER. Mr. Speaker, it is good to be here tonight to address a very important issue, the issue of fiscal responsibility, and I am joined tonight by some of my colleagues who are members of the Blue Dog Democrat coalition. That group of 33 Democrats in the House who believe in fiscal responsibility, who believe in balanced budgets, who believe in controlling spending, who believe in paying down our national debt, which now consumes, just to pay the interest, 14 cents out of every tax dollar. In fact, $1 out of every $4 of individual income tax payments made into the Treasury every year goes solely to pay the interest on our national debt.

The Blue Dogs have taken a very strong position with regard to an issue that is pending before this House and may very well be debated this week, and that is the issue of the debt ceiling. As we all know, there is a law on the books that controls the amount of debt that the United States Government can incur. That statutory debt ceiling has now been reached and, just in the last few days, the Secretary of the Treasury has been manipulating our Federal accounts to ensure that we do not go into default with regard to the obligations of the Federal Government. In fact, the Secretary of the Treasury has used the Federal Employees Retirement Fund as a means of

avoiding, violating the statutory debt ceiling. And for a period of time, until the Congress acts to increase the statutory debt ceiling, the employees of the Federal Government will have their retirement funds being used to avoid the default in the obligations of this Federal Government.

The Blue Dog Democrats believe that we need to address the issue of the debt limit in an honest and responsible way. We believe that the debt ceiling, rather than an arbitrary amount that has no great significance, as some would suggest when they propose that we raise the debt ceiling by $750 billion, we believe that that debt ceiling is one of the last tools that this Congress has to promote fiscal responsibility and to require balanced budgets.

Just a year ago when this Congress voted the largest tax cut in recent history, we were projecting over the next decade record surpluses. Here we are just one year later and we no longer project surpluses, but we are projecting deficit spending and ever-growing national debt.

In 1997, this Congress passed the Balanced Budget Act. The Balanced Budget Act was one of the first pieces of major legislation that I voted on as a freshman member of this Congress. It put us on the road to fiscal responsibility and for 4 years this Congress produced balanced budgets. In fact, we produced budgets with surpluses, and we were able to begin the process, the slow process of paying down our national debt which totals close to $6 trillion today. That act was one of the most significant pieces of legislation that this Congress has dealt with in an effort to end the practice of deficit spending. In fact, the Congress, for 30 years prior to 1997, engaged in deficit spending and accumulated this almost $6 trillion national debt.

This year, the Congress, once again, is back into deficit spending. In fact, if we look at the first 7 months of this fiscal year, we will see that we have accumulated a $66.5 billion deficit, and many estimate that the deficit for this fiscal year will be as high as $150 billion. That means that we are spending the trust funds of the Federal Government to run the rest of the government's operations. We are doing what this Congress pledged in previous years not to do, and that is, we are raiding the Social Security Trust Fund, the retirement fund of the American people, to run the rest of the government. We believe that is wrong. We believe that is fiscally irresponsible.

Mr. Speaker, that $66.5 billion deficit that we already run in this fiscal year for the first 7 months compares to a surplus that we had at this point in time one year ago when, 7 months into the previous fiscal year, we were running $166 billion surplus. We clearly have seen a dramatic change in the financial picture of the Federal Government.

The Blue Dog Democrats believe that we must return to balanced budgets, and we have a plan to get us there.

Mr. Speaker, I am pleased to have on the floor of the House with me tonight the gentleman from Utah (Mr. MATHESON), who has been a member of the Blue Dogs and who has stood up consistently for fiscal responsibility, who has represented his district in the way that I think most Americans want this Congress to be represented and that is, he has fought for balanced budgets and for paying down the debt. It is a privilege to have him on the floor tonight and to yield to the gentleman from Utah (Mr. MATHESON).

Mr. MATHESON. Mr. Speaker, I want to thank the gentleman from Texas (Mr. TURNER) for taking the lead tonight on what has been a continuing effort on the part of the Blue Dog Coalition to raise consciousness about this issue, because we are about to approach what we have been talking about for the last few weeks.

Let me just briefly review the circumstances that we have gotten into at this point.

By law, Congress has to set the debt limit for how much debt this country can have. We have had the benefit in the last few years of running some surpluses, so Congress has not had to vote on the debt limit for a while.

□ 2130

Now, I am a newcomer to this Congress. This is my first term. I came in with a stated desire to carry on with the Blue Dog agenda of being fiscally responsible, of trying to pay down our debt. Those are critical issues for me.

Now, circumstances have changed and some of these things, of course, no one could predict. With the events of September 11, the ensuing war on terrorism, the need for additional resources for homeland security, and a recession that this country has faced, the projections have turned around. We are running deficits, as the gentleman from Texas (Mr. TURNER) just indicated.

We understand that as Blue Dogs that there may very well be, and in fact I think there is, a legitimate call to increase that debt limit by some degree because we have encountered these tough times right now.

A number of us have cosponsored legislation that calls for an increase of $150 billion in the debt limit, coupled with the fact that we have to sit down and identify with the President and Congress a budget that is going to put us on a path back to balance by 2007.

We as Blue Dogs support the war on terrorism. We support efforts to upgrade homeland security. We support those efforts wholeheartedly. We recognize that is a need this country must address. We understand that in that context of the short term we are going to be running a deficit right now.

But the concern we have is this request came in, and this request came in to raise the debt limit by $750 billion. We throw numbers around Washington all the time, but $750 billion is a lot of money. The gentleman from Texas (Mr. TURNER) just indicated that maybe the projections this year are maybe the deficit will be $150 billion. So why do we need to raise the debt limit by $750 billion?

The real concern, and it is something that as Blue Dogs we have been talking about for week after week after week on the House floor, is that we are being asked to increase this limit by this huge amount with no indication of a plan on how we are going to get out of this deficit spending. There is no indication of a plan that someday we are going to turn this around and not saddle future generations with more and more debt.

There are a lot of people in this body on both sides of the aisle who strongly desire a reduction in the tax burden on our society. Well, in terms of future generations we are not doing them any favors, because we are piling up debt, and the tax burden is going to be laid on them to pay the interest on that debt.

So that is really the issue we have been trying to raise over the last few months: Why, why $750 billion? Why give Congress and the administration in effect a blank check to run up that much more debt over the next few years with no plan to turn it around?

We have come on the House floor, and we have talked about how, in the private sector, when you go out and borrow money, whether it is for a car or a home mortgage, or whether you are a business getting a loan, when you go to the bank you have to be able to tell the bank a story, a credible story about how you are going to pay the debt back. They are not just going to give you the loan without you justifying your capability and identifying a plan for how you are going to pay that back.

Blue Dogs do not claim to have every answer in the book, but we certainly claim to have the desire to sit down, put the papers and numbers out on the table, and let us articulate a way, let us identify a way to turn this financial ship around, so instead of running more deficits we can get back to balanced budgets.

As I said, we have been talking about this for many weeks. That really brings us to where we are today. What is really disturbing is perhaps we have got a lot of people thinking about this, and they do not want to have this vote on whether we should increase the debt limit by $750 billion. What we hear from reports is we are going to sneak this debt limit increase in on the supplemental appropriations bill.

Now, this is a bill that is an important bill. The supplemental appropriations bill is for emergency spending, and it contains significant spending regarding defense issues that are important to this country. Some would describe it as a ''must pass'' bill. When you have a ''must pass'' bill, maybe there is a desire to tuck in another provision that otherwise you do not want to have to put in front of us for a straight up-or-down vote.

That is not the way we should be working here. That is not what democracy is about. That is not what my constituents elected me to do, and that is not what constituents across the country elected their Members of Congress to do. They elected us to take on the issues and stand up and be counted.

What is really interesting is this is being done in a very innocuous way. The language that is going to be added to the supplemental appropriations bill does not really say $750 billion. All it says, well, there is some innocuous language about maintaining the full faith and credit of debt obligations that this country can incur.

Then the idea is, and this is where we are getting into total inside-Washington process discussions, and I hate to have to go into that, but that is what is going on here, is that it is going to go to the conference committee with the Senate and we are going to have a debt limit increase happen, where here on the House floor, as a stand-alone item, we will never have voted for it.

I find that a shame. I find that a shame, because we are going to set ourselves on a path for running up massive amounts of debt. If we are going to set ourselves on that path, then by golly, we ought to all stand up and see who wants to vote to do that.

That would be my request of people on both sides of the aisle here in this body, that we take the time to have a good debate and discuss fiscal policy, fiscal responsibility, how this government is going to move ahead in the next few years, how we can take actions to stop running up more debt, to stop saddling the next generation with so much debt, and to do what our constituents expect us to do.

When you come to this job, you know you are not always going to have easy votes. You face tough votes a lot. But this is a tough vote I hope we can face, because I fear we are not going to face that tough vote. It is getting tucked into this other bill. It is getting tucked in where we cannot even force an up-or-down stand-alone vote on that item.

So that really is why we are here tonight. After many weeks of talking about this, my Blue Dog colleagues have come to the floor Tuesday after Tuesday after Tuesday to try to raise consciousness about this. It is something we believe in so much.

I have been so proud to be associated with the Blue Dog Coalition because of their position on this very issue. And I pledge, first of all, and I speak for me and for the Blue Dogs, we are ready to work with people. We really are. We want to roll up our sleeves and try to come up with solutions.

I would make a request that everyone on both sides of the aisle try to join us in this effort. It is too important to play with election year and partisan politics. This is too important, when we take a look at the next generation. It is important we take on this issue. Let us make sure we have a true up-or-down vote on this issue. Let us articulate what our policy is going to be.

Mr. TURNER. Mr. Speaker, I thank the gentleman from Utah. I appreciate his strong stand for fiscal responsibility. He is so right: we have the supplemental appropriations bill which is being considered as we speak by the Committee on Rules of this House, and it has been rumored that there will be an effort to sneak into that supplemental appropriations bill, which contains needed spending to fight the war on terrorism, language that would allow the debt ceiling to be raised without a full and adequate debate.

Because of the significance of the growing deficit and the ever-increasing national debt that results from that, Blue Dogs believe very strongly that that issue should have a straight up-or-down vote by the entire Congress and should not be tucked away out of the light of day in some other piece of legislation.

I am pleased that we are also joined on the floor tonight by the gentleman from Texas (Mr. STENHOLM), one of the most respected spokespersons that we have in the House on fiscal matters, a gentleman who has fought his entire career in the Congress, over 20 years, for fiscal responsibility, and who has gained the respect of all his colleagues for his consistency with regard to his interest in balancing our budget and paying down our debts.

Mr. Speaker, it is a pleasure to yield to the gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, I thank my friend, the gentleman from Texas, for the overly generous words of introduction.

Straight from the gentleman from Mississippi (Mr. TAYLOR), I want to report that our total public debt outstanding on April 30, 2002, is $5,984,677,357,213.86. That is up $323,329,559,211.21 in the last 12 months. That is up. We have borrowed a public debt of $323 billion. That is what we are here tonight to talk about.

We have now reached the debt ceiling of $5.95 trillion. In fact, we are past it as of April 3, and Secretary of the Treasury Mr. O'Neill has asked that this debt ceiling be increased $750 billion.

The Blue Dogs have said for the last month or 6 weeks that we are perfectly willing to give a clean up-and-down vote on increasing the debt ceiling, not by a $750 billion blank check to spend more money, but to pay for the war and to pay for the necessary spending, and all that we ask is that we have a new budget plan submitted by the administration and taken up by this Congress.

The respected Concord Coalition has come out just yesterday and urged Congress to have swift action on increasing the debt ceiling and not to play games with something as serious as default on the United States of America's debt.

They are right in that, and the action that will perhaps be completed in the Committee on Rules any moment now is suggesting that rather than have a clean up-and-down vote on the budget ceiling, we are going to hide it in a supplemental appropriation. And not only are we going to hide that, we are also going to hide some additional spending.

I would predict to the gentleman tonight, we will not know it tomorrow because this is going to be added tonight, or sometime before we vote tomorrow, but sometime in the next 2 or 3 or 4 days we are going to find out there was some more spending, millions and millions and millions of dollars that was added to this supplemental emergency spending bill. It is going to be embarrassing for all who vote for it.

Back in 1993, I participated at that time with John Kasich and Tim Penny, and that was back when we were in the majority, Republicans were in the minority, and many of us on both sides of the aisle had grown quite tired of having emergency spending bills loaded up with nonemergency spending.

We introduced a bill, and I was proud to introduce the bill, and John Kasich, who later became chairman of the Committee on the Budget, Tim Penny, and it passed. It was thought to be such a good rule, and it is pretty simple: emergency spending, since it comes outside of the normal budget rules and regulations, should not have nonemergency spending added to it.

In fact, people thought it was so good that when my friends on the Republican side of the aisle became in the majority, they adopted this as one of their first rules, and it is a good rule.

My question tonight, Mr. Speaker, is why would we waive a rule, a rule that says that only emergency spending should be on an emergency spending bill? Why would we waive that rule and allow additional spending? Why not stick with the House rules? Why not say to everyone that wants to add a little extra spending to this bill: Is it an emergency? If it is not, wait your turn on the regular appropriation process.

That is a good question. We will ask it again tomorrow. We have a little more time tonight, because I suspect that this rule tomorrow and the debate will be very controlled. I suspect that there will be no amendments allowed. I wrote a letter that I sent to the chairman of the Committee on Rules (Mr. DREIER) today saying ''Should you choose to waive this rule, then why not also make it consistent to those of us who would like to take the debt ceiling and separate it from the supplemental, and have a clean up-and-down vote on the debt ceiling—why not allow the rule to permit that? You are playing with fire.''

In fact, we are playing with the very economy of the United States when we take a chance that somehow in the conference that will come back from the Senate that the debt ceiling will be applied to that conference. That is not

a given. In fact, I hope that it does not come back with the debt ceiling attached to it.

It is amazing how some of us stay inconsistent in this body. Less than 6 years ago, 225 Republicans voted to soundly reprimand and prohibit then Secretary Rubin from taking precisely the actions outlined by Secretary O'Neill again this week.

The silence of the 147 Republicans who remain in the House today implies far less anxiety about the same actions today.

□ 2145

The fact that Secretary O'Neill must resort to short-term emergency measures to meet our Nation's obligation drives home the fact that not only that Congress failed to perform its duties, but also that budget surpluses were a short-lived success which have now been replaced by more deficit spending.

Again, lest people not understand what we are saying tonight, we Blue Dogs are perfectly willing, in fact, we have sent letters to the President, to the Speaker, in which we indicate we are willing to vote to increase the debt ceiling. Not by $750 billion but enough to get us through the August, well, the July reestimate of where we really are on the economy. And then in October let us pass a new budget. We Blue Dogs have suggested spending caps. In fact, we have already stated that we are willing to live with the spending levels that are present in the House-passed budget resolution. We are ready to go with that one and we believe that is a reasonable amount of spending. But what we are opposed to is hiding a very important and significant vote, hiding it in the supplemental emergency spending, spending that is necessary to pay for the war, something we are for.

I remember a speech my friend, the gentleman from Texas (Mr. TURNER) gave a few weeks ago on this subject and I have borrowed considerably from the thought that he had that night in which the gentleman acknowledged a little bit of concern in his own mind as to why we, this generation, are sending our youngest and finest to risk their lives, and we find that several have lost their lives in Afghanistan this week, why we do that and we do it on borrowed money.

We are having to pay $1 billion a day now for interest on the national debt. We have increased the national debt $323 billion in the last year, and under the budget plan that we are now under that the majority refuses, refuses to even reconsider, we are going to borrow another trillion dollars in the next couple of years. Why would we do that and then when our youngest and finest come home from defending this country in the fight against terrorism, why would we do that and then ask them to work and pay in taxes so that the interest on the debt that we sent them over to fight with? It does not make us kind of like the Greatest Generation, Tom Brokaw's book.

I remember the gentleman from Texas (Mr. TURNER) making that speech and he was just as right as he could be. And I find that others are kind of agreeing to that. I do not understand why our colleagues, particularly some of them who purport to be conservatives and challenge us and chastise us every time we take to the floor, at least there will be one coming after us and saying, well, you Blue Dogs do this, you Blue Dogs do that, but you really do not mean this. Well, judge us by our actions and by our deeds, not by our words.

What we are saying tonight again, the Concord Coalition is right. They urge swift action to avoid a debt crisis. By the end of June, Mr. O'Neill will not be able to juggle the books. He will not be able to borrow from the civil service retirement fund, from the military retirement fund, from the Medicare trust fund. It will be fish-or-cut-bait time.

We can avoid that tomorrow. We can avoid that tomorrow with a simple, simple resolution that increases the debts by a smaller amount than $750 billion, of which every Blue Dog will join with our colleagues on the other side in doing that, provided they are willing to put a new economic game plan in place. We think it is time to do that.

Mr. Speaker, I yield back to the gentleman.

Mr. TURNER. Mr. Speaker, I thank the gentleman for sharing his thoughts.

I know that all of us feel very strongly that this issue of the statutory debt ceiling deserves a full and open debate of this House. And with the national debt rising, with deficit spending back upon us, somebody has to put on the brakes. Somebody has to say that we need to control spending. Somebody needs to say that we ought to do the same thing in Congress that we all have to do at our own households, and that is we have to pay the bills. And as the gentleman from Texas (Mr. STENHOLM) suggested, I have been very concerned about the fact that we are asking young men and women to fight the war against terrorism, and yet we are doing it on borrowed money, which means that when they get back home and they are in their better income-earning years, they will be the ones that will have to pay for the war that they fought.

So it seems to me that the right thing to do in Washington is the same thing that we all try to do in our own households, and that is, we pay our bills. We meet our obligations. We do not say that we are going to incur debt without having a plan for repaying that debt. And that is all that the Blue Dogs are asking with regard to the statutory debt ceiling is to say that, yes, the economy is on the downturn. We are in a war. Congress passed a major tax cut just a year ago and all the surpluses that were heralded at the time we took that vote are no longer there, and so the circumstances have changed.

Unfortunately, there seem to be many in Washington today who suggest that even though the circumstances have changed, we do not want to do anything differently. And we know that when our financial circumstances change, we have to change our spending patterns. We have to change our economic circumstances in a way that allows us to live within our means, and Congress is not doing that today. So I am hopeful that we will get a chance to have an honest and open debate about this debt ceiling and we will, as Blue Dogs, support an increase of $150 billion to account for the fact that there has been additional expenditures as a result of war. But we have gone a long way from just a year ago when the administration and the Secretary of the Treasury said that we will not have to deal with the statutory debt ceiling for 7 years, to today when we already know we have hit the statutory debt ceiling, and were it not for the Secretary of the Treasury manipulating the employees' retirement funds to keep the obligations of the United States government from going into default, that we would have a catastrophe on our hands today. And even after he pulls out all the tricks in the bag, those are going to run out by the end of June, and this Congress will have to raise the statutory debt ceiling in order to avoid a default on the obligations of the United States government, in order to pay a Social Security check, in order to be sure we pay the bills that are keeping the military of our country operating today in Afghanistan, we will have to raise the debt ceiling. We understand that. But we just do not believe it is right to raise it $750 billion. In essence, giving a blank check to this Congress and this President for ever-increasing spending.

So we feel very strongly that we have got to draw the line here and use this opportunity to remind this Congress and the American people that it is important to pay your bills. It is important to control spending. It is important to have a budget that moves us back to a balanced budget within the next 5 years. And even to say that is being generous because, in fact, most of us would like to see us move back to a balanced budget next year. The problem is the Congress, through its spending, and the Congress through the changed circumstances, and through the large tax cut that was enacted last year, has put us in a ditch. We are in a deficit ditch. And we have got to get ourselves out of it, and to fail to do so is an injustice to the next generation because the truth of the matter is the folly of unrestrained spending today, the folly of ever-increasing national debt and deficit spending means that our children and our grandchildren will be left to deal with the consequences of our inability to control our own spending and to balance our own budget.

Mr. Speaker, I would like to yield again to the gentleman from Texas (Mr. STENHOLM). I know that there is a

plan that we have laid out as Blue Dogs and I think it is important for us to talk a little bit about that plan. Just the day before yesterday several of us met together with the ranking Democrat on the Committee on the Budget, the gentleman from South Carolina (Mr. SPRATT), who does an excellent job of trying to persuade this Congress to move back towards balanced budgets and to end deficit spending. We also had several Blue Dogs there. The gentleman from Kansas (Mr. MOORE) co-sponsored the legislation; the gentleman from Indiana (Mr. HILL), one of the co-sponsors of the legislation, along with the gentleman from Texas (Mr. STENHOLM) and myself and the gentleman from Utah (Mr. MATHESON). And that plan was a sensible plan. That was a plan that should be supported in a bipartisan way by this Congress and by every Member of this Congress who calls themselves a fiscal conservative.

Mr. Speaker, I yield to the gentleman from Texas (Mr. STENHOLM) to allow him to talk a little bit about that plan so we can have the people understand tonight that what we are really trying to do is restore fiscal responsibility.

Mr. STENHOLM. Mr. Speaker, I thank my friend for yielding back.

We have the Blue Dog ABC plan. It is as simple as ABC. I have already mentioned one tonight. We are prepared, in fact, we have indicated our support for the House budget spending levels as indicated in the budget, those numbers we tried to offer in our own budget this year, but once again we are denied even having an opportunity to have an alternative budget. But the spending levels are fine.

We need to recognize that strong budget enforcement rules are important. The provisions of the Budget Enforcement Act of 1990 expire this year and one of the things we have learned over the last 10 years is that meaningful caps on discretionary spending which tell our appropriators this is how much you can spend and if you spend more, you must offset it, it has worked. The appropriators have been responsible when the caps were there and when they were meaningful. But the 1997 Budget Act got off, a little bit off of what would be considered meaningful caps, particularly in the area of health care and rural health care and what has happened when you put unrealistic caps on without doing the policy changes.

Something else that the Blue Dogs have suggested in our plan is we think we ought to have a vote on the balanced budget amendment to the Constitution again; believing that as much as we would prefer not amending the Constitution from such purpose, we believe that it would be very helpful to have that amendment added to the Constitution so no future president and no future Congresses can again do what is now happening regarding the debt and borrowing money, borrowing money and spending the money. It used to be it was tax and spend. It is now borrow and spend. And the biggest difference between tax and spend and borrow and spend, with the borrow and spend, our children and grandchildren do not have a vote on it. If you tax, everyone in this body will get unelected. If you propose taxing to pay for the spending, that is different. But borrow and spend on our grandchildren, they do not have a vote and that is easy to do; and that is what we will, again, do tomorrow. And we will hide it in the supplemental emergency spending, so that we do not have the guts to stand up and say that is what we are going to do.

Well, some of us will not do that but, again, I repeat we are perfectly willing to increase the debt ceiling to dig us out of the ditch that we have dug ourselves into, even though some of us will say we did not vote for the budget. It matters not. We are all responsible, all 435 of us. We are perfectly willing to increase that debt ceiling.

The gentleman mentioned also the gentleman from South Carolina (Mr. SPRATT). One of the areas here, restore fiscal discipline, again, that is in the bill and it will be offered. Perhaps we will have to do it on the recommittal, perhaps we will have to do it in talking about defeating the rule so that we might have an opportunity to provide for a smaller debt increase. $150 billion, that would get us through to September and then in September when we come back after the August break, we will have a little, a little better idea of where the economy of this country is. And we can then, in fact, deal with a new economic game plan.

But, again, we do not seem to be getting through to our friends on the other side. They do not seem to be willing to change the economic game plan which will require that for the next 10 years we are going to have to borrow at least 2.75 trillion more dollars. This $750 billion down payment or installment is just the tip of the iceberg as to what is going to be needed.

□ 2200

I do not understand why our friends on the other side do not accept the hand that the Blue Dogs are offering to them and saying let us deal with deficit spending openly and honestly, let us deal with the debt ceiling openly and honestly, let us put spending caps back on, but let us revise the economic game plan that we are on so that we do not have to borrow the full $750 billion.

And do not hide it, do not hide it in an emergency supplemental and do not waive the rules of which I agreed with my friends on the other side of the aisle about 8 years ago when I said emergency spending should be emergency spending. If it is not emergency spending do not put it on an emergency spending bill. My colleagues will be surprised the million, tens if not hundreds of millions of dollars that will be voted on in this emergency supplemental that a careful analysis will show is not emergency, and we will have to have a rule that waives, waives, the rules in order to pass it.

We do not think that is the proper way to go. We will give my colleagues a clean up-and-down vote on increasing that debt ceiling. We will do what the Concorde Coalition is urging us to do. Let us not have a debt crisis.

This plan does not work and it does not get added to the conference coming back. Come about mid-June we are going to be in a crisis because Secretary O'Neill cannot juggle the books forever without having an economic crisis facing our country. It is too important for us to play with that game, especially when there can be bipartisan support; and all we have got to do is sit down and revise our budget.

Just like September 11, 9/11/01 changed America forever, and no one could foresee that and, yes, it has added increased spending needs for this country; but why if we need to have the increased spending do we not see the need to change the economic game plan that we are under? Why does the other side insist on staying with the same game plan while at the same time saying everything has changed? I do not understand that.

I yield back to my friend from Texas.

Mr. TURNER. Mr. Speaker, I thank the gentleman for sharing some of the elements of the Blue Dog plan for restoring fiscal discipline, and I am particularly pleased my colleague mentioned the constitutional amendment to require a balanced budget. That amendment was introduced by one of our fellow Blue Dogs, the gentleman from Arkansas (Mr. BERRY).

I had the opportunity to serve in the Texas legislature, the Texas House and Texas Senate, for 10 years; and in Texas, as in most every other State in the Union, we have a requirement in law, in Texas it is in our constitution, that we have a balanced budget. So every year when the legislature convenes, they are required to not spend anymore than is estimated to come into the next budget cycle; and if they fail to do that, they have violated the Texas constitution.

If we had such a restraint in our Federal Constitution, we would not be here tonight talking about a five, almost $6 trillion national debt. We would have solved that problem a long time ago, and the gentleman from Arkansas' (Mr. BERRY) constitutional amendment makes sure that we have a balanced budget by including that requirement in our Constitution.

We know that when we amend the United States Constitution, it takes two-thirds vote of both Houses and then the States have to ratify it, three-quarters of them, and we all know that could take a long time. So we also have other elements in the Blue Dog legislative package to restore fiscal responsibility in the shorter term, and those bills, one by the gentleman from Indiana (Mr. HILL), restores the budget rules that this Congress has had in place for some years which now are expiring, simply requiring that we set

discretionary spending caps and that we abide by them, requiring that any legislation that deals with mandatory spending or revenues that increase the deficit be offset with some savings in some other area. Those kinds of basic rules are important to maintaining fiscal responsibility, and that bill by the gentleman from Indiana (Mr. HILL) would ensure that those rules continue.

Another piece of legislation introduced by the gentleman from Kansas (Mr. MOORE) makes sure that we have a limit on how much we increase this statutory debt ceiling and ensures that once we go beyond the $150 billion that we all acknowledge would be the appropriate amount, that covers in the short term, that any further increases in the statutory debt ceiling would be preceded by the Congress enacting a budget that returns us to balance within 5 years without using Social Security trust fund moneys to balance the budget.

Finally, our legislation that was introduced by another Blue Dog, the gentleman from Tennessee (Mr. TANNER), says that we ought to require this Congress have a two-thirds vote if we are going to incur debt.

All of those pieces of legislation as a package will move this Congress back into balanced budgets and to reducing the national debt. Some people say, well, what is the big deal about this national debt? Well, I do not know if anybody can tell my colleagues for sure how big the national debt can be before it gets us in trouble. I think the folks in Argentina knew that they accumulated too big a debt and they certainly had a crisis; but here in the Congress, we seem to be oblivious to the size of the national debt.

Most Americans do not recognize and realize that one of the biggest areas of government waste is the national debt, because it takes a billion dollars of our hard-earned tax dollars every day just to pay the interest on the national debt. When people pay their individual income taxes every April 15, do they know that $1 out of every $4 paid into the government goes to cover the interest on the national debt? What a waste. What a waste.

So if we are really interested in cutting out government waste, the first thing we have got to do is to get our debt under control. We have got to begin to run surpluses in our annual budget because when we run surpluses in our annual budget, that surplus pays down our national debt; and the best gift we could give to our children and grandchildren is be sure that we do not hand them this $6 trillion and growing national debt.

We are here tonight to ask our colleagues in the Congress to deal seriously with this issue of the statutory debt ceiling, to not try to slip it in this supplemental appropriations bill that is coming to the floor this week and hide it and tuck it away in there as if it is not important, but to put it out in the light of day and have an honest debate on it and to acknowledge to the American people that this country, in terms of its finances, is going in the wrong direction.

Americans have been more patriotic since September 11 than I have seen them in my lifetime. Some of those who fought in the Second World War say that we are seeing an era of patriotism today that is like they felt when they were young people during the Second World War; but if we have a true spirit of patriotism in our country, we are going to be sure that when we send our young men and women into battle that those of us back home are going to be willing to make an equal sacrifice which is to pay the bills, and if we cannot stand here tonight and acknowledge that we should pay the bills for fighting the war and not pass those bills on to the next generation, it would give reason and give cause to question the sincerity of our patriotism.

Anytime that this country has been at war, Americans have been willing to sacrifice; and the sacrifice that every American is going to be called upon and should be called upon today to make as we find ourselves in this war against terrorism is those of us here at home should be willing to pay the bills. That is the least we can do.

So I am here tonight on behalf of our Blue Dog Democrat coalition to urge our colleagues to return us to fiscal responsibility; to be sure that we enact policies that allow this Congress and as an institution to observe honesty in budgeting; to be willing to say that we are going to balance the budget rather than to ignore it; to be big enough to say that even though a year ago when we passed a major tax cut, which I voted for at the time, when we were projecting a $5 trillion surplus over the next decade, that today as we stand here tonight, when that surplus is gone, that we have to be big enough to admit to the American people that the circumstances have changed.

Every American family understands that. Every American family has been through hard times. Folks have lost their jobs and had to make readjustments on their spending patterns. The Federal Government has to do the same thing if we are going to be honest with the American people.

In just a few years, somewhere between 12 and 15, we are going to see a tremendous increase in the population of our country that are over the age of 65. The Federal Government will face one of the biggest fiscal crises that we have ever seen, as those seniors will be ready to receive their Social Security payments, they will be ready to receive the benefits of the Medicare program that they have paid for in their Social Security and Medicare taxes that they have paid all these years.

If this Congress is going to be able to deal with the retirement of the baby boomers and the costs that are associated with those retirees, we have got to get the financial house in order today. Is it not wonderful that as we approach the crisis in the Nation that we were looking back at 4 years of surpluses, so that we could deal with the problems of the declining economy and the lost Federal revenues that flowed from that and to deal with the cost of the war on terrorism? What is it going to be like 12 and 15 years from now when the baby boomers retire and all of those costs are on the Federal Government and we look back to years of deficit spending?

Now is the time to get the financial house in order. Now is the time to balance our budget and to pay our bills, and that is what we are asking our colleagues in this Congress to join with us in doing.

I thank the members of the Democrat Blue Dog Coalition who have joined me on the floor of this House tonight, and I appreciate their stance for fiscal conservatism; and we look forward to the days ahead as we work together to try to balance the budget and pay down our debt.

MAJOR CHALLENGES CONFRONTING AMERICANS

The SPEAKER pro tempore (Mr. ISSA). Under the Speaker's announced policy of January 3, 2001, the gentleman from Arizona (Mr. HAYWORTH) is recognized for 60 minutes as the designee of the majority leader.

Mr. HAYWORTH. My colleagues, I come here tonight not as a champion or a representative of party, but as a Member of the Congress of the United States, a constitutional officer, a husband, a father, a brother, a son and a grandson to discuss issues of great importance in what is quite literally, Mr. Speaker, our national health.

I champion the fact that in this Chamber people of goodwill can from time to time disagree, and there are those who would come to champion one specific philosophy or approach of a political party or even an approach within a political party; but I think, Mr. Speaker, when we confront major challenges, we do so much better and much more effectively not as Republicans or as Democrats but as Americans first; and it is in that spirit that I come to the well of the House tonight.

We confront many challenges, Mr. Speaker. Mention was made earlier by my colleagues from Texas of the fact that we are a Nation at war, and yet we are also a Nation blessed with unparalleled prosperity, and with what some would bill as problems, others view as unique opportunities.

Why do I say that at this time in this place? Well, Mr. Speaker, one need only look so far as the prevalent statistics for the United States of America a century ago, 100 ago, 1902.

□ 2215

Mr. Speaker, in 1902, the average life expectancy in the United States of America was 47. The average lifespan, 47 years of age. More than 95 percent of all births in the United States took

place at home. Ninety percent of all U.S. physicians had no college education. Instead, Mr. Speaker, they attended so-called medical schools, many of which were condemned in the press and condemned by the government as substandard.

Mr. Speaker, I mentioned just a moment ago the shocking statistic that the average life expectancy a century ago was only 47 years. Mr. Speaker, it might interest my colleagues to know what the 5 leading causes of death were in the United States 100 years ago. Mr. Speaker, leading the list at number 1 among the causes of death in the United States in the year 1902 was pneumonia and influenza; number 2, tuberculosis; number 3, diarrhea; number 4, heart disease; and the fifth leading killer among Americans one century ago was stroke.

What is also interesting is not only the lack of a formal college education for more than 90 percent of our physicians a century ago but also an incredible change of pace and different outlook and attitude among those running the corner drugstores. One century ago in the United States of America, heroin and morphine were available over the counter at corner drugstores. Mr. Speaker, according to one pharmacist, ''Heroin clears the complexion, gives buoyancy to the mind, regulates the stomach and the bowels, and is, in fact, a perfect guardian of health.'' So said a neighborhood druggist one century ago in the United States of America when the average life expectancy was only 47 years and when the leading killer of Americans was pneumonia and influenza.

Mr. Speaker, we are blessed indeed with the passage of time and the progress in medical science that we stand here in the year 2002 and we see the life expectancy close to doubling. It is commonplace to see men and women in the United States live at least until their 70s, and much longer in my household. I am blessed with a grandfather who is 98 years young. He has doubled what was his life expectancy.

At the dawn of the 20th century, Americans by and large are living healthier, happier, longer lives. That is not a problem, Mr. Speaker, that is a challenge. Almost 40 years ago, the United States of America introduced Medicare to help seniors, to help those over the age of 65 deal with the challenges confronted by those of advancing age in terms of health care. But health care in 1965 and, indeed, the Medicare program introduced that year, reflects a medical science that even 40 years ago was substantially different.

At that point in time, medical doctors were dealing primarily with what we call acute care; with responding to symptoms and outbreak of acute disease. Indeed, at that time, Mr. Speaker, gone was that nonsense about morphine and heroin, long regulated, and relegated, I should say, if not to the dustbin of history, at least, quite properly, to the dustbin of abuse. New prescription drugs were on the market.

But, Mr. Speaker, compared with the decade of the 1990s, or now in the 21st century, those pharmaceuticals were relatively few and far between. The course of action pursued by medical science in 1965 quite often involved invasive or exploratory surgery, or a medical procedure involving a long stay in a hospital. But as medical science has changed, as improvements have come to our way of life, so too has there been a change in treatment.

And, indeed, nowhere is that more clearly reflected than in the actual treatment received by today's seniors, and indeed, Mr. Speaker, by all Americans in terms of health care. Because now, Mr. Speaker, as we know, the emphasis is on prevention, on taking prudent preventive steps to delay or perhaps eliminate the need for acute care; the establishment of long-term conditions, changes in diet, improvement in exercise and, oh, yes, as the first line of defense in medical science, an exponential increase in the reliance on prescription drugs, or prescription medications.

The reason? Well, it flows out of the whole notion of preventive medicine and the admonition and observation that an ounce of prevention is worth a pound of cure.

The changes we have seen brought about by research, the miracle drugs that now exist to deal with so many different conditions, have risen exponentially. And, indeed, through the decade of the 1990s and now into the 21st century, it is safe to say, Mr. Speaker, that prescription drug coverage, that medications prescribed by physicians, have, in fact, conjoined with preventive steps to be our first line of defense and our first line of treatment in modern medical science.

Accordingly, Mr. Speaker, even as we confront the challenge of a new type of war, of the very real challenges to our society externally by the threat of foreign enemies, we also face a challenge within our borders borne by our very prosperity and the change in the type of health care treatment we now receive. For, Mr. Speaker, we must strengthen and reform Medicare to bring it into the 21st century to reflect the changes and the advances in medical science. And nowhere is that more prevalent, for my parents, who are now in their 70s, for my granddad, who is now 98 years young, than in the realm of prescription drug coverage.

Mr. Speaker, I am honored to be the first Arizonan to serve on the House Committee on Ways and Means. It is the committee with jurisdiction quite literally over those matters that become the crossroads of American life here in the early 21st century, the tax code. Because it has been written, Mr. Speaker, the power to tax is the power to destroy. I believe, conversely, that the power to reduce taxation is the power to employ.

And in stark contrast to those who preceded me in the well of the House tonight, I believe that we can fire the economic engines of America, that we can lead to growth by reducing taxation, and by so doing we can grow and build and prosper, but also we deal with topics of trade and human resources, and especially the issue of health, along with the issue of Social Security and fulfilling America's commitment to its seniors.

And so the House Committee on Ways and Means is working now to fashion changes in Medicare to offer a prescription medication benefit as a part of Medicare, to usher Medicare into the 21st century and to reflect the changes we have seen in the realm of medical science and recognizing the reality of prescription drugs and their necessity.

Mr. Speaker, there are 4 principles which guide us. Yesterday, Mr. Speaker, in addition to innumerable conversations with my parents, I was pleased yesterday at noontime to visit the senior center in Mesa, Arizona, to sit down for a town hall meeting, a dialogue, if you will, Mr. Speaker, on the whole notion of prescription medication coverage through the eyes of those who today rely and depend on the Medicare system. I was pleased to see so many seniors, indeed hundreds of seniors, a living embodiment of what some have referred to as our greatest generation, those who experienced the Great Depression, those who led us through a world war, those who built a powerful postwar economy and ushered in an era of freedom and prosperity unlike any the world has seen.

Mr. Speaker, I know you find this to be true when you visit your district. You understand what deTouqueville pointed out early in our history, that America is great because America is good. And the quality of our citizens continues to show through regardless of their age, but with a lifetime of experience. Our honored seniors have a perspective and a common sense philosophy that those of us who are honored to represent them should keep in mind always in fashioning decisions for the future.

Mr. Speaker, those of us on the Committee on Ways and Means, moving forward with a common-sense plan to strengthen Medicare with prescription drug coverage, have come to rely on 4 bedrock principles that will be embodied in the plan that we will introduce. Number 1, and I heard this yesterday loudly and clearly from the senior citizens in the Sixth Congressional District from Arizona, Mr. Speaker, when they said to me unequivocally, lower the cost of prescription drugs now.

You see, in this land of prosperity, it just will not do. As the seniors told me yesterday, as we asked for a show of hands, they knew of some, indeed some of them gathered in that lunchroom in Mesa, Arizona, knew of friends who

would cut their medication in two, actually reducing the dosage their doctors had prescribed to make the medicines go further. Others would make a choice between paying a utility bill or paying for their prescription drug coverage.

□ 2230

Mr. Speaker, as hard as it may be for some to perceive, there are those yesterday who even told me they had friends who were forced to make a stark choice to determine whether to purchase the prescription medications they need or to purchase their groceries. A choice between food and medicine for our most vulnerable is something that no one in this country can or should countenance. And so the message came through loudly and clearly, principle number 1, lower the cost of prescription drugs now.

Principle number 2, to update Medicare for the 21st century to reflect the changes we have seen. Mr. Speaker, there is a call and there is a recognition of our second principle and, that is, that we should guarantee all senior citizens prescription drug coverage. A fair and responsible Medicare plan for the 21st century must guarantee a prescription drug benefit under Medicare for all seniors and provide additional assistance for low-income seniors and those facing runaway drug costs because of long-term severe illness. It only makes sense, Mr. Speaker. It is the key to retirement security and peace of mind.

But understand, many seniors with whom I met yesterday are pleased with the current insurance plan they enjoy under their current Medicare coverage. And while there should be a guarantee for all seniors who want it to seek out this new form of coverage, there should not be the heavy hand of government or a specific mandate requiring all seniors to take it if they choose another course of action or want to keep what they have right now.

Mr. Speaker, the Medicare+Choice plans so prevalent in Arizona and in other parts of our Nation, as I mentioned earlier, many with whom I met yesterday have embraced those plans, they appreciate those plans, they want to maintain them, which leads me to principle number 3. We can improve Medicare, Mr. Speaker, with more choices and more savings. The right to choose the prescription drug plan that is best for you, Mr. or Mrs. Senior, Mr. Speaker, that is what we are dealing with, not to invite confusion or a plethora of paperwork or being snowed under by regulations but simply to give seniors the peace of mind and the freedom of choice to select what is best for them.

I mentioned earlier the Medicare+Choice programs which so many seniors in Arizona have come to embrace and depend on. They should be allowed to keep that. But something else that we should note as part and parcel of these principles. We need to understand this. Seniors understand true compassion. They believe those below the poverty line, those who have to make that stark choice between food or medicine or paying other bills or cutting their dosage in half to make the medicine go further, they believe those people should be cared for first, that should be the priority, but there should be a program open to all and all should have the right and the option to choose it.

Our fourth principle really undergirds all which I have spoken of earlier, and that is the realization that in updating Medicare for the 21st century, that in making the recognition that prescription medication coverage is a key, that we can strengthen Medicare for the future by offering this benefit as part of Medicare by utilizing this new front line assault on disease and on sickness and in so doing lower the long-term costs, eliminate in many cases the need for major surgery, see an improvement in lifestyle, and overall not only improve public health but be good stewards of the public purse because in the long term we actually hold down costs, and in so doing, that undergirding fourth principle, strengthening Medicare for the future, will be accomplished because we will ensure that the program can deliver necessary health care services, including this all-important addition of an affordable and voluntary prescription drug benefit under Medicare.

Mr. Speaker, one of the great honors of serving in this Congress and especially in the House Committee on Ways and Means is to work with talented men and women across the width and breadth of America. I am honored tonight to welcome to the floor for this discussion of the prescription drug benefit a lady who has toiled long and hard on this issue and other issues involving public health and the common good, the gentlewoman from Connecticut (Mrs. JOHNSON). I welcome her to the floor, Mr. Speaker.

I yield to my friend from Connecticut.

Mrs. JOHNSON of Connecticut. I thank the gentleman from Arizona very much. As members of the Committee on Ways and Means, we work together on many, many issues, but no issue more important than prescription drugs for seniors. I am proud to say that our bill is an entitlement. It is going to be available to all seniors. It is going to be in my estimation, I think this is something that is rarely remembered, that the prescription drug benefit is going to be the greatest leap forward in women's health since the founding of Medicare. We all know that our grandmothers have lived longer than our grandfathers, that in general women tend to live quite a lot longer than men. What we are less aware of is that older women tend to have a lot less income than older men. The mean annual income of men over 65 is about $30,000 nationwide. The mean annual income of women over 65 is about $15,000 nationwide, exactly half. So women live longer but have much less disposable income. In fact, in the under-85 and the over-85 senior population, women are almost twice as likely as men to have incomes below $10,000 a year. What this tells you is that our retired women in America are very unlikely to be able to afford expensive prescription drugs, and they are very unlikely to be able to afford MediGap policies and those other supplementary insurance plans that are available but cost money and that fill that gap between what Medicare covers and what seniors have to pay. It is particularly a problem in prescription drugs, because in today's medicine, you cannot recover from most diseases without taking a prescription drug. So for us to pay for our seniors to be able to go to the doctor and get a diagnosis, which is increasingly expensive with the sophisticated tests and diagnostic technologies that are now available, wonderful medicine, wonderful world, but what is the good of being diagnosed if you cannot get the treatment?

But it is not just about medicines to cure illness that makes prescription drugs in Medicare so important, it is the need to have prescription drugs to manage chronic illness. And there the statistics are incredible. Of the seniors over 85, 72 percent are women and most have multiple chronic illnesses. So they need drugs more than any other single group of our population and that is women with multiple chronic illnesses. So it is important to remember that, frankly, prescription drugs in Medicare is the number one women's issue in America today.

I am determined to work with the gentleman from Arizona and to work with the rest of those on our committee to bring prescription drugs in Medicare to the floor of this House. I thank you for going through the principles that must underlie this bill. We are going to have a bill that is a more generous benefit than we were able to bring to the floor 2 years ago, that is more thoroughly thought out than any bill that has been introduced in this body or the other to this point, and that will be practical, workable, and because it involves a discount card that will be out there right away, it will help seniors from day one till the time the program is thoroughly established in 2 years and that is a unique aspect of our bill.

I would be happy to go into any aspect of this really important subject that you have not already explored. I am sorry I had to be late, but it is a pleasure to be with you tonight to talk about really the most important legislative initiative that this body will consider this session of Congress. If we do it by the end of June, I hope the other body will have the courage to move in July so that we can have a bill on the President's desk in the fall.

Mr. HAYWORTH. I thank my friend from Connecticut for pointing out why she is properly regarded as one of the

foremost authorities and legislators in the field of public health and especially seniors' health care in the way in which we strengthen Medicare through a prescription drug benefit.

Mr. Speaker, as I share this information with my colleague from Connecticut, I know that she has conducted innumerable town hall meetings and chances just to sit down with the honored citizens, the seniors of her district in Connecticut. Mr. Speaker, I think it is a safe assumption that she has heard, as I heard yesterday at the seniors' center in Mesa, Arizona, not only do seniors want to see the neediest cared for first, not only do seniors want to see a voluntary program available to all, but seniors first and foremost want to see the cost of prescription medications lowered right now, today.

The gentlewoman quite properly, Mr. Speaker, referenced without characterizing the action of the other body sharing this magnificent citadel of our constitutional republic with us in the legislative branch, but we want to make sure that as a House, as the people's house, we move in a practical, no-nonsense fashion to craft this bill, including our principles, so that, as my friend from Connecticut points out, the other body will have time to work on this and not become slaves to a political calendar. Because we are all mindful it is a strength, not a weakness, of our constitutional republic that all 435 of us must stand at the bar of public opinion on the first Tuesday following the first Monday in November. The danger comes when temptation so overtakes others not to respond to the needs of the people but instead to twist and turn and attempt to leverage or mischaracterize what can be done for the public good.

Mr. Speaker, in more straightforward language, the American people welcome a chance to put politics aside and move forward on this common-sense policy. I mentioned earlier, my colleague from Connecticut, the times we sit down with seniors. I think, Mr. Speaker, you have seen this. I just asked the question yesterday among the 300 seniors gathered for lunch in Mesa, Arizona, ''How many of you spend at least $100 a month on prescription drugs?'' Every hand in the auditorium went up. I said, ''How many of you spend $200 a month for prescription drugs?'' Most of the hands stayed up. I said, ''How many spend $300?'' A lady's voice said, ''Try $400 a month.'' Hands still remained aloft. According to the Centers for Medicare and Medicaid, the average Medicare recipient spends about $2,150 per year on their prescription drugs.

Mrs. JOHNSON of Connecticut. I visited a seniors' center in Oakville, which is a part of Watertown in my district. A couple got up and said, ''Our income now is $18,000 a year. Our drug bills are $16,000 a year.'' This couple has used their IRA savings, they are working on everything else, and their drug costs will force them into poverty and into dependence on Medicaid. What good will that do us? Then the taxpayers will be picking up not only the cost of their medications but also the cost of their support. It was really sad to see the sorrow in their eyes of this sort of inevitable march toward poverty, just because they needed prescription drugs.

□ 2245

This bill that we are addressing, the gentleman is right, it is voluntary; and it does help the neediest the most, because the neediest get their premiums paid and their copayments paid as well, and for that first $1,000 people will get an 80 percent subsidy and only have to pay 20 percent, and that is off a discounted price.

This bill will drive costs down for seniors right off the bat almost 30 percent, and it will do it by just simply bringing the power of all the seniors of America to the bargaining table to bargain down those prices. They are the only group in the whole country that are not at the bargaining table. Every employer and employee is at the bargaining table, and they get a cut rate price. Only the seniors in our great country get no discounts on drugs, and this bill will put that discount in place right away while we are working on getting the subsidy in place in addition, which will take a little bit longer.

So I will tell the gentleman, when you ask those questions of seniors, there is no doubt, there can be no doubt in your mind, that this is not a burden that seniors can bear; and it is particularly not a burden that elderly, the widowed, divorced, single elderly can bear, because their incomes are really on average $15,000 or less.

So I thank the gentleman for bringing this to the attention of the American people tonight. It is such an important issue, it is the most important thing we could accomplish in this Congress, and I believe we are going to have an excellent bill that will keep doctors out there serving our seniors, that will give seniors the help they need to buy prescription drugs and manage chronic illness, and in general will make advances on every front in offering seniors higher-quality health care, prescription drug coverage, more choices of plans that are better suited to their needs. And because it is going to be such a good bill, I think the other body is going to have to move and the President will be able to sign a bill before we adjourn this session of Congress. That is my fondest hope. That is the only thing I am going to work for. If we all put as much effort in as the gentleman and I will, I know we are going to be able to accomplish this.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Connecticut for offering her unique perspective and the experience that she brings to this issue and the heartfelt personal stories of real folks from the State of Connecticut, just like the real folks I sat down with yesterday in Mesa, Arizona, and just like my parents, now in their seventies, and my granddad, blessed with a long and healthy and accomplished life, to be just 2 years short of a century, of becoming a centurion.

Certainly it is unfair to categorize what is before us as a ''problem.'' It is a tremendous challenge, as we live longer, healthier, more productive lives. And the key, as my friend pointed out, this is not a time to be penny-wise and pound foolish, but to take reasonable steps, as we have done within our budget plan, to accommodate this prescription drug benefit in dealing with a variety of priorities.

My colleague from Connecticut mentioned this, and via videotape the President of the United States joined us yesterday in Mesa with introductory remarks embracing the principles that we have espoused here on the floor of the Congress.

Mr. Speaker, it is so wonderful to work with a President who, yes, as commander in chief is dealing with a stark threat to freedom and survival, but yet at the same time a President who is forward thinking, to understand what he calls truly compassionate conservatism, a commonsense approach that says not only must we survive, we must thrive in this new century, and that the most vulnerable among us, just as my friend from Connecticut pointed out, the seniors who earn $18,000 a year but find in the current situation $16,000 of that income taken up with prescription drugs, we cannot let that happen.

The mandate for change is clear. The executive branch in the person of the President of the United States understands this. The people's House understands this. Now we will look to the other body to join with us to get this change made.

Now, Mr. Speaker, my colleague pointed out something else that is important, and, indeed, one is tempted almost to lapse into a parody of one of the old ads I would hear on top 40 radio in the 1970s talking about discounts at certain merchants: ''How do we do it? Volume.''

Mr. Speaker, it may be a parody; but it is absolutely correct. My friend from Connecticut, who has been both an accomplished legislator and a proud housewife, sitting around the kitchen table, making ends meet, I know at my house in Arizona one of our favorite places to visit is one of the big warehouse discount centers where we purchase items in bulk, in volume. As groups purchase these items, the prices are held down. We are able to do it with volume.

At the risk of a poor impersonation of a parody of an antiquated radio ad, the principle still holds true, ''How do we do it? Volume.'' As more and more Americans are living longer lives, they form a tremendous resource for group buying power.

I would invite my friend from Connecticut to expound on that notion.

Mrs. JOHNSON of Connecticut. Well, it is very, very important, and it is ironic that all the seniors of America, 40 million, have not been at the bargaining table to use their volume power to drive prices down on something as expensive and as critical to their lives as prescription drugs.

But there is another question I get asked a lot by my seniors, because a lot of seniors have some drug coverage provided by their former employers. They say to me, Will this drive my employer to drop his plan? I say to them that this is the only hope that your employer will keep his plan, because as prescription drugs get more and more expensive, the burden of retiree health plans on employers grows rapidly. Ultimately they begin to say, well, you will have to do a copayment, we will cut coverage here and there. That is a real threat to senior health.

But if we do this prescription drug bill, then those employers will know that if your drug costs get over a certain amount, then the government will take the whole amount, and in fact below that will provide a generous subsidy for $2,000 worth. Then they will know they just have a small, what we call a ''donut hole'' to insure, and even in that hole seniors will get that deep discount of 25 to 30 percent. So employers will be encouraged to stay in the business of providing employee health plans for retired employees, rather than to leave it. Without this prescription drug bill, I fear employers will begin dropping their retiree health plans rapidly.

So this is a real big plus for those who have employer-provided retiree health plans; and, boy, I will tell you, we cannot get this done soon enough.

Mr. HAYWORTH. Mr. Speaker, my colleague from Connecticut points this out, and we should make this clear to those who join us this evening, to those, like my parents, looking with interest at what may be available to them, now in their seventies. It is simply this realization: if we are able to pass a plan this year, if the House, with all due deliberation and sense of purpose, is able to move this forward in the coming weeks and months in a very defined period of time, and the other body takes action, it can be on the President's desk and the President signs it into law. Simply stated, if we pass a plan this year, seniors can reap the benefits this year.

It is what we hear again, prescription drug coverage now. Lower the cost of prescription drugs now.

My colleague from Connecticut, Mr. Speaker, offered another real point. To lower those costs, imagine what a 25 percent discount up front in a prescription drug bill would mean to a senior? I spoke earlier of the average Medicare beneficiary, the average senior, spending $2,150. Imagine an instant benefit of over $500, of $540. Think about that, in terms of purchasing groceries, in terms of paying utility bills and other commitments, or money that can be saved so that seniors have the peace of mind to pay their bills on time, to continue to be responsible, productive, honored individuals. In the great tapestry that is America, that is what we seek to do.

Again, we need to stress that under the plan we contemplate, we will guarantee prescription coverage as an entitlement under Medicare; strengthening, sustaining, reflecting the changes in health care; bringing Medicare into the 21st century with a prescription drug benefit that cannot be taken away. That is so important to so many senior Americans.

We want to make sure we are doing something now to make a positive difference in the lives of seniors and their families today, right now, because we understand that sets the framework for the future.

As that great demographic group nicknamed the baby boomers moves into retirement, we understand that we have to make changes to reflect the changes in medical science and in medical treatment and bringing Medicare into the 21st century. Our plan will help all seniors facing runaway drug costs because of a long-term serious illness.

It is a simple precept that we cannot repeat often enough, Mr. Speaker: no senior should lose their life savings simply to pay for their prescription medications.

Now, there will be some who offer plans that are under strict time limits, ''now you see it, now you don't.'' It is our goal to introduce something with no catches, no gimmicks, no expiration dates, allowing senior Americans to choose the plan they believe to be right for them, voluntary, but a plan that can help all seniors, but especially the neediest among our seniors. Under our plan, it is our goal to guarantee a drug benefit under Medicare, no ifs, ands or buts.

Mr. Speaker, it is a challenge and a great honor to serve in the Congress of the United States. Indeed, as many reflect to me, sometimes in conversation, I guess the first time it really happened was one morning one weekend back in Arizona out for breakfast with my wife and children, and the young woman was of high school age behind the counter.

She said, ''J.D. HAYWORTH, you were on my history test last week. I got extra credit because I know you are my Congressman.'' And I say that not out of some form of megalomania, though goodness knows those of us that get involved in public life do so for a variety of reasons, and for purposes of full disclosure we all have a healthy, strike that, perhaps many of us have an excessive dose of self-esteem, to be candid about that. But also whatever temporal pomposities must come along with it, it is a tremendously humbling experience to serve in the capacity of a constitutional officer; to be one of 435 charged with making laws; with making decisions that affect the lives of every American.

As we think about life's lessons learned, we think about those who imparted those lessons to us. Yes, teachers in classrooms across the years; but our first teachers came in our family, our parents, our grandparents, those who look to us now to be custodians of our future; to make the right decisions; to reflect the changes that need to come based on the remarkable advances we have seen in terms of health care to update and strengthen and bring Medicare into the 21st century; to renew the promise and the principle behind it, that to truly be compassionate we can hold down health care costs in the long term by adding this prescription drug coverage, and that we should not succumb to the temptation of being pennywise and yet pound foolish.

□ 2300

One of the great gifts of our forefathers, and what Catherine Drinker Bowen called ''the miracle at Philadelphia,'' was not only giving us a remarkable document, the Constitution, and what Dr. Franklin charged was ''a Republic, if you can keep it,'' but also the means through the amendment process, through the legislative process, to make changes based on the priorities and the changes in lifestyle that Americans would undoubtedly encounter as we have encountered some 200 years later.

Indeed, in these last few minutes, Mr. Speaker, I would point out that when we got together at the outset of this time, we spoke of the world as it existed in 1902, a very different America, still embodying the principles of constitutional governance, but a very different time in our history, not only in terms of the march of technology, but likewise in health care.

It bears repeating, Mr. Speaker, for those who may have just joined us, and Mr. Speaker, I hope those folks have found a seat, because some of this information is shocking, in 1902, let me repeat what I began our time together with, Mr. Speaker, in 1902 the average life expectancy in the United States was 47 years of age. The average life expectancy was 47 years of age. More than 95 percent of all births in the U.S. took place at home, not in a hospital, but at home. Ninety percent, 90 percent of all U.S. physicians had no college education. Instead, they attended so-called medical schools, many of which were condemned by the press and by our government as substandard.

The five leading causes of death were, No. 1, pneumonia and influenza; No. 2, tuberculosis; No. 3, diarrhea; No. 4, heart disease; No. 5, stroke.

We have a new set of challenges and opportunities. In this imperfect human existence, illness will be with us. We cannot completely conquer illness, but we can continue to improve the lifestyle conditions in terms of public health for all Americans, especially our honored seniors.

It is not a political gimmick or a short-term, cynical fix we seek; instead, it is a change that should be reflected in Medicare, to bring Medicare into the 21st century. This is the challenge we confront, Mr. Speaker, working together, men and women of good will across the panorama of political philosophies, across the partisan divide, to heed the message of our seniors who say they need and want prescription drug coverage now; that the cost of medicines can be lowered, that we can usher in a new age of Medicare for the 21st century reflecting the changes in medical technology, utilizing some of the commonsense proposals and principles our parents taught us about the value of a dollar, weaning out waste, fraud and abuse, making the effort to continue to improve lives, to continue to improve the quality of life, and set a prudent public policy based on true compassion that is not only more effective, more responsive, but in the long term, more economical for all Americans.

That is the challenge we confront, and we do not shrink from that challenge. Daunting though it may be, we welcome it; we embrace it. It is our intent to move this people's House forward to work with our President to get this done, to see action taken in the other body, and leaving plenty of time for the other body to get the work done on this legislation, as well.

If we move forward this year, seniors can reap the benefit this year. Mr. Speaker, our parents, our grandparents, our Nation's seniors deserve nothing less.

Mr. Speaker, I offer a word of thanks for my colleague, the gentlewoman from Connecticut (Mrs. JOHNSON), who joined me for this time of dialogue on prescription drug coverage as part of Medicare, a new, stronger Medicare for the 21st century.

Mr. SULLIVAN. Mr. Speaker, I appreciate the opportunity to discuss the importance of prescrition drugs to seniors. I have talked to the seniors in my district about this, and I can tell you from my experience that this is of utmost importance to them. And it should be of utmost importance to us too. I am honored to be a part of the Speaker's Prescription Drug Action Team, working to achieve the best benefit possible for our seniors.

It is important that we provide prescription drug coverage for today's seniors while shoring up Medicare at the same time. The two go hand in hand. Unfortunately, Medicare is built around formulas that are outdated. We have a big job ahead of us, but it is one of the most important pieces of legislation to come before this body. We have to update Medicare at the same time we provide prescription drug coverage, so that both remain sound now and into the future.

But let's be clear about the prescription drug benefit: our seniors need coverage and they need it now, not later. We must act immediately to give them coverage such as 25% off the top of the first $1000 they spend. Their monthly premium and yearly deductible have got to be as low as we can get them, so that those living on a fixed income can afford their medications without worrying about whether or not they can afford food. And they have to be able to count on catastrophic coverage.

No senior should have to decide between prescription drugs and food, or prescription drugs and turning on the air conditioner in the middle of a brutal Oklahoma summer. That's just not fair. Our parents, and grandparents, deserve better than that. That's why I'm so excited to be on the Speaker's team, to help advise him on the concerns facing today's seniors. We have to be realistic about how we structure the plan, but the bottom line is that: seniors must be able to afford their prescriptions. I hope that my colleagues on both sides of the aisle would agree. This is our goal, and one we should reach across the aisle on, to help seniors. We must create policy, not politics. We must provide worthwhile prescription drug coverage for our parents and grandparents, and we must do it immediately.

DEFENDING PRESIDENT BUSH REGARDING KNOWLEDGE OF SEPTEMBER 11, 2001, THREAT, AND DETAILING UPCOMING TRAVEL TO RUSSIA, UZBEKISTAN, CHINA, AND NORTH KOREA

The SPEAKER pro tempore (Mr. ISSA). Under the Speaker's announced policy of January 3, 2001, the gentleman from Pennsylvania (Mr. WELDON) is recognized provisionally for half the time remaining until midnight.

Mr. WELDON of Pennsylvania. Mr. Speaker, I take the time this evening, and thank the Speaker and the staff for bearing with me, to basically perform two functions.

First of all, I will respond to those critics of President Bush who have taken unfair shots at him over the 9–11 situation, and will factually refute what people like the minority leader, the gentleman from Missouri (Mr. GEPHARDT), have said publicly about this President somehow not heeding evidence that was provided to him.

I am going to present the true facts of what we could have and should have done prior to September 11 that I think would have allowed us to both understand what was about to occur and to have done something about it.

The second action I am going to discuss this evening is an upcoming trip that I will be leading to Russia, Uzbekistan, Beijing, China, as well as Pyongyang, North Korea, the first delegation going into that country, and Seoul, South Korea, at the end of this week.

Mr. Speaker, let me start out by saying, first of all, in response to many of the media pundits who have spent the last week or 10 days criticizing President Bush and have publicly said that he had indications that should have alerted him to the upcoming attack on the World Trade Center, nothing could be farther from the truth. The facts are all in. The data the President got were basically individual elements provided by individual agencies about potential acts that might be against our country, nowhere near the immensity of what we actually saw on September 11.

They were bits of information, like the CIA saying there might be an attempt to hijack an airplane, but no linkage of that act to an attack on the Trade Center; or the fact that other agencies were looking at pilots that were obtaining licenses and had no intention of landing an airplane. Each of these bits of information, while being provided to the upper levels of our government, in and of themselves would not lead anyone to believe that an imminent attack was about to occur on the Trade Center.

But Mr. Speaker, as I said on September 11 on CNN live at 12 noon from the roof of a church across from the Capitol, on that day the government did fail the American people. Now, the President did not fail the American people, but the government failed the American people.

I am going to document for our colleagues today, and for the American public and the media, steps that we took in the years prior to September 11 when our agencies and the government did not respond. This started back in the Clinton administration and continued during the Bush administration.

In fact, Mr. Speaker, during the late 1990s, I chaired the Committee on Research for our national security, which meant that my job was to oversee about $38 billion a year that we spend on cutting-edge technology for the military.

One of those projects that I helped get additional funding for was the Information Dominant Center that the Army was standing up down at Fort Belvoir, technically known as the LIWAC. This Land Information Warfare Assessment Center was designed to monitor on a 24-hour-a-day basis 7 days a week all of our military classified systems, those systems used to run the Army. Each of our services was in the process of standing up an entity like the one that the Army stood up at Fort Belvoir.

Back in 1997, as I was supporting increased funding for this capability, I was amazed in two trips that I took to Fort Belvoir that the Army was not just able to maintain security over their information systems, but they were able to use new software tools and high-speed computers to do what is commonly called ''profiling,'' to take vast amounts of information about the classified and unclassified information and process it and analyze it so that a picture could be drawn and a threat could be developed, proliferation could be monitored.

□ 2310

Now, this was back in 1997. In fact, I had a chance to use these capabilities and I think this story, more than any other, underscores the inabilities of our agencies on September 11 to really understand the threat that was emerging.

As you might recall, back in 1997 we had gotten into a war in Kosovo to remove Milosevic from power. All of Congress was not supportive of that conflict. In fact, I opposed the initial involvement with President Clinton by our troops, not because I have supported Milosevic but because I felt that we did not force Russia or allow Russia to play a more vibrant role in helping us to get Milosevic out of power.

Two weeks after the bombing campaign started, I started to receive telephone calls and started to receive e-mails from my Russian colleagues in the State Duma. People who are senior leaders who called me and e-mailed me and said we have a real problem. Your policy of bombing Milosevic and innocent Serbs is causing the Russian people to lose confidence in what America's real intent is, and you are driving Russia further away from our country. And I said what do you want me to do? They said we need you to convince your president that Russia can help play a role in ending the war and getting Milosevic out of office. And the Russians told me that they wanted me to go to Belgrade in the middle of the conflict, that they would arrange a meeting with Milosevic.

Well, I told them that that was very much undoable because we were in the middle of a war. We were bombing Serbia at the time. But I asked them to put that request in writing and they did. Within the next few days I got a letter on official Duma stationery where the Russians outlined their desire to take me and a delegation of Members of Congress to Belgrade, Yugoslavia. They outlined who would come from the Russian side and they committed that they would have a meeting with Milosevic personally with a date and time certain. They also agreed to visit a refugee camp of our choosing so we could show them the damage that Milosevic had caused innocent people, and they also agreed to release the three American POWs that were being held hostage.

When the letter came, it also included the name of an individual I did not know. His name was Dragomir Kric. The Russians had told me that this individual was very close to Milosevic personally, that the Russians trusted him, and that he was the guy that would get Milosevic to agree to the terms to end the hostilities against the Serbian, Yugoslavian people.

The Russian request I then took to the State Department with my colleague, the gentleman from Maryland (Mr. HOYER) on the other side. We had a 1 hour and 30 minute meeting in the Office of Deputy Secretary of State Strobe Talbott. We outlined for him what the Russians had requested for us and that we were willing to lead a delegation into Belgrade in spite of the war going on. Strobe Talbott listened and he said, I do not think it is a good idea. He said we cannot guarantee your safety and we do not think Milosevic will do what the Russians say he will do, and we think he will just use you. So my advice is not to go, but as citizens in America you can do what you want.

I said that we would not violate the request of our State Department and would not go. But the gentleman from Maryland (Mr. HOYER) suggested that perhaps we should meet the Russians in a neutral city and he suggested Vienna. Strobe Talbott said that was fine. So I came back to Capitol Hill and I sent a letter to all 435 members of the House outlining for them what the Russians had asked, what the administration response was, and invited every Member of this body to attend a meeting if they were interested in going with us to Vienna. From the meeting that we held 1- Members of Congress, 5 Democrats and 5 Republicans, volunteered to go with me to Vienna to meet with our Russian counterparts and Mr. Kric.

Now, before we left on that trip I wanted to know something about Kric so I called the CIA director, George Tennant. I said I do not know who this guy is. The Russians are convinced that he can give us information that will allow us to get Milosevic to agree to our terms. Can you tell me something about him as the director of the CIA?

He called me back the next day and gave me 2 or 3 sentences about Dragomir Kric and said that they thought he was tied in with the corruption in Russia but did not know much else about him.

Without telling anyone, Mr. Speaker, I went back to my friends at the Army Information Dominence Center, and I said can you run me a profile of a Dragomir Kric and tell me something about him. They ran a profile and they came back to me with 8 pages of information about this man, the profile of someone who was very close to Milosevic personally.

With that information, we left on a military plane on a Thursday afternoon after votes and flew all night to Vienna, arrived on Friday morning, and began our discussions in the hotel in Vienna with the 11 members of Congress, a State Department representative, the 5 Russians and Dragomir Kric.

We worked all through Friday into the night and into Saturday. And by Saturday midday something historic had happened. The Russians had agreed to the terms that we wanted to end the conflict. The Russians had agreed to things they had never agreed to. During the time when we were meeting, Kric was calling back to Belgrade talking to Milosevic on the phone personally. He would come back in the room and he would tell us what Milosevic was happy with and what he was not, but we were not there to negotiate with Milosevic. We were there to get the Russians to agree with us on an end to the conflict.

By 2 o'clock on Saturday afternoon we reached agreement. It was word for word read by the Russian and American side and we all signed off on an end to the war. It was an historic time for us because we thought we could stop the bombing and stop killing innocent people and get Milosevic out of power.

Kric immediately left the room and made a phone call. He came back in the room and said I just talked to Milosevic personally, and he has assured me that if we go down as a group right now to Belgrade, and I will hire the bus, and we all go down together, Milosevic will meet with us, he will agree to this framework which ends his reign. He will agree to accept international peacekeeping force to disarm the Serbs, and he will agree to allowing a U.N. or NATO force to bring stability to this country. And he will also release the 3 POWs that have not been heard from since they were captured by Milosevic.

Well, that was pretty historic, Mr. Speaker. So my colleagues on the other side called the White House from Vienna. They get on the White House operation center phone line and talked to John Podesta, the chief of staff for the President. And they said we have something that you have to get to President Clinton immediately. We have negotiated what we think is the end of the Kosovo war with the Russians, with a representative of Milosevic agreeing to the terms.

Another representative with us of the State Department called the State Department operations center and he told them what had transpired. So he notified both the White House and the State Department. The State Department said let me talk to Congressman WELDON. So I got on the phone. On the other end of the line was Steven Sestanovich who was at that time in charge of the Russia desk at the State Department.

I outlined for him what had occurred. He said, Curt, this is amazing but it is above my pay grade. I cannot tell you what to do. Hold on and I will have someone else call you back. Thirty minutes later, Mr. Speaker, I got a call from Tom Pickering. Tom Pickering was at that time number three in the State Department and had been the ambassador for us to Russia. I had known him in that capacity. He said, Curt, what is going on? And I explained to him that we had met with the Russians and Kric. We had reached agreement, and that Milosovic through Kric was saying that he was prepared to end the war if we went down to Belgrade. So I said to Tom Pickering, what do you think we should do?

He said, Curt, first of all, we do not trust Milosevic. We do not think that he will live up to what he is telling you through this guy Kric; and, furthermore, Curt, I do not even know who Kric is. I never heard of this guy and how could you believe that somehow he speaks for Milosevic?

I said, Tom, I did not know Kric either before I came here, but I know the Russians. They are my friends, and they have convinced me that he is the

person that can get Milosevic to do what we want. He said, I do not think it is a good idea. In fact, let me tell you, the Reverend Jesse Jackson has been in Belgrade for a week. We have been in constant communication with him. In fact, he is coming home today. His delegation has been unsuccessful. They were trying to get the three POWs released, he said, but their mission has failed.

□ 2320

What makes you think that you can do something that the Reverend Jesse Jackson could do? I do not know, Tom. All I am telling you is what the Russians are saying based upon Kric's taught discussions with Milosevic. He said I do not think you should go, and I said okay, then we will not, because we are a Nation of laws and not of people.

I came back to the room where the Members of Congress were seated with our Russian counterparts. I told them the story, and they immediately became incensed at me. Kric called me a coward for not taking a delegation to Belgrade. He said, You just lost a chance to end the war and bring home your POWs.

I had Members of Congress from both parties telling me they were going to go on their own, and I said, Oh no, you are not; we came in a military plane that I acquired; you are going back to America with me.

So the 11 Members of Congress and the Russians and our State Department official sat down and discussed how we would implement our plan instead of going to see Milosevic in Belgrade. Kric went out of the room and came back in after making a phone call, and said, You just blew it; Milosevic had said you had a chance to end the war, to get him to publicly accept this agreement and he would release the POWs.

We continued to meet. Two hours later, our Navy escort came into the room, and he said to the 11 Members of Congress that CNN has just announced that Milosevic is releasing the POWs to Jesse Jackson's delegation. Kric told us that Milosevic did not want to keep them because he was fearful they would be harmed and we would blame him for their injuries. Even though he did not want to release them to Jesse Jackson, he did.

To continue the story and make my point, Mr. Speaker, we all came back home to America. We briefed our colleagues. We briefed the administration. We presented the framework that we negotiated, and 8 days later, or 2 weeks later, that became the basis of the G–8 agreement to end the war. So our work was fruitful, but something interesting happened that applies to September 11.

I got a call from the FBI in my office asking my staff to allow two agents to come over for me to brief them, for me to brief them, on a fellow named Dragomir Kric. I said, Fine, set it up for Monday afternoon in my office in the Rayburn Building. I went back to Pennsylvania, and on the Friday before that Monday, my office paged me with a 911 page. I called them and they said, You must call CIA congressional affairs immediately. I did.

The CIA said, Congressman, we are going to fly two agents to Philadelphia right now. They will meet you at the airport, they will come to your home, they will come to a hotel, wherever you want to meet them, but they have to talk to you immediately. I said, What is the urgency? They said, We have been tasked by the State Department to brief them on Dragomir Kric and we want you to tell us what you know about him. I said, Well, the FBI already asked for that information, why can't we do it together on Monday afternoon?

So that Monday afternoon I had four agents in my office: two CIA agents, one CI person and two FBI agents. For two hours they grilled me with four pages of questions about Kric.

I answered all their questions. I told them that there were four Kric brothers, that they were the owners of the largest banking system in the former Yugoslavia; that they employed some 60,000 people; that their bank had tried to finance the sale of an SA–10 from Russia to Milosevic; that their bank had been involved in a $4 billion German bond scam; that one of the brothers had financed Milosevic's election; that the house Milosevic lived in was really their house; that, in fact, Krics' wives were best of friends with Milosevic's wife; and that they were the closest people to this leader.

I told them all the information. When I got done, Mr. Speaker, I said, Now, do you want to know where I got my data from? They said, Yeah, you got it from the Russians. I said, No. They said, Well, then you got it from Kric. I said, No. I said, Before I went over there I had the Army's information dominant center run a profile for me of Dragomir Kric.

The FBI and the CIA in 1997 said to me, what is the Army's information dominant center? The FBI and the CIA had no knowledge that our military was developing a capability that would be able to do massive data mining of information to allow us to do a profile of a person or an event that was about to happen.

We took that model, based on that lesson which infuriated me as a Member of Congress to be asked to brief the CIA and the FBI, and working with people in the intelligence agencies, I developed a plan. This plan was to create a national collaborative center.

Back in 1997, Mr. Speaker, the national collaborative center where there were articles written, published in the media, technical media here was called the NOAH, N-O-A-H. It stands for National Operations and Analysis Hub. The function of the NOAH would be to have all 32 Federal agencies that have classified systems have a node of each of those systems in one central location managed by one of their employees, and when tasked by the national command authority, the President or the National Security Council, their data would be entered into a massive computer using new software tools like STARLITE and SPIRES and six others that are used by the private sector to do data mining.

In addition to classified information systems, they would also run through massive amounts of unclassified data, newspaper stories, magazine story, TV broadcasts, radio broadcasts. A person cannot do that manually, but they can do it through high-speed computers, as the Army did for me in developing the profile of Kric.

We took this plan and we said to the intelligence community, this is what we need to have to be prepared for threats in the 21st century, because the threats we are going to see over the next several decades will not come only from one nation state, they will come from terrorist organizations. We need to be able to pool all this data together and be able to profile it, analyze it and then come back with a true picture of what may be about to occur.

Mr. Speaker, this was in 1997. I briefed John Hamre. Dr. John Hamre was then the Deputy Secretary of Defense. I said, John, you have got to go down to Fort Belvoir and see this facility; it is amazing. He went down twice. He called me back and he said, Curt, it is amazing what they are doing there. This profiling worked, and they could do it because unofficially some other secret lines were running through Fort Belvoir that the Army could unofficially access. So it really was an official process.

He said, But you know, Curt, I cannot get to where you want to go because the CIA and the FBI will not cooperate and neither will the other agencies. He said, So I have a suggestion for you. Why do you not host a meeting in your office? I will come and you invite my counterparts at the FBI and the CIA.

So, Mr. Speaker, in my office, in 1998, I had the Deputy Secretary of Defense, the Deputy Director of the CIA and the Deputy Director of the FBI, four of us met for 1 hour. We briefed them on the NOAH. We talked about the need for a national collaborative center, national data fusion center; and the response was, We do not need to do that right now, we are doing our own systems in our own agencies; so thank you for your recommendations, and we are trying to share but not the way you want because that is too bold. That is too aggressive. This was 1998, Mr. Speaker.

Not satisfied with that, we held hearings. We did briefings for our colleagues; and in two consecutive defense bills, I put language in the bill that basically said the Defense Department and our intelligence agencies had to create a national collaborative center. So it became a part of the law; but Mr. Speaker, the agencies refused. They

said we do not need to do that, we do our job very well.

Each of them does their job very well, but the problem is the threats in the 21st century will be seen from a number of different sources. It may be information coming from the Customs Department or from the Defense Intelligence Agency or from the NSA or from the CIA or the FBI or Commerce, State and Justice, all of which have classified systems; or it may come from some public statements in articles in other countries. We can only have the capability to understand all of that if we have a national fusion center.

□ 2230

We did not have that capability before September 11. That is why I stood up on September 11, at 12 p.m. in the afternoon and said, ''Today our government failed the American people.'' Because, Mr. Speaker, we knew what we should have done. We knew what we could have done. And we did not do it.

In fact, Mr. Speaker, I firmly believe that if we would have implemented the NOAH, which John Hamre offered to pay for with DOD dollars, back when we first recommended it, I am convinced we could have stopped or known about and prevented September 11 from ever happening.

Let me give an example. CIA information on terrorism, combined with what the FBI knew about training pilots and open-source information on remarks by al Qaeda, would have helped the intelligence community and enforcement agencies focus better on the threat. For example, in August of 2000, an al Qaeda member had been interviewed by an Italian newspaper and reported that al Qaeda was training kamikaze pilots. The intelligence community and enforcement agencies, however, do not read open-source information. Yes, they read all the classified stuff, but this interview in 2000 was in an open-source newspaper account in Italy.

If we would have had a fusion center, all of that data would have been processed, and in very real quick time, through massive high-speed computers, and we would have seen the linkages between what was occurring. But with each agency doing its own thing, it is impossible to see the linkages. And that is why when President Bush before September 11 got a bit of information from the CIA and a bit from the FBI, and something else, and nothing from open sources, there is no way he could have foretold what was about to occur.

If we would have had the NOAH in place, an idea that was developed with the intelligence community, an idea that was briefed to the FBI, briefed to the CIA and briefed to the Defense Department, I think we could have done something to prevent al Qaeda.

In fact, Mr. Speaker, there is another interesting development that occurred. After the Army showed the capability of the LIWAC model at Ft. Belvoir, other services began to take interest. Special forces command down in Florida contacted the Army and said, hey, we hear you are doing some neat things. We want to build a mini version of what you are doing down at our headquarters.

I did not find out about this until October of 2001, after the attack on the trade center. A year before, special forces command developed their own mini version of a data processing or collaborative center with very limited capabilities. But what they did, Mr. Speaker, they did a profile of al Qaeda 1 year before 9–11.

The SPEAKER pro tempore (Mr. ISSA). The gentleman from Pennsylvania (Mr. WELDON) is recognized to continue until midnight.

Mr. WELDON of Pennsylvania. Mr. Speaker, here is the chart, the unclassified chart of what special forces command had 1 year before 9–11. Interesting. The entire al Qaeda network is identified in a graphic chart with all the linkages to all the terrorist groups around the world.

In fact, Mr. Speaker, I was told by the folks who developed the capability for special forces command that this chart and the briefing that was supposed to be given to General Shelton, Chairman of our Joint Chiefs, had a recommendation to take out 5 cells of bin Laden's network. Mr. Speaker, this was 1 year before 9–11. This was not during President Bush's administration. This occurred in the fall of the remaining term of President Bill Clinton.

The key question I have been trying to get at is why was this 3-hour briefing, which I also got, I got General Holland to bring his briefers up from Florida with special forces, I went in the Pentagon, went in the tank, and they gave me the briefing, as much as they could give me, because part of it is being used for our operational plan, why was that 3-hour briefing with the recommendations to take out 5 cells of bin Laden's network condensed down to a 1-hour brief when it was given to General Hugh Shelton in January of 2001? And why were the recommendations to take out 5 cells not followed up on? That is the question we should get answered, Mr. Speaker.

Because 1 year before 9–11, the capability that special forces built actually identified to us the network of al Qaeda. And they went beyond that and gave us recommendations where we could take out cells to eliminate their capability. So for those pundits out there sitting in their armchairs criticizing President Bush, they have it all wrong.

Facts are a tough thing to refute, and the fact is that back in 1997, we told the administration at that time what to do. In 1998, we briefed the agencies. In 1999, we put language in a defense bill. In 2000, we put language in a defense bill. In 2000, special forces command built another mini version of that capability. And in 2000 they briefed General Shelton telling him to take out 5 cells of bin Laden's network. All of that activity could have prevented or helped to prevent 9–11 from ever occurring. I challenge my colleagues, Mr. Speaker, to review the facts. I challenge the media to report the truth.

We still do not have a national collaborative center. That capability still does not exist. We are getting there, but it has been a long road. I briefed our Homeland Security Director Tom Ridge, with the gentleman from Indiana (Mr. BURTON), chairman of the Committee on Government Reform, about 4 months ago. He agreed with us, but he has not yet been able to achieve this new interagency collaborative center, and that is an indictment of our government that the American people deserve to be outraged over.

We need this kind of capability in the 21st century, because these bits of pieces of information have to be pieced together, both classified and unclassified, so that our analysts can get the clear picture of what may be about to occur against our people and our friends.

So, Mr. Speaker, I seek to clarify the charges against the President and to answer them, and I encourage my colleagues to learn more about the need for a national collaborative center, a national data fusion center or, as I call it, a national operations and analysis hub.

Mr. Speaker, I will enter into the RECORD the documentation from as far back as 1998, 1999, and 2000 with our recommendations to implement this kind of capability:

of an Office of Transformation within the Office of the Secretary of Defense to advise the Secretary on—

(1) development of force transformation strategies to ensure that the military of the future is prepared to dissuade potential military competitors and, if that fails, to fight and win decisively across the spectrum of future conflict;

(2) ensuring a continuous and broadly focused transformation process;

(3) service and joint acquisition and experimentation efforts, funding for experimentation efforts, promising operational concepts and technologies and other transformation activities, as appropriate; and

(4) development of service and joint operational concepts, transformation implementation strategies, and risk management strategies.

(c) SENSE OF CONGRESS OF FUNDING.—It is the sense of Congress that the Secretary of Defense should consider providing funding adequate for sponsoring selective prototyping efforts, wargames, and studies and analyses and for appropriate staffing, as recommended by the director of an Office of Transformation as described in subsection (b).

SEC. 903. REVISED JOINT REPORT ON ESTABLISHMENT OF NATIONAL COLLABORATIVE INFORMATION ANALYSIS CAPABILITY.

(A) REVISED REPORT.—At the same time as the submission of the budget for fiscal year 2003 under section 1105 of title 31, United States Code, the Secretary of Defense and the Director of Central Intelligence shall submit to the congressional defense committees and the congressional intelligence committees a revised report assessing alternatives for the establishment of a national

collaborative information analysis capability.

(b) MATTERS INCLUDED.—The revised report shall cover the same matters required to be included in the DOD/CIA report, except that the alternative architectures assessed in the revised report shall be limited to architectures that include the participation of All Federal agencies involved in the collection of intelligence. The revised report shall also include a draft of legislation sufficient to carry out the preferred architecture identified in the revised report.

(c) OFFICIALS TO BE CONSULTED.—The revised report shall be prepared after consultation with all appropriate Federal officials, including the following:

(1) The Secretary of the Treasury.
(2) The Secretary of Commerce.
(3) The Secretary of State.
(4) The Attorney General.

DEFENSE INFORMATION AND ELECTRONICS REPORT

WELDON: DOD NEEDS MASSIVE INTELLIGENCE NETWORK FOR SHARED THREAT INFO

Senior Pentagon officials are mulling over an idea proposed by Rep. Curt Weldon (R–PA) that would link classified and unclassified documents in a massive intelligence clearinghouse that could be accessed by 33 federal agencies—a concept similar in some ways to one floated by DOD intelligence officials but with significantly fewer players involved.

''Our problem with intelligence is that we're stove-pipped,'' said Weldon, chairman of the House Armed Services military research and development subcommittee, during a Nov. 8 interview. ''Each agency has its own way of collecting data and analyzing it, but they don't share that information with other agencies. The need is to have a better system of analyzing and fusing data sets across agencies and services—certainly within the Pentagon and the military, but my opinion is that we have to go further than that.''

Weldon first proposed the concept of a ''National Operations Analysis Hub'' to Deputy Defense Secretary John Hamre last June, although the congressman said he kept his initiative quiet until a stronger plan could be developed.

The Pentagon-funded network of agencies would be operated by DOD. According to Weldon, it would pull together large amounts of information to produce intelligence profiles of people, regions and national security threats, such as information warfare and cyber-terrorism.

''The NOAH concept of a national collaborative environment supporting policy and decision-makers mirrors the ideas you have expressed to me in recent discussions, and it is a tangible way to confront the growing asymmetrical threats to our nation,'' Weldon wrote in his July 30 letter to Hamre.

The NOAH concept, however, was not wholeheartedly embraced by Hamre, who met with Weldon last summer and told the congressman his suggested use of the Army's Land Information Warfare Activity at Ft. Belvoir, VA, as a model for NOAH, would never stick.

Because LIWA is already short of resources, the Army is apprehensive about taking on any new tasks, Hamre told Weldon.

Weldon, in a July 21 letter to Hamre, also urged the Pentagon to support additional future funding for LIWA, citing critical budget shortfalls that he said have kept the agency from fulfilling a barrage of requests for intelligence files from Army commanders (Defense Information and Electronics Report, July 30, p1).

''There's massive amounts of data out there, and you have to be able to analyze it and create ways to focus on that data so its relevant to whatever you're interested in,'' he said this week about his support for LIWA. ''Well, the Army has already done that.''

While Weldon continues to push for NOAH to be patterned after LIWA, he sees it operating on a much larger scale. Impressed by its ability to pull together huge amounts of both unclassified and classified data, Weldon noted LIWA's Information Dominance Center can create in-depth profiles that could be useful to the CIA, FBI and the White House. Yet most federal agencies don't even know LIWA exists, he added.

''Right now the military is limited to [its] own sources of information,'' Weldon said. ''And in the 21st century, a terrorist group is more than likely going to be involved with terrorist nations. So the boundaries are crossed all the time. We don't have any way to share that and get beyond the stove-pipping.''

Meanwhile, officials within the Defense Department's intelligence community have been considering another way to amass intelligence information through a concept called the Joint Counter-intelligence Assessment Group. A DOD spokeswoman said proponents of the idea, for now, are unwilling to disclose details about it. She was also unable to say whether a formal proposal to Hamre had been made yet.

In Weldon's July 30 letter to Hamre, however, Weldon alludes to an ongoing, ''initiative to link counterintelligence groups throughout the community.''

''I have heard of an attempts to connect the Office of Drug Control Policy (ONDCP) and [Office of the Secretary of Defense] assets with federal, state and local law enforcement agencies,'' Weldon wrote.

However, Weldon said in the interview he believes JCAG is simply more ''stove-pipping.''

'I also have seen what the Army has done at LIWA, which has created a foundation for creating a higher-level architecture collaborating all of these efforts,'' his July letter states.

NOAH would link together almost every federal agency with intelligence capabilities, including the National Security Agency, the National Imagery and Mapping Agency, the Energy Department, the CIA and the FBI. Both Congress and the White House would be offered a ''node'' for briefing capabilities, meaning intelligence agencies could detail situations on terrorist attacks or wartime scenarios.

''It's mainly for policymakers, the White House decisionmakers, the State Department, military, and military leaders,'' he said.

Although information-sharing among the intelligence community has yet to be formalized through NOAH or JCAG or a similar system, military officials have said they need some kind of linked access capability.

Intelligence systems need to be included within the Global Information Grid—the military's vision of a future global network that could be accessed from anywhere in the world, said Brig. Gen. Marilyn Quagliotti, vice director of the Joint Staff's command, control, communications and computers directorate, during a Nov. 5 speech on information assurance at a conference in Arlington, VA.

''We need a more integrated strategy, including help from [the Joint Staff's intelligence directorate] with intelligence reports or warnings of an attack,'' she said.

Quagliotti said the toughest challenge for achieving ''information superiority'' is the need to unite networks and network managers under one command structure with stronger situational awareness capabilities.

''Part of [the challenge] is the overwhelming amount of information, the ability to access that Information, and the ability to reach back and get that information, which means that networks become more crucial to the warfight,'' she said.

[From Signal, Apr. 2000]

FUSION CENTER CONCEPT TAKES ROOT AS CONGRESSIONAL INTEREST WAXES

Creation of a national operations and analysis hub is finding grudging acceptance among senior officials in the U.S. national security community. This fresh intelligence mechanism would link federal agencies to provide instant collaborative threat profiling and analytical assessments for use against asymmetrical threats. National policy makers, military commanders and law enforcement agencies would be beneficiaries of the hub's information.

Prodded by a resolute seven-term Pennsylvania congressman and reminded by recent terrorist and cyberthreat activities, the U.S. Defense Department is rethinking its earlier aversion to the idea, and resistance is beginning to crumble. Funding to establish the national operations and analysis hub (NOAH), which would link 28 federal agencies, is anticipated as a congressional add-on in the Defense Department's new budget. An initial $10 million in funding is likely in fiscal year 2001 from identified research and development accounts.

Spearheading the formation of NOAH is Rep. Curt Weldon (R–PA), chairman of the U.S. House of Representatives National Security Committee's military research and development subcommittee. He emphasizes that challenges facing U.S. leaders are beginning to overlap, blurring distinction and jurisdiction. ''The increasing danger is both domestic and international.''

Conceptually, NOAH would become a national-level operations and control center with a mission to integrate various imagery, data and analytical viewpoints. The intelligence products would support U.S. actions. ''I see NOAH as going beyond the capability of the National Military Command Center and the National Joint Military Intelligence Command. NOAH would provide recommended courses of action that allow the U.S. to effectively meet emerging challenges in near real time,'' the congressman illustrates.

''This central national-level hub would be composed of a system of agency-specified mini centers, or 'pods,' of participating agencies and services associated with growing national security concerns,'' Weldon reports. ''NOAH would link the policy maker with action recommendations derived from fused information provided by the individual pod.'' Automation and connectivity would allow the pods to talk to each other in a computer-based environment to share data and perspectives on a given situation.

The congressman believes that NOAH should reside within the Defense Department and is modeling the hub's concept on a U.S. Army organization he closely follows. He says the idea for NOAH comes from officials in several federal agencies. However, it is also based on his own experiences with the U.S. Army's Intelligence and Security Command's (INSCOM's) Land Warfare Information Activity (LIWA) and Information Dominance Center, Fort Belvoir, Virginia.

Patterned after LIWA, (SIGNAL, March, page 31), NOAH would display collaborative threat profiling and analysis. With the aid of a variety of electronic tools, the hub would support national actions, Weldon discloses.

The congressman is conscious of other initiatives such as linking counterintelligence groups throughout the community. He also

is aware of the Central Intelligence Agency's (CIA's) counterterrorism center, the Federal Bureau of Investigation's (FBI's) National Infrastructure Protection Center and a new human intelligence (HUMNIT) special operations center. ''We don't need another analytical center. Instead, we need a national-level fusion center that can take already analyzed data and offer courses of action for decision making,'' he insists.

Weldon's wide experience in dealing with officials from the FBI, CIA and the National Security Agency (NSA) convince him that policy makers are continuing to work in a vacuum. ''Briefings and testimonies are the primary vehicles for transmitting information to leaders. The volume of information germane to national security issues is expanding so rapidly that policy makers are overwhelmed with data,'' he claims.

Robust situational awareness of asymmetric threats to national security is a key in assisting leaders, Weldon observes. ''Policy makers need an overarching information and intelligence architecture that will quickly assimilate, analyze and display assessments and recommend courses of action for many simultaneous national emergencies,'' he declares. The concept of NOAH also calls for virtual communications among policy makers.

Weldon's plan is for White House, Congress, Pentagon and agency-level leaders each to have a center where they receive, send, share and collaborate on assessments before they act. He calls NOAH the policy maker's tool. In the collaborative environment, the hub would provide a multiissue, multiagency hybrid picture to the White House situation room and the Joint Chiefs of Staff.

NOAH's concept also includes support for HUMINT and peacekeeping missions along with battle damage assessment. The same system could later help brace congressional committees and hearings. The new capability would allow application of foreign threat analyses to policy, while providing a hybrid situational awareness picture of the threat, Weldon relates. Industrial efforts of interest to the policy maker could be incorporated, and academia also could be directly linked.

In meetings with high-level FBI, CIA and defense officials, Weldon stressed the need to ''acquire, fuse and analyze disparate data from many agencies in order to support the policy maker's actions against threats from terrorism, [ballistic missile] proliferation, illegal technology diversions, espionage, narcotics [trafficking], information warfare and cyberterrorism.'' He is convinced that current collection and analysis capabilities in various intelligence agencies are stovepiped. ''To some extent, this involves turf protection, but it clearly hinders policy making.''

Weldon, who was a Russian studies major, offers some of his own recent experiences as examples of why there is a strong need for NOAH. He maintains close contact with a number of Russians and understands their programs and technologies. The congressman is quick to recall vignettes about Russian officials and trips to facilities in the region.

During the recent U.S. combat action involvement in Kosovo, Weldon was contacted by senior Russian officials. Clamoring for Russia to be involved in the peace process they claimed that otherwise upcoming elections could go to the communists. The Russians proposed a Belgrade meeting with Weldon, congressional colleagues, key Serbian officials and possibly Yugoslave President Slobodan Milosevic.

After the first meeting with key officials from the departments of State and Defense and the CIA, Weldon and other members of Congress went to Vienna, Austria. The State Department objected to a meeting in Belgrade, suggesting instead a neutral site. Before the departure, the Russians informed Weldon that Dragomir Karic, a member of a powerful and wealthy Kosovo family, would attend the meeting. Karic's brother was a member of the Milosevic regime.

At the end of the Vienna meeting, the Russians and Karic told Weldon that if he would accompany them to Belgrade, Milosevic was prepared to meet with them and publicly embrace a peace agreement concept reached during the Vienna meeting. The agreement would have directly involved Russia in the peace process. A diplomatic official with the U.S. delegation telephoned Washington, D.C., and the State Department objected to the Belgrade trip. The congressman and his colleagues returned home.

As soon as he arrived in Washington, D.C., the FBI telephoned to request a meeting with Weldon to gather details on Karic. It was clear, Weldon reports, they had very little information on him or his family. The following day, the CIA telephoned the congressman and asked for a meeting ''about Karic.'' Instead, the congressman proposed a joint meeting with CIA and FBI agents in his office. Two officials from each agency attended with a list of questions.

Weldon learned from the agents that they were seeking information on Karic to brief the State Department. When he explained that the information came from the Army and LIWA, the CIA and FBI agents had no knowledge of that organization, he confirms. Before his departure for Vienna, the congressman received a six-page LIWA profile of Karic and his family's links to Milosevic.

''This is an example of why an organization like NOAH is so critically necessary,'' Weldon contends. ''LIWA's Information Dominance Center provides the best capability we have today in the federal government to assess massive amounts of data and develop profiles. LIWA uses it contacts with other agencies to obtain database information from those systems,'' he explains. ''Some is unclassified and some classified.''

Weldon cites an ''extraordinary capability by a former CIA and Defense Intelligence Agency official, who is a LIWA profiler, as one of the keys in LIWA's success. She does the profiling and knows where to look and which systems to pull information from in a data mining and extrapolation process,'' he proclaims. ''She makes the system work,''

Weldon intends to use LIWA's profiling capability as a model for building NOAH. ''My goal is to go beyond service intelligence agencies and integrate all intelligence collection. This must be beyond military intelligence, which is too narrow in scope, to provide a governmentwide capability. Each agency with a pod linked to NOAH would provide two staff members assigned at the hub, which would operate continuously. Data brought together in ''this cluster would be used for fusion and profiling, Which any agency could then request,'' he maintains.

NOAH would not belong to the Army, which would continue with its own intelligence capabilities as would the other services. There would only be one fusion center, which would handle input from all federal agencies and from open sources. Weldon explains. ''NOAH would handle threats like information operations and examine stability in various regions of the world. We need this ability to respond immediately.'' The congressman adds that he recently was briefed by LIWA on very sensitive, very limited and scary profile information, which he describes as ''potentially explosive.'' In turn, Weldon arranged briefings for the chairman of the House National Security Committee, the Speaker of the House and other key congressional leaders.

''But this kind of profiling capability is very limited now. The goal is to have it on a regular basis. The profiling could be used for sensitive technology transfer issues and information about security breaches,'' the congressman allows. LIWA has what he terms the fusion and profiling state-of-the-art capability in the military, ''even beyond the military.'' Weldon is pressing the case for NOAH among the leaders in both houses of Congress, ''It is essential that we create a govenmentwide capability under very strict controls.''

Weldon adds that establishing NOAH is not a funding issue; it is a jurisdictional issue. ''Some agencies don't want to tear down their stovepipes. Yet, information on a drug lord, as an example, could be vitally important to help combat terrorism.'' He makes a point that too often, federal agencies overlap each other in their efforts to collect intelligence against these threats, or they fail to pool their resources and share vital information. ''This redundancy of effort and confusion of jurisdiction only inhibits our nation's capabilities,'' he offers.

NOAH would provide high-bandwidth, virtual connectivity to experts to agency pod sites. Protocols for interagency data sharing would be established and refined in links to all pod sites. The ability to retrieve, collate, analyze and display data would be exercised to provide possible courses of action. A backup site would be established for redundancy, and training would begin on collaborative tools as soon as it is activated.

This hub system would become part of the national policy creation and execution system. The tools available at LIWA would be shared so that every agency would have the same tools. Weldon explains that all agencies would post data on the National Reconnaissance Office (NRO) highway in a replicated format sensitive to classification. NOAH's global network would use the NRO system as a backbone.

NOAH optimizes groups of expertise within each organization—experts who are always on hand regardless of the issue. This approach ties strategic analysis and tactical assessment to a course of action.''Before the U.S. can take action against emerging threats, we must first understand their relationship to one another, their patterns, the people and countries involved and the level of danger posed to our nation,'' Weldon says, ''That is where NOAH begins.''

STEPS TO ACHIEVE NOAH CAPABILITY

Establish baseline capability by building initial Hub Center and congressional virtual hearing room. Equip White House Situation Room to Collaborate with these sites.

Staff the Hub Center with two reps from each of the 28 key participating agencies.

Link up NOAH internal and external collaborative environment.

Hook in Back up Site for redundancy and begin training on collaborative tools.

Build the 28 Key Agency Pod Sites along model of the Information Dominance Center at Fort Belvoir, VA.

Link all Pod Sites to NOAH hub center.

Establish Protocols for Inter-agency data sharing.

Exercise live ability to retrieve, collate, analyze, display disparate data and provide policy makers course of action analysis at the NOAH Hub Center.

Refine procedures and Protocols.

AGENCIES REPRESENTED IN THE NATIONAL COLLABORATIVE CENTER

Central Intelligence Agency
Defense Intelligence Agency
National Imagery and Mapping Agency
National Security Agency

National Reconnaissance Office
Defense Threat Reduction Agency
Joint Chiefs of Staff
Army/LIWA
Air Force
Navy
Marine Corps
Joint Counter-Intelligence Assessment Group
ONDCP
FBI
Drug Enforcement Agency
U.S. Customs
National Criminal Investigative Service
National Infrastructure Protection Center
Defense Information Systems Agency
State Department
Five CINCs
Department of Energy
Department of Commerce
Department of the Treasury
Justice Department
Office of the Secretary of Defense
National Military Command Center
National Joint Military Intelligence Command

Elements to be connected to the national collaborative center would include the White House Situation Room, a Congressional Virtual Hearing Room and a possible redundant, or back-up site.

Mr. Speaker, the second topic I want to touch upon briefly is the President's summit, which will take place in Russia this week. When the President travels to Moscow and St. Petersburg this week, he will have something that no other president has had before in our relationship with Russia. This President will take with him a document that was prepared by a bipartisan group of our colleagues in the House and the Senate, supported by all the major U.S.-Russia thinktanks to broaden our relationship with Russia.

A year ago, I started working on trying to forge a new direction for our relationship with Russia. I contacted all the thinktanks from Harvard and Columbia to Monterrey, to the U.S.-Russia Business Council, the Tolstoy Foundation, Georgia Tech, and all those schools doing work with Russia and all those nonprofits and NGOs. I said, first of all, tell me what you are doing with Russia. Because, surprisingly, Mr. Speaker, not one Federal agency had a complete list of all the initiatives between the U.S. people and the Russian people, U.S. agencies and Russian agencies, U.S. NGOs and Russian NGOs.

That document became a 9-page appendix in the back of the report we prepared for President Bush, for the first time listing all the activities that we are engaged in with Russia on. How can we have a relationship when we do not even know what we are doing with that country and its people?

□ 2340

I also asked those groups to make recommendations for me of what new things we could be doing with Russia to expand our relationship beyond the issues where we disagree. Because you see, Mr. Speaker, in the past our Presidents would meet and they would argue over issues that we disagree on, how many missiles we had, how many nuclear weapons, the ABM treaty, and we argue when neither side trusts the other.

My point is before we can get to those difficult issues, we have a new President in Russia, a new President in America, a new Congress, why do we not expand our relationship based on the new direction Putin is taking Russia and truly become friends with the Russian people?

The resultant recommendations that we produced are contained in this document. Members can get it on my Web site, both in Russian and in English. It is also being transmitted over in Russia to the Duma, and I presented it to Putin himself in October of last year. This document, Mr. Speaker, says, and I hope that the upcoming summit will build on this and I am confident it will, that our relationship with Russia should be expanded to 11 areas, not just defense. They include agriculture, culture and education, economic development, energy and natural resources, the environment, health care, judicial and legal, local government, science and technology, space and aeronautics and defense and security. There are 108 recommendations. Some do not require any new programs, simply changes legislatively, like ratification of the Law of the Sea Convention basically elevating Russia out of Jackson-Vanik, supporting Russia's accession to the WTO, restructuring of the London and Paris Club debt.

Other recommendations require action on the part of the administration and the Congress. Many of these recommendations do not involve public money. They involve simply the support of existing private relationships, school to school, company to company, NGO to NGO. In fact, in the area of culture, that entire document was written by the Tolstoy Foundation. They receive no public money. All of their work is done with foundation and donations. In the economic area, we dealt with the U.S.-Russia Business Council. They gave us their recommendations. In health care I went to the Academy of Physicians. They are doing work in Russia in training doctors and nurses. They wrote that recommendation. The resultant document, 45 pages long, gave this President something no other President had, a detailed blueprint to expand the relationship between Russia and the U.S. to a new level.

In giving this to the President, Mr. Speaker, I did not want it to come from me. So I went to our colleagues in the House and the Senate. I had 2 days prior to the October summit to get signatures. Every Member I went to agreed to sign on as a supporter of this document and its recommendations. In the Senate, I went to CARL LEVIN, JOE BIDEN, and DICK LUGAR. They signed the front page with me. In the House I went to the far left, my good friend DENNIS KUCINICH who chairs the Progressive Caucus who immediately signed on. He has been with me to Russia three times. I went to my good friend BERNIE SANDERS who has traveled to Russia with me, who is our only socialist in the Congress. I went to the chairman of the Hispanic Caucus, SILVESTRE REYES, who signed the document responding and representing all the Hispanic Members and moderate Democrats like HOWARD BERMAN, NORM DICKS, JACK MURTHA, all signed on in support of this new relationship.

On the conservative side I went to our colleagues and friends ROSCOE BARTLETT and JOE PITTS, JOHN DOOLITTLE, they all signed on, as well as the leadership, DICK ARMEY, CHRIS COX, J.C. WATTS, and HENRY HYDE.

In the end, Mr. Speaker, when this document was given by me to President Bush, Condoleezza Rice, and to President Putin before he left for Crawford, Texas, by me, it had the signatures of one-third of the Congress. So as President Bush travels to St. Petersburg and Moscow this week, he now has the unified support of this Congress to broaden our relationship with Russia like we have never done before. It is up to our President and the Russian President to stake out new territory.

The arms control agreement they have reached is historic. I commend President Bush overwhelmingly for what he has done to reduce the nuclear weapons from 6,000 to 2,000 on both sides. That in itself is a historic item, as is the new relationship with Russia and NATO. But, Mr. Speaker, that is not enough. The stars are all aligned this week. We have a new President in Russia who has done some dramatic things, things that would never have been thought of over the past 10, 15 years in Russia. He shut down Russia's largest listening station against us in Cuba without our asking. He ordered the pullback of trainloads of Russian military supplies in Moldova on the European border without our request. He offered us his airport that used to be a Soviet military base in Uzbekistan where our troops are currently housed.

He was the first elected official on September 11 to call President Bush to say Russia will give you whatever you need to fight terrorism. It was not Tony Blair. It was Putin. And he has given us full access to Russia's intelligence.

So we have a president in Russia who is taking some dramatic steps. He is being criticized for that back home. In fact, just a month and a half ago, 41 retired generals and admirals and two former defense ministers in Russia took out a full page ad in a Russian publication called Nezavizimaya Gazeta, one of the largest publications in Moscow. That full page ad criticized Putin for moving too close to America, for getting too friendly with the West.

You see, Mr. Speaker, there are hard-liners in Russia that want to take us back to the Cold War, that do not like America and Russia coming together; but it is not just in Russia, Mr. Speaker. There are hard-liners in our country that do not like the direction we are going in, either. President Bush and

President Putin have got to pull away from the Cold War mentality, those hard-liners in both countries, and have a historic opportunity to move our two nations into a new relationship, a relationship of trust, of understanding, and of mutual engagement, in the areas of health care, education, environment, energy, to show the Russian people that we truly want them to be a successful nation, that we want to be partners with them; and I am convinced now more than ever that we need Russia.

We need to reduce our dependency on Middle Eastern crude oil which is the reason why we have the major problem in the Middle East today, in Israel. If we reduce our dependency on Middle Eastern crude, the Russians have vast amounts of crude and gas that we can help them develop. We must work with them together.

So, Mr. Speaker, I wish the President well. I will lead a 19–Member delegation into Moscow the day that President Bush comes back home. We will follow up his meetings with Putin with members of the Duma and the Federation Council. We will follow up on the recommendations of the document and on Monday morning we will listen to President Putin give us a summary of his feeling about the summit. I am optimistic, Mr. Speaker, because I think these two Presidents are going to fundamentally change the face of the world security relationship. Russia and America, two archenemies for 70 years, I think in the 21st century will become two partners that will work to stabilize the world. Russia can assist us in dealing with Iran and Iraq because of their ties to those countries. In fact, Russia can assist us in a number of areas, in energy, in technology. It is in our interest and in theirs to work together.

Just 2 weeks ago on the floor of this Chamber, we took another historic vote. I offered an amendment to the defense bill that was supported by 362 Members of Congress from both parties to challenge the Russians to provide full transparency on their nuclear weapons, their nuclear testing, their nuclear program. That same day in my office, I was meeting with the Russian minister of atomic energy. He is a friend of mine. I have known him for the past 5 years when he worked at Kurchatov Institute for my friend Yevgeny Velakof. The minister of atomic energy was in my office when we voted on an historic measure that I offered to provide full transparency in our nuclear relationship with Russia. My hope is that this too will become a point of discussion between Presidents Bush and Putin, because if we truly want further arms reductions, if we truly want to have a more secure world, it has got to start by building a trust that we have not had for the past 10 years.

And if I were a Russian, I would not have trusted us either during the 1990s. After all, we turned our back when Yeltsin's friends were stealing billions of dollars of IMF money. We pretended we did not see it, because we did not want to embarrass Boris Yeltsin. And when we saw evidence of technology being transferred out of Russia, by disgruntled generals and admirals, we pretended that we did not see that because we did not want to embarrass Yeltsin. So the Congress misread that and blamed the Russian Government and said we do not want to work with this country. So during the 1990s, we lost the trust and confidence of the Russian people. The best evidence of that to me was comparing what I saw in 1992 when Boris Yeltsin stood on a tank outside the Moscow White House waving the Russian flag with 20,000 or 30,000 Russians surrounding him, declaring the Soviet Union was dead, Communism had ended, Russia was a new country.

□ 2350

During that same speech, Yeltsin said America and Russia will be partners together, and the Russian people cheered. That was in 1992 when Yeltsin gave that speech.

Compare that to 1999. Yeltsin has health problems, drinking problems. Russia is filled with corruption, which we ignored. 1999, Yeltsin is being railroaded out of office, his popularity is down to 2 percent. The only people supporting Yeltsin was the United States leadership. That is why in the fall of 1999, two months before Yeltsin left office, 20,000 new Russians gathered outside our embassy in Moscow and burned the American flag, fired weapons at our embassy, and threw paint at the walls of our embassy compound. In seven short years we had gone from Russia's partner to the Russian people saying ''we don't trust you, America.''

This week, President Bush and President Putin have a chance to change all that, and unlike any other time, they have got the Congress behind them, the Duma behind them, the Federation Council behind them. Members of Congress will be in Moscow right following the summit telling the Russian people that this truly is a new time, a new beginning.

I ask and I urge all of my colleagues to thank the President for his leadership and to continue to support those efforts, especially passage of the Jackson-Vanik legislation, that will truly allow Russia to become a close partner and ally of our Nation.

Mr. Speaker, following our trip to Russia, we are going to do a few other historic things I want to highlight for our colleagues. We will leave Russia on Monday, after meeting with Putin in the morning and the Members of the Duma and the Federation Council, and we will fly in our military plane to Uzbekistan. In Taskent we will meet with the President of the country and leaders of their parliament.

Uzbekistan is a shining example of a former Soviet State that has now become one of our strongest allies, opening up its territory for our troops. We will visit with their parliament and we will challenge them to start a new relationship between their parliament and our Congress like we have done with the Russian Duma, the Ukrainian Rada, the Moldavian Parliament.

While in Uzbekistan, after meeting with their leaders, we will go to our military base, we will meet with our troops, we will give them home-baked cookies from the kids and families of America, we will give them 6,000 handmade greeting cards from elementary school children, we will give them Hershey candy bars and TastyKakes from Pennsylvania, and talk to them about what life is like back here in the States.

We may also visit one of our base camps in Afghanistan to show our support there for our troops as well.

Then we will leave Uzbekistan and we will travel to Beijing, China. In Beijing we will meet with the incoming leader, Mr. Hu, who was just recently in the U.S. I will speak at the National Defense University of the People's Liberation Army, the third time I have spoken there. I will give a speech on a major university campus in Beijing and interact with the up and coming leaders of that country.

We will also meet with the chairman and leadership of the People's Congress to talk about areas of mutual concern and interest between the U.S. and China.

We will leave Beijing on Thursday and fly into Pyongyang, North Korea, the first time ever that a U.S. Congressional delegation in a bipartisan, open way has visited North Korea. What a historic opportunity for us to open the door for dialog with the leaders of North Korea.

We will not be there to endorse them, we will not be there to support their government, because it is a communist dictatorship. We will be there to tell them as human beings we have to talk, we have to meet, we have to speak and exchange our views. And we want to tell them that we care about their people, we care about the education of their kids, the ability for them to feed their people and the ability of them to provide a stable quality of life for North Korean citizens. We will not reach any landmark agreements. We will do something that needs to be done, we will open the door to North Korea.

I will be taking a letter with me, Mr. Speaker, from the President of Drexel University in Philadelphia, a school with a huge population of foreign and Korean students, and the president of Drexel, Constantine Papadakis, will invite the President of the largest university in North Korea to establish an academic relationship between the two schools.

We will also be carrying a letter from the Foreign Policy Research Institute in Philadelphia offering to host a conference in America on U.S.-North Korean relations.

I will be carrying a third letter signed by students of Drexel to students of the largest university in North

Korea asking to have a student exchange of letters and eventually trips back and forth. We will also discuss our relations with the People's Congress in North Korea and ways we can work together. Hopefully this will be the start of the opening up and the thawing of the relations between our country and North Korea.

Following our trip to Pyongyang, we will travel to Seoul, Korea. In Seoul we will brief the South Koreans who are enthusiastically supporting our trip about our discussions. We will brief the incoming candidates for the presidency of that country in the elections later this year. We will brief the parliamentary leaders, and give a press conference to the world about the trip and the implications of building peace with the Russians, the Uzbekis, the Chinese, the North Koreans, and our good friends, the South Koreans.

Mr. Speaker, what this all says is this Congress plays a vitally crucial role in not just helping to prevent incidents like 9/11 with recommendations that the administration needs to listen to, but this Congress also plays a constructive role in building peaceful relations with those countries that would be our enemy. I thank our colleagues for their support of this effort.

Mr. Speaker, I will insert in the RECORD a summary of our New Time, New Beginning document, as well as the accompanying letter signed by one-third of the Congress that was hand-delivered to President Bush and to President Putin prior to the Crawford Summit, which we hope will be the basis of the St. Petersburg summit.

I thank the staff and you for your indulgence in allowing me to present this information today.

HOUSE OF REPRESENTATIVES,
Washington, DC, November 7, 2001.

President GEORGE W. BUSH,
Washington, DC.

DEAR PRESIDENT BUSH: As you prepare for the upcoming summit with President Putin, we commend the positive approach you have established with Russia. Too often, the focus of our bilateral relations has been on defense and security—precisely the issues on which our interests often collide. It would be more useful, as we move forward with a Russian policy for the 21st century to take a more holistic approach—one that takes into account Russia's myriad concerns as well as our own.

Therefore, in consultation with many of the leading experts on Russia, we propose a series of bipartisan initiatives to engage Russia on issues such as the environment, energy, economic development, health care—as well as defense and security. We call this proposal ''A New Time, A New Beginning.'' Some of these are new ideas, but many are not. Many of these initiatives are already underway, and need additional support to make even greater progress.

Such engagement is in the U.S. interest as well as Russia's. If the United States and Russia cooperate on issues across the board, Russia will be more likely to work closely with America on the national security issues that matter most to us—missile defense, the war against terrorism, and proliferation.

We encourage you to review the enclosed proposal and hope that some of these initiatives will prove useful to you in the ongoing discussions between Russia and America. We look forward to working with you to forge a new relationship that will benefit both our countries.

Thank you for your consideration of this request.

Sincerely,

Connie Morella, Jim Maloney, Cass Ballenger, Nathan Deal.

Jerry Weller, Jim Gibbons, Jim Ryun, Judy Biggert, Jerry Costello, Eddie Bernice Johnson, Stephen Horn, Kay Granger, Ed Schrock, Tom Davis, Randy Cunningham, Gary Condit, Randy Forbes, Steven LaTourette, Joe Skeen, Bob Borski, Lincoln Diaz-Balart, Chris Smith.

Adam Putnam, Frank Pallone, Johnny Isakson, Robert Andrews, Bernie Sanders, Nick Lampson, Rod Blagojevich, Jim Saxton, Jim Turner, Mike Ferguson, Van Hilleary, Ed Royce, Bob Filner, Luis Gutierrez, Danny Davis.

Jane Harman, Rick Boucher, Christopher John, Todd Akin, Dave Weldon, Bart Gordon, Virgil Goode, Jr., Alan Mollohan, Frank Wolf, Hilda Solis, Rush Holt, Carrie Meek, Amo Houghton, Paul Kanjorski, Bob Goodlatte, Doug Bereuter, John Shimkus, J.D. Hayworth.

James Greenwood, Kevin Brady, Bob Brady, Melissa Hart, Phil English, John Thune, Tom Allen, George Gekas, Robert Andrews, Mike Doyle, Shelly Moore Capito, Rob Simmons, Todd Akin.

A NEW VISION FOR U.S.-RUSSIAN RELATIONS

INTRODUCTION

Those of us who value the U.S.-Russian relationship have been on a roller-coaster ride for the past decade. During the heady days of the fall of the Berlin Wall and the ensuing collapse of the Soviet Union, it appeared that our two countries would cooperate as never before. The world cheered when Presidents Bush and Yeltsin hailed a new ''strategic partnership'' between America and Russia.

There followed, however, a dark period—marked by misguided American policies and rampant Russian corruption. The Russian economy sagged as American aid—money meant for the Russian people—was siphoned off and stashed in Swiss banks and American real estate investment. At the same time, NATO's war in Kosovo strained the already sinking bilateral relationship. What were the results of this increasingly bitter disenchantment? A more aggressive Russian foreign policy, increased proliferation from Moscow to rogue states, and the final coup de grace: Russia and China announcing last year a new ''strategic partnership''—against the interests of America and the West.

Now is the time, with new leaders in Washington and Moscow, to improve the relationship for the long-term.

My interest in this relationship began when I was nineteen years old, when a college professor convinced me to switch my major to Russian Studies. Since that time, I have been fascinated with the Soviet Union and Russia—and have traveled there more than twenty-five times.

I began my travels when I was a member of my local County Council and was invited to travel to Moscow by the American Council of Young Political Leaders. I have continued to visit Russia since my election to Congress, as a member of the House Armed Services Committee, and later as co-chairman of the Duma-Congress Study Group, the official interparliamentary exchange between the U.S. and Russia.

My interactions with leaders across Russia have taught me that the Russians are a proud people, historically aware, and mindful of Russia's unique global role. Increasingly, they are becoming aware of the limitless possibilities of U.S.-Russian cooperation on a host of issues.

This brief paper, then, is an effort to weave together a comprehensive program of U.S.-Russian cooperation across a wide-range of issues.

Too often, the focus of our bilateral relations has been on defense and security—precisely the issues on which our interests often collide. It would be more useful, as we move forward with a Russian policy for the 21st century, to take a more holistic approach—one that takes into account Russia's myriad concerns as well as our own.

Therefore, in consultation with many of the leading experts on Russia, I propose a series of initiatives to engage Russia on issues like the environment, energy, economic development, and health care—as well as defense and security. Some of these are new ideas, but many are not. Many of these initiatives are already underway, and need additional support to make even greater progress.

Such engagement is in the interest of the U.S. as well as Russia. For if the U.S. and Russia are cooperating on issues across the board, Russia will be more likely to work closely with America on the national security issues that matter most to us—missile defense, the war against terrorism, and proliferation.

This is not, and will never be, a finished product. The contours of our bilateral relationship change daily with world events. Nor will it likely be turned into a grand legislative proposal, although certainly parts of it may be. I hope that it is a starting point for discussions between Russia and America on ways that we can forge a new relationship that will benefit both our countries.

For if we make a new American-Russian relationship, one based on common interests that benefit the citizens of both countries, then we will make great progress—not just for America and Russia alone, but for peace and stability across the globe.

Rep. Curt Weldon (R-PA)

U.S.-RUSSIA PARTNERSHIP

A NEW TIME A NEW BEGINNING

Summary of recommendations

Agricultural Development: Assist in agricultural production; expand private-sector investment; and enhance capacity to purchase essential agricultural inputs, commodities and equipment.

Cultural/Education Development: Expand cultural ties outside the major cities; assist regional museums in generating tourism; and provide for more Russian language and cultural studies in U.S. schools.

Defense and Security: Initiate new bilateral talks similar to the Ross-Mamedov talks on a Global Protection System; move forward with joint talks on a new non-proliferation regime; and encourage progress on the RAMOS program and restructure the Nuclear Cities Initiative.

Economic Development: Help facilitate Russia's accession to the WTO and its acceptance of all WTO agreements; increase funding for OPIC and EX–IM Bank projects in Russia; and work with Russia to improve intellectual property rights.

Energy/Natural Resources: Foster cooperative pilot projects, starting with oil and gas exploration in Timan Pechora; convene bilateral task force to discuss the energy ramifications of the war on terrorism; and eliminate bureaucratic obstacles to joint cooperation on energy.

Environmental Cooperation: Develop a revolving fund to assure development of promising Russian technologies; expand debt for

nature swaps; and dramatically expand cooperation on marine science research.

Health Care: Increase emphasis on chronic disease like cardiovascular disease and diabetes; develop more extensive physician exchange programs; and augment existing cooperation between NIH and appropriate Russian research institutes.

Judicial/Legal Systems: Support expansion of jury trials into all Russian regions; expand Environmental Public Advocacy Centers into Russia; and encourage a doubling of the number of legal clinics.

Local Governments: Propose ways to expand the tax base available to local governments; encourage political participation by increasing local partisan affiliations; and encourage the gradual devolution of services to the local level.

Science and Technology: Increase cooperation in the area of nuclear fuel cycles; expand cooperative fusion research on nonpolluting energy solutions; and involve Russian industry in embryonic U.S. nanotechnology efforts.

Space and Aeronautics: Utilize commercial joint ventures to enable Russia to meet its Space Station obligations; increase joint projects on space solar power, propulsion technology, and weather satellites; and cooperate on mutually-beneficial planetary defense tracking technologies.

AGRICULTURAL DEVELOPMENT

Summary

United States government resources are employed in Russia to enhance Russia's capacity to purchase essential agricultural inputs, commodities, and equipment in order to assist agricultural production and expand private-sector investment to improve Russia's agricultural infrastructure. Neither Russia's government nor the private sector alone are willing or able to meet these needs. There are a number of programs carried out through USDA and USAID to benefit Russian agriculture. USDA and USAID officials have stated that there are no cooperative efforts between Russia and the U.S. in any third countries. Most programs are administered by private voluntary organizations (PVOs) which utilize USDA and USAID resources to carry out development activities within Russia. Additionally, private-sector efforts such as the U.S.-Russia Business Council utilize government resources through these programs in order to expand and enhance the U.S.-Russian commercial relationship.

Those PVOs involved in Russian that are actually working at ground level believe that greater efforts are required to improve the country's ability to provide for its citizens. Regarding USDA's programs, the Administration's food aid review, especially with regard to the 416(b) surplus disposal program, has thrown into question the amount of resources available for Russia, since many PVO projects are funded through monetized 416(b) donations. This situation may become clearer once U.S. food aid programs are reauthorized and/or altered through a new farm bill and once the Administration releases its food aid proposals as part of its FY03 budget request. As for USAID, PVOs express the concern that the agency's activities in Russia Require a greater focus on agriculture.

The programs designed as a solution would require U.S. governemnt resources (primarily, through USDA and USAID) because the Russian government and private capital markets cannot or will not provide the resources necessary to improve the Russian agriculture infrastructure. A number of proposals exist, and the number of proposals would increase with a greater commitment to Russian agriculture through USDA and USAID. Such efforts through USDA and USAID would play a key role not only in improving the ability of Russia agriculture to meet the critical needs of its citizens, but in enhancing the Russian private sector and improving the prospects for future earnings of U.S. agribusiness.

Recommendations

Improving credit availability and production practices and attracting investment in Russian agribusiness are the areas of focus for redeveloping Russian agriculture. CNFA's Agribusiness Partnerships Program seeks to build financially and economically viable private sector agricultural systems within Russia and the former Soviet states.

For example, in 1993, the Russian baby food manufacturing industry was supplying less than half of the country's annual baby food required to assure minimum levels of health and nutrition to Russian infants and children. CNFA entered into a partnership with Heinz to increase domestic manufacturing output. Using USAID-funded technical assistance, CNFA and Heinz worked to develop and introduce more nutritious baby food products and enhance local production to increase the Russian baby food sector's ability to meet its domestic demand.

The recovery of Russian domestic production capacity may require foreign equity investment in production facilities and businesses along with access to credits for the purchase of production inputs. Without proactive PVO involvement, neither the Russian government nor private capital markets will be willing or able to meet these needs.

(a) CNFA has a proposal that would establish a fund which will provide long-term investment capital for the development of agricultural production, processing, packaging, and distribution businesses and establish a trade finance facility. This fund would address Russia's inability to purchase critical agriculture inputs and commodities and the lack of investment capital to develop the private sector agricultural infrastructure. The fund would be established through the monetization of USDA food aid commodities within Russia.

(b) Similarly, another PVO, ACDI–VOCA, has submitted a large project proposal to improve rural credit availability and facilitate investment in medium-sized Russian food processing companies. Thus far, the proposal has not received approval. ACDI–VOCA believes the approval has been stalled at the interagency food aid review process due to what it perceives as OMB's unease at utilizing 416(b) donations for monetizing. Again, this proposal would seek to address two principle problems: inadequate access to credit and inadequate capital investment.

CULTURAL/EDUCATIONAL DEVELOPMENT

Summary

Cultural cooperation is known to be one of the best ways to overcome mutual distrust, insularity, and conflict among nations. By working together with artists, writers, musicians, and cultural institutions we can promote artistic freedom, good will, and international exposure, as well as support economic viability in the cultural sector. Additionally, in sharing knowledge, specific techniques, and skills—and in broadening horizons—we are investing positively and constructively toward greater mutual understanding and a more peaceful and stable world for ourselves and coming generations.

Recommendations

Encourage expansion of cultural ties and initiatives outside the major centers. In recent years too much emphasis has been placed by Western institutions on the major centers of Moscow and St. Petersburg. This policy fails to serve the rest of the country as reasons grapple with a range of challenges, from economic problems to the need to regain their own identity.

Create viable links with other like-minded institutions to promote cultural cooperation. Example: With the support of the Soros Foundation through their Open Society project entitled ''Transformation of Russian Society,'' the L.N. Tolstoy Museum/Estate at Yasnaya Polyana (LNM/E) established the first association of museum/estates in Russia. In the mid 1990s, this project assisted in the development of regional museums as focal centers for the preservation and promulgation of local culture, with programs on literature, music, and the arts.

Link regional museum centers to promote much-needed tourism and other support for the economically-depressed heartland of Russia outside the major centers of Moscow and St. Petersburg.

Help to stimulate programs by supporting grassroots initiatives. Example: LNM/E in Tula has been involved for many years now in a project to encourage local artisans and musicians in this economically-depressed region. With assistance from the Soros Foundation, the LNM/E has been able to provide a forum for exhibitions and concerts to help stimulate local talent and find a market for them as well.

Foster interest in and greater appreciation of Russian language and culture among youth in the U.S. and provide Russian language and cultural immersion programs for secondary school students in preparation for college.

Increase funding for collaborative academic and research programs between Russian and American scholars, local government leaders, journalists, heads of NGOs, and researchers.

Allocate more federal funding for cultural initiatives to the private sector. There are many small non-profit organizations in the U.S. which have both cultural sensitivity and proven track records, yet cannot compete for AID funding because of current bureaucratic restrictions.

Support initiatives to create a U.S. clearinghouse for the identification and consolidation of U.S.-Russian cultural initiatives and exchange programs. There is no central point that can identify and help consolidate programs or facilitate student exchanges. Many programs today—both government and private—are being duplicated.

The U.S. should follow through with funding promised by former President Bush for the establishment of the American University in Moscow. Support initiatives like the Soros Foundation linking U.S. schools with Russian schools. Expand education exchanges between teachers, administrators, and educators at all levels. Establish a university to university relationship between American and Russian universities. Every school should have a partner.

DEFENSE AND SECURITY

Summary

United States defense and security cooperation and assistance involving the Russian Federation should contribute to defining a new bilateral strategic framework that is not rooted in the notion of Mutual Assured Destruction. Instead, the new security framework should be based upon improving U.S. and Russian security by working with Russia to combat terrorism and to halt the spread of missiles and weapons of mass destruction (WMD).

America and Russia must forge an alliance beneficial to both, or face the near certainty that historical suspicions will reassert themselves and plunge the world into a new Cold War. Such an eventuality would be especially tragic since the United States and Russia have more in common than not. Indeed, given that the gravest and most imminent threats to both nations are terrorism

and WMD proliferation, these great common enemies should make the United States and Russia natural allies.

The Cold War era model of bilateral relations and arms control is predicated on mutual antagonism and nuclear threats: a situation that is unacceptable as the basis for 21st Century U.S.-Russian relations. Russia and the United States each have unique security concerns, but have more security concerns that are shared in common. U.S. policy should encourage Russia to recognize the advantages of U.S.-Russian cooperation in areas like counter-terrorism, nonproliferation and missile defense—and the dangers of pursuing a confrontational foreign policy. There is some evidence to suggest that Russia may grudgingly compromise on U.S. missile defense goals. However, the main thrust of current Russian foreign policy and military strategy is actively seeking to curtail American influence and enhancing Russia's status by trying to diminish the United States. U.S. policy must recognize the existence of both positive and negative strains in Russian foreign policy, and then encourage the positive strain that is consistent with U.S. national security interests.

There should be a clear intent in U.S. policy to transition from near-term measures rooted in U.S. nonproliferation goals to a long-term solution. For example, one component of a long-term solution might be transitioning the Russian economy from defense to non-military production so that scientists can participate in sustainable nonweapons work that benefits the Russian economy. Achieving this will require integration of defense and security cooperation, with broader social and economic assistance focused on regional economies—programs administered outside the U.S. security community.

This is consistent not only with U.S. nonproliferation goals, but Russian interests as well. According to President Putin, Russia must speed up its integration into the Western community. If Putin is serious, Russia should not be involved in activities that undermine the security of the West. While Russia has formed an alliance with China, President Bush and President Putin have since found mutual interests in fighting terrorism as a result of September 11, 2001.

The key to forging a U.S.-Russian alliance is to do it now, before U.S.-Russian relations deteriorate further. The United States must offer Russia a relationship that clearly benefits Russian as well as U.S. interests, and begin as soon as possible, working jointly toward mutually beneficial goals. As the victor in the Cold War, the greater burden for taking the initiative and building trust between the sides falls upon the United States. In its relations with Russia, the U.S. holds an array of levers—strategic, military-technical, economic, and social—that can be used as positive and negative inducements to move Russia toward cooperation, and ultimately toward alliance, with the United States. Even the most modest proposals and programs already underway should be viewed as means to the larger end of reforging the still adversarial relationship between Washington and Moscow into a new American-Russian alliance that will defeat terrorism, halt WMD proliferation, and establish a more stable global order for the growth of political and economic freedom everywhere.

Recommendations

Strategic

Begin a new, high-level dialog similar to the Ross-Mamedov talks of 1992 to discuss U.S. and Russian proposals for a Global Protection System. Transitioning the security dialog with Russia to a ''normal'' one primarily conducted by lower-level officials is a laudable goal, but you can't ''get there from here'' without an interim step. That step is to initiate a high-level process that has a broad mandate and will provide ''cover'' for lower levels of the Russian defense and security establishment to talk productively about these issues. The resulting cooperative approach to BMD deployment could encompass U.S. NMD, the Russian proposal for a European missile shield, and new initiatives like a feasibility study of boost-phase intercept involving Russia, Israel, and Turkey.

Moscow has repeatedly proposed working with Washington against terrorism. Washington should propose a formal alliance with Moscow in a global war against terrorism that will involve military and intelligence cooperation and joint operations. The U.S.-Russian alliance against terrorism will help Russia by gaining U.S. support for Russia's war against terrorism in Central Asia, which will go far toward achieving the U.S. goal of crushing terrorism globally. Unless Central Asia is stabilized, the region threatens to continue to spiral toward chaos and become, like Afghanistan, a breeding ground for terrorism. Moreover, a U.S.-Russian alliance against terrorism would preempt the emergence of an anti-Western Sino-Russian alliance, pull Russia closer to the West, and give a second chance to Russian democracy.

Russia has advocated an expanded international nonproliferation regime that would, among other things, involve countries of proliferation concern to the United States. The Departments of State and Defense should begin detailed discussions with the Russian Foreign and Defense Ministries on this proposal to determine if a new regime could establish more stringent nonproliferation and arms trade criteria. According to these criteria, Russia would limit its sales of arms, military technology, weapons of mass destruction, and dual-use military-civilian technology to China and Iran, cease such sales to rogue states, and severely limit them to countries in conflict, such as India and Pakistan. U.S. support for the effort, which, if successful, would enhance Moscow's diplomatic prestige, should also depend on Russia's willingness to advocate the return of U.N. weapons inspectors to Iraq. Russia has proposed this regime as an alternative to U.S. NMD and the U.S. must make it clear that it does not accept that argument: missile defense and international cooperation on nonproliferation are not mutually exclusive (indeed, they actually reinforce each other).

Direct the Department of Defense and the Ballistic Missile Defense Organization to develop a strategy to evaluate the feasibility of increasing technical cooperation with Russian military industry on missile defense technologies. The strategy should include a risk assessment (e.g., the spread of knowledge to China) and an assessment of the possible benefits (technical and political) to U.S. programs of projects like co-development of the Russian S–500. For example, Russian scientists might participate in developing high-speed boosters for interceptor rockets and airborne and space-based lasers.

Demonstrate to Russia that the U.S. is not interested in taking advantage of Russian weakness. Traditional nuclear arms control only makes sense if the U.S. and Russia remain adversaries. The U.S. should immediately begin efforts to demonstrate that American policy seeks to support transparency rather than numerical equivalencies as a measure of our shared interest in ''stability.'' We also seek to take a fuller account of each side's nuclear arsenals and infrastructure—including tactical nuclear weapons and nuclear weapon production facilities—in any future nuclear agreement between the U.S. and Russia. We understand that both the U.S. and Russia increasingly have different force structure requirements as determined by our respective threat perceptions, geography, and technical abilities. The Departments of Defense, State, and Energy should articulate a strategy for communicating our interest in transparency to the Russians and fulfilling our part of such transparency dialog. We cannot force the Russians to accept that our motives are benign and that such a dialog is in Russian interests. However, the offer, coupled with the array of economic and political outreaches inherent in our broader Russian Policy, would be a good faith effort.

Make clear to Russia that the potential for cooperation in areas like counterterrorism, joint operations with NATO, regional defenses for Europe, etc. are greatly undermined by the way Russia has chosen to wage its war in Chechnya.

Military-Technical

Encourage and continue the Russian-American Observation Satellite (RAMOS) program. The innovative U.S.-Russian space based remote sensor R&D program addresses defense and environmental concerns. Initial concept of co-orbiting U.S. and Russian satellites for simultaneous stereo observations should be continued.

Restructure CTR Nuclear Cities Initiative (NCI) funding to other more effective efforts. The NCI's near-term goal of providing nonweapon work for Russian scientists if more flexibly addressed by other programs (e.g., ISTC, IPP) while its longer-term goal of converting the nuclear cities to sustainable nonweapons work cannot be achieved without a broader focus on the economies of the respective regions.

Economic

Support the rescheduling of Russia's $150 billion debt to the Paris Club if Russia demonstrates active cooperation in cutting the flow of advanced military technology to rogue states.

A sustained effort to increase the percentage of Cooperative Threat Reduction money actually being spent in Russia. The perception is that in too many programs inordinate amounts of money are spent on administration, U.S. contractors, and consultants. Program offices must be made aware that this issue is a congressional priority and reporting requirements should reflect that concern.

A more rigorous joint program accounting effort to monitor how U.S. funds are spent in Cooperative Threat Reduction and associated programs. This improves U.S. confidence that monies are being spent appropriately and gives Russians experience in the application of modern accounting methods. Waste, fraud and abuse of CTR funding is a serious concern to both governments and a vehicle like this is necessary lest the process devolve into an adversarial one of accusation and denial.

Insist that Russia stop taxing U.S. assistance provided to scientists through cooperative programs. The Administration should suspend all Export-Import Bank and Overseas Private Investment Corporation Insurance and Credits to U.S. companies that do business with Russian entities that are linked to Iran's military build-up activities. Russian government-controlled companies, such as the natural gas monopoly Gazprom, should not be allowed to raise funds from U.S. investors for energy schemes in Iran, since they could fund Iran's military build-up, which ultimately could be used to threaten U.S. interests in the region.

Task the interagency WMD working group at the National Security Council with designing a strategy for sanctioning Russia and Iran because of their proliferation activities. The intelligence community should

be tasked with a comprehensive assessment of the ongoing technology transfer and weapons programs, and with providing recommendations identifying ''choke points'' that might be vulnerable to sanctions. The current WMD working group at the NSC should be tasked with developing a sanctions strategy that targets Russian and Iranian officials, businesses, and individuals involved in the proliferation of WMD technologies, material, or know-how, as well as their sources of financing.

Establish a vehicle, preferably through a Congressionally mandated organization like USIP, to target support to U.S. non-governmental initiatives that interface directly with official or semi-official Russia in a productive way. These initiatives need a level of analytical freedom and the ability to shape the agenda of their dialog that is sometimes not possible within more traditional Department or Agency sponsorship (it needs to be easy to ''think outside the box'' established by Administration policy). The Russians would almost certainly be responsive to an effort with this sort of background and it would serve to broaden the bilateral dialog at a time when Russian voices appear to be more reticent. Efforts supported should be conscious of congressional interest in spending money in Russia. For example, Congress could create a vehicle for funding unofficial academic research that would, of necessity, involve significant Russian participation at the official or senior unofficial level. Projects could be chosen for their potential to be ''spun on'' to the official foreign policy or House-Duma dialogs.

Encourage U.S.-Russian military officer exchange programs and greatly increase the numbers. Encourage joint participation in U.S., Russian, and NATO military exercises. This will help allay Russia's residual fear of the West and promote a climate of trust.

Ratify the Law of the Sea Convention to establish guidelines for international maritime waters.

ECONOMIC DEVELOPMENT

Summary

Since the collapse of the Soviet Union, Russia has experienced widespread economic dislocation and a drop of about 50 percent in GDP. However, after more than a decade of virtually uninterrupted decline, the Russian economy demonstrated many promising signs of recovery.

The year 2000 was one of the most successful years for Russia in over three decades. The growth of GDP was 7.7 percent, fixed assets grew more than 18 percent, unemployment fell by more than 9 percent, real income of the population increased, and pensions increased by 38 percent in real terms.

Recommendations

Work to facilitate Russia's accession and its implementation of WTO agreements. The U.S. government can help Russia to realize its enormous economic potential and enable the country to become a more significant participant in the global economy. Specifically, these efforts will support the growth of the Russian private sector by permitting Russia to negotiate the elimination of trade barriers faced by its exporters and to challenge the WTO-consistency of measures taken by other member countries.

Increase the budgetary allocations for EX–IM, OPIC, and TDA. To help solidify the policy transition from aid to trade, these program funds must be maintained and increased. Where feasible, U.S. institutional financial risk on appropriate large-scale projects should be shared with multilateral agencies such as the World Bank and the EBRD.

Provde targeted financing opportunities for small- and medium-sized U.S. companies. The practices of various U.S. government-sponsored funds should be reviewed to ensure that they promote access to capital for the development of small- and medium-size enterprises.

The continuing development of the Tax Code will greatly benefit Russia if it creates a tax system that encourages, rather than discourages, investment.

Investors in Russia continue to express concern over weakness in protecting the property rights investors are afforded under Russian law. Amendments to the current legal framework should address gaps and ambiguities associated with some of these risks.

Support Russian efforts to strengthen Intellectual Property Rights protection and enforcement. Anti-counterfeit legislation should be strengthened and penalties enforced, while training law enforcement and judicial officials in this area.

Currency control laws have failed to stop capital flight and instead have damaged the reputation of the Russian business community. The current framework, which acts as a disincentive to Western investment, should be replaced by control and monitoring arrangements that will encourage investment and allow Russian capital freedom of movement in the global economy, while protecting the Russian tax base and treasury.

Russia should be graduated from Jackson-Vanik. This would remove a longstanding irritant in our relationship with Russia and help foster a sense of ''normal'' trade relations between our countries.

Authorize and appropriate funds to achieve the goal of awarding 10,000 Masters of Business Administration degrees in Russia.

Revitalize the enterprise fund concept in Russia as a means of U.S. support to Russian entrepreneurs. Additional funding from the U.S.-Russia Investment Fund or other vehicles would be necessary.

ENERGY/NATURAL RESOURCES

Summary

Russia, as the world's second largest oil producer and a major supplier of gas to Western Europe, represents an important stabilizing force for global energy security. U.S. polity makers have long understood that in the post-Cold War era, bilateral energy cooperation can provide mutual benefits that go well beyond enhanced energy security. Cooperation in the energy sphere contributes to economic development in Russia, commercial opportunities for U.S. and Russian firms, and a highly positive foundation for the bilateral political relationship.

As our two countries proceed to re-engage across a broad range of important policy and cultural arenas, energy can claim its critical position as the centerpiece in the relationship, strengthening global energy security and promoting mutual economic growth.

Recommdendations

Development of U.S.-Russian cooperation in energy should become a priority for international policy because of its capacity to address this risk of uncertain supplies and unnecessary dependence. The U.S. and Russia should initiate the development of a sustained institutional structure to move forward on critical areas hindering mutual development of Russian energy resources.

A high level Presidential task force with representation from both the Putin and Bush administrations should be immediately established as part of the partner offer in addressing the economic and energy components of the anti-terrorism campaign.

The institutional structure for moving forward on critical energy policy and projects should be established to eliminate bureaucratic tendencies that are delaying the implementation of a favorable investment climate in Russia and positive economic responses from the United States. On the U.S. side, this will require the direct involvement of the Secretaries of Energy and Commerce, as well as the Vice President. Members of Congress should be involved and regularly consulted.

The bilateral group should proceed with specific remedies to move projects forward. Official U.S. financial organizations, such as OPIC and U.S. Ex-Im Bank should play a prominent and ongoing role in the bilateral discussions.

An expanded program of energy cooperation will provide a critical reinforcement of the positive aspects of the bilateral relationship. One such project, for example, is the development of the oil and gas resources of the Timan Pechora region which offers enormous challenges in project development and investment, but also enormous rewards in new petroleum supplies for the world market.

Work of the Duma-Congress interparliamentary group should be intensified for purposes of using this efficient mechanism of bilateral consultation to encourage approval in Russia, at the parliamentary level and to promote investment and taxation laws that provide a positive environment for investment, such as full and appropriate finalization of PSA legislation.

This bilateral energy initiative should engage both official and non-governmental groups committed to moving forward on energy cooperation. The Moscow International Petroleum Club, a nongovernmental and consultative organization, is prepared to lend all assistance to ''jump start'' the process and provide ongoing support as a well-known and well-respect NGO in the energy area.

ENVIRONMENTAL COOPERATION

Summary

With Russia's economy ailing, substantial environmental improvements will necessarily be connected with socioeconomic, institutional, and cultural changes. This represents a challenge as well as an opportunity. While environmental protection cannot reasonably be regarded as a priority, it can as a consequence be a driver of societal changes on the whole.

It has been demonstrated that Russia's population suffers from environmental pollution to a degree that makes it not just a quality-of-life issue. The environmental pollution threatens Russia's economic well-being and public health, especially for poor families.

Western governments and international financial institutions should support projects to improve Russia's environmental infrastructure. Based on a market approach, Western donors should provide expertise and oversight to avoid excesses, lawlessness, and abuse. The Russian government should provide the appropriate incentives. Nothing would better mobilize the forces of capitalism for positive change while at the same time bring Russian and Western interests under one umbrella.

Recommendations

Russians have a strong bias in favor of engineered solutions (hardware) to problems, while advanced economies are taking a software approach (planning and organization). The hardware bias has been adopted in international assistance projects. This trend must be reversed.

Russia's scientific institutes and scientists have developed state-of-the-art technology to prevent and clean up environmental problems. For lack of funding these technologies have not been deployed in Russia and have not been commercialized in international markets. A revolving fund should be created

to deploy the technologies and solve the problems.

If trade benefits were extended to certified sustainably-produced products in Europe and North America, this alone could open markets wide enough for investors to take the risk of improving the degraded and polluting infrastructure. Trade rules benefiting sustainable production would also give an incentive to the Russian government, which bets heavily on export earnings from natural resource extraction, to enforce its laws.

By enlarging the concept of debt-for-nature swaps to environmental protection more generally, Russia's government would get real incentives and financial tools to tighten and enforce its rules. Oversight over environmental protection would thus move from the resource extraction agencies to less directly interested ones. Existing legislative proposals such as the Russian Economic Restoration and Justice Act of 1999 and the Nuclear Threat Reduction Act of 2001 could, if modified, serve as cornerstones for financial cooperative assistance.

Financial tools such as a mortgage or a bond system must be developed for a market economy to flourish and be sustained. Issuing bonds to finance local environmental projects could be acceptable to Russians, especially where the environmental problems are clear and their impact severe.

Increase participation with groups such as Global Legislators Organization for a Balanced Environment (GLOBE) and the Advisory Committee on the Protection of the Seas (ACOPS). Both organizations work with Russia to help conserve the world's most valuable ecosystems. A shared annual legislative agenda for Members of Congress and their colleagues in the Duma can bring attention to the threats to ecosystems such as ill-conceived development projects and poor environmental policy.

Increase cooperation in marine science research to better address the problems of the ocean where maintenance of stable fisheries is becoming a source of conflict. Such cooperation can increase our knowledge of the oceans, boast our ability to manage the oceans' rich resources, and enhance our understanding of ocean effects on climate and carbon sequestration.

Expand cooperation between the U.S. and Russian navies to help assist with preserving the environment.

Promost the DOE and the Ministry of Atomic Energy for the Russian Federation (MinAtom) to cooperate on the Nuclear Cities Initiative (NCI). NCI seeks to increase U.S. national and global security through economic diversification and weapons complex down-sizing in Russia's Nuclear Cities.

Encompass all forms of energy in a comprehensive energy plan that includes attention to global warming and environmental impacts.

Establish a mechanism for the exchange of information and to assist in the implementation of initiatives that result from these recommendations.

HEALTH CARE

Summary

Since the collapse of the USSR, public health and the state of the medical care system in Russia have been deeply troubled. Mortality trends, which began to worsen in the late 1960s, accelerated downward in the past decade, leading to a decline in longevity unknown outside parts of the developing world. Russia sustained a net loss of 750,000 persons last year. Of the two factors behind this trend—decreased fertility and premature mortality—mortality is the more important. The major contributor to premature mortality is an excessive incidence of fatal cardiovascular disease—heart attacks and strokes, due, in turn, to a high prevalence of unrecognized and unmanaged hypertension, an easily treatable disease but one that requires an innovative and sustained program of prevention and education. This record, unprecedented in time of peace for a developed country, reveals conditions that threaten to cause serious social and economic consequences for the nation. President Putin has acknowledged it as a key security issue for Russia.

For Russia as well as the West, the health issue is both a challenge and an opportunity. The history of U.S. and Western health assistance for Russia reveals a record of thin support, episodic contributions and, at times, counterproductive efforts. There has been a lack of appropriate leadership, absence of a coherent strategy, and a resignation generated by a feeling that the job was simply too overwhelming. Yet there are opportunities for constructive engagement for both professional contributions and community-based efforts in partnership with Russian colleagues in a well-conceived plan that builds on the strengths of the existing Russian resources.

Recommendations

An effective health assistance program for the Russian Federation should concentrate on important health issues and serious, life-threatening diseases—those which make the most prominent contribution to premature mortality and where effective intervention and prevention are possible. This implies a much increased emphasis on chronic diseases—especially cardiovascular disorders and diabetes. An effective program should combine clinical medicine, public health, and public education.

Develop, implement, and evaluate cooperative physician exchange programs for the sharing of knowledge and skills that improve the Russian medical profession's ability to meet the challenges of the burden of disease.

Develop and implement cooperative programs aimed at efficient use of medical care resources for treatment and prevention of disease.

Serve as a clearinghouse for privately and publicly sponsored programs designed to improve the health of Russians and improve the quality and effectiveness of preventive and therapeutic efforts there.

Develop close working relationships with private American and European philanthropic institutions interested in both security and health issues in the former Soviet republics.

Establish close working relationships with key commercial entities whose interests involve issues of health and medicine in the Russian Federation.

Assist professional education—continuing medical education for Russian physicians—by organizing exchanges in both directions, based in regional academic medical centers in several regions of the Russian Federation.

Support Russian versions of the American Medical Association, Center for Disease Control, etc.

Collaborate among compelementary organizations on behalf of disease management and prevention by combining clinical medicine, public health, and public education. Key examples include cardiovascular disease, diabetes, and tuberculosis.

Assist in the selective provision of therapeutic drugs and medical equipment.

Increase cooperative biomedical research between the National Institutes of Health and research institutes in Russia.

A joint announcement by Presidents Bush and Putin for close bilateral cooperation on the eradication of AIDS, cancer, etc. would build support for these types of programs.

JUDICIAL/LEGAL SYSTEMS

Summary

Russia's judiciary is the least developed of the three branches. Reform has begun but some of the old structure and personnel are still in place. Trial by jury is being introduced and President Putin declared that it would become the norm nationwide by 2003. A major overhaul of the Soviet-era criminal code is nearing approval in the Duma.

Recommendations

Jury trials were a feature of the pre-revolutionary Russian legal system. Few initiatives have had such a concrete impact in promoting the rule of law in Russia and in promoting human rights. Putin will almost certainly succeed in his new effort to expand jury trials to other regions of the Russian Federation. The U.S. technical assistance community can and should play a critical role in promoting Putin's practical and high-minded initiative.

The Central and East European Law Initiative's (CEELI) much-heralded Environmental Public Advocacy Center (EPAC) in Ukraine, Moldova, and Uzbekistan has successfully litigated high-impact environmental cases on behalf of citizens in the courts and has promoted citizen participation in advocacy and environmental decision-making. Russia would benefit from a proliferation of NGOs able to advocate on behalf of the public through proper, legal channels (as opposed to settling disputes through extra-judicial means). Average citizens should be involved in settling environmental disputes with businesses and the government in a manner that is familiar to Americans but wholly unfamiliar to most Russians.

Russia adopted a new system last year to expand judicial power to a group of magistrates, commonly referred to as Justices of the Peace. Work with these magistrates will prove to be critical because they will be the court of first instance for most common citizen complaints. These courts also will be the first in Russia to implement an abbreviated trial, pursuant to the current draft code of criminal procedure, which includes for the first time a system of plea bargaining. Likewise, the justices will have greater discretion under the draft code to determine the conditions of pre-trial release (bail).

The expansion of legal clinics in the last five years has proven to be successful in reforming the Russian legal education system. Encouraging the doubling of these clinics in the next 3–5 years will have a salutary effect on the legal education system in Russia, as well as facilitate access to justice for Russia's poor.

Russian law students and law professors continue to use outdated textbooks from Soviet times. The dearth of textbooks on newer subjects (particularly on commercial law) has hampered curriculum reform and the ability of professors to prepare their students to practice in a market economy. Through small grant programs targeting individual professors or groups of professors, this need could be addressed relatively inexpensively.

The Law on Advocates has passed its first reading in parliament and appears destined to be passed in final form in the near term. The new law will represent the legislative backbone for the restructuring of the legal profession in Russia. New, higher qualification standards, ethics standards, etc. will be mandated by the new law. A great deal of assistance and training will be needed in order to properly implement the law.

Continue to promote the passage of a modern criminal procedure code in Russia. The Code itself mandates of expansion of jury trials throughout the entire Federation by

2003 and sets other timetables for the transfer of the responsibility from prosecutors to judges for issuing arrest warrants, search warrants, wiretap orders, and setting conditions for pretrial release.

Encourage American law schools to provide tuition for at least one Russian student and establish a U.S. government program to cover all other costs. Additionally, Russian students should be able to apply for J, I (section 212E) visas.

Fully support and expand institutional relationships between the Russian and American local governments. State-to-state, city-to-city, and mayor-to-mayor initiatives should be further encouraged.

Support and expand training programs for local officials in Russia.

LOCAL GOVERNMENTS

Summary

A successful transition to democracy in Russia cannot take place only at the national level. The democratization of national political institutions without corresponding changes taking place locally would be a prescription for political instability. Furthermore, there are a number or reasons why the attempt to build democracy at the sub-national level in Russia is conducive to a successful transition to democracy nationally.

In stable federal systems, legitimate and effectively functioning local governments can act as a balance to central power; their absence creates greater opportunity for abuse of power by the center.

Popular participation at the local level gives people a knowledge of the mechanics of democracy. Among the lessons to be learned through participation in local politics are tolerance for the opinions of others, majority rule, representation, and accountability.

Popular participation in local government also leads to stronger feelings of political efficacy—the sense that people have some control over the decisions that directly effect their lives. As such, democratically run local governments can instill greater support for democratic institutions nationally and so contribute to the development of a democratic political culture.

Finally, national policies must be implemented locally; local governments that are responsive and are perceived as legitimate are likely to be more effective in doing so. Local knowledge and proximate interest may improve the effectiveness of local service delivery.

The Constitution of the Russian Federation adopted in 1993 envisages two levels of government below the national level, both operating in accordance with democratic principles. The upper level consists of 89 federal subdivisions, considered part of the Russian state system. Below them are institutions of Local Self Government, generally municipalities. Chapter Eight of the Constitution is devoted to these institutions and accords them an essential role in promoting public participation in all local decision making. However, despite the high ideals expressed in the Constitution, democracy at the sub-national level in Russia has been slow to develop. Efforts to promote these ideals are crucial to building democracy in Russia.

Recommendations

Together with Russian specialists, assess the degree to which efforts to develop institutions of local self government in Russia have succeeded and identify areas of weakness which could benefit from American cooperation.

Propose ways to improve the tax base of local government in Russia and explore ways in which revenues might best be shared between levels of government.

Consider ways to encourage political participation locally, including efforts at building stronger political parties and organizations that represent elements of civil society.

Focus on strengthening local legal institutions, including the courts, the judiciary, and legal services for those who can least afford them, while encouraging legal education.

SCIENCE AND TECHNOLOGY

Summary

Under the existing 10-year Umbrella Agreement on S&T Cooperation between the Russian Federation and the United States signed in 1993, a large number of projects have been underway involving more than 15 federal agencies. Areas of research have included space, the environment, agricultural science, energy, public health and medicine, infectious diseases, earth sciences, nuclear and molecular physics, information technology, and a wide range of basic science disciplines. Cooperative endeavors between U.S. and Russian scientists have resulted in numerous scientific and political breakthroughs.

Participating U.S. government agencies include: ARS, CDC, DOD, DOE, DOS, DOT, EPA, HHS, NASA, NIH, NIST, NOAA, NRC, NSF/CRDF, ONR, USDA, and USGS. In addition, private funds, such as the Soros and Turner Foundations, have made or are about to make sizable investments in the Russian science community.

Under the various programs administered by these agencies, thousands of Russian scientists and engineers have been involved in commercial and scientific relationships. Numerous areas of cooperation can be expanded and new areas can be explored. The U.S. needs to determine which areas of cooperation require focused attention. The goals of these programs should be self-sustained.

Recommendations

DoD/DoE should cooperate with MinAtom in the area of nuclear fuel cycles, including development of proliferation resistant fuel cycles for possible application in advanced nuclear countries and appropriate repositories for final disposition of spent fuel.

Stimulate arms control thinking by training the next generation of Russian nuclear weapons and public policy specialists in programs for natural and social sciences.

Encourage private firms and NGOs to utilize current technology to respond to and mitigate natural and environmental disasters.

Encourage industry by way of taxes and other incentives to develop and use Russian technology and to support the institutes that create the technology.

Continue and expand cooperative fusion research that began over 25 years ago because it is expected that fusion energy could become the long-term non-polluting solution to the world's energy needs.

Involve Russia in nanotechnology projects because materials research is an area of traditional Russian R&D strength.

Cooperate with Russia in the area of food safety and food security—in the production as well as processing and storage stages. This could provide significant benefits not only to the U.S. and Russia, but to developing countries as well.

Increase cooperation in marine science research to better address the problems of the ocean, where maintenance of stable fisheries is becoming a source of conflict. Such cooperation can increase our knowledge of the oceans, boost our ability to manage the oceans' rich resources, and enhance our understanding of oceanic effects on climate and carbon sequestration.

Further develop commercial relations in the high-tech area of information technology using the strong mathematical and software development skills of Russian computer scientists. The existing NCI and IPP programs could serve as facilitators for this further development.

Restructure our scientific aid programs so that there are economic drivers for investments in science that complement the political issues and scientific advancements for the project. The existing NCI and IPP programs could serve as economic drivers.

Establish a mechanism for the exchange of information and to assist in the implementation of initiatives that result from these recommendations.

SPACE AND AERONAUTICS

Summary

At the dawn of the post-Cold War era, U.S. industry feared that Russia's vast rocket resources would disrupt the international satellite launch services market following the end of Soviet Communism. By formulating a framework for cooperative space activities, the U.S. and Russian governments opened the door for the creation of strategic partnerships between their respective aerospace companies. Today, the once secretive Russian Proton Rocket, now marketed alongside other western launch vehicles, is the result of joint ventures between U.S. and Russian space launch service providers. Such ventures, however, will not be limited to only marketing space transportation services as we enter the 21st century.

The push for greater commercialization of government space assets and operations is characteristic of new challenges for the 21st Century, as well as greater improvements in space-related technologies for the benefit of near-Earth space development and space exploration. Some members of Congress view a newly formulated partnership with Russia as a potential solution to the cost-related problems we now face with the International Space Station (ISS) and other future undertakings such as the colonization of Mars. Undoubtedly, the ISS, space exploration, and improvements in aerospace technology appear to be the major elements that will come to characterize U.S.-Russian cooperation in space and aeronautics activities in the midterm.

Recommendations

International Space Station—Currently, Russia provides Progress re-supply cargo ships to support ISS refueling and logistics and Soyuz capsules for crew return. Russia is also expected to provide modules for docking and stowage, critical power, and research modules. Although Russia has invested large sums of money in the program, it is unclear whether it can continue as a viable partner in this effort due to schedule delays, funding shortages, and national security concerns. Additionally, the U.S. estimate of a growing projected Station cost overrun only compounds the problem. Joint commercialization ventures, however, may provide Russia with opportunities for meeting its ISS obligations. SpaceHab, Inc. has approached Russia regarding a cooperative arrangement to develop its Enterprise module, which would have the capability to meet Russia's docking and stowage obligations as well as provide a near-term solution for new habitation. Similarly, Boeing is interested in developing the Russian FGB–2 as an alternative means for providing habitation capability. Both proposals require substantial U.S. payments, which are not currently budgeted.

Space-Related Technologies and Missions—In the case of rocket engine development, Pratt & Whitney, Inc. currently imports Russia's RD–180 engines to power the new U.S. commercial Atlas III and Atlas V launchers. Pratt & Whitney is developing a

U.S.-based capability for manufacturing RD–180 engines for use on military launches of these systems. Additionally, American and Russian scientists were working to define a new space-based stereo viewing research project called the Russian-American Observation Satellite (RAMOS). The goal of RAMOS was to build confidence between the United States and the Russian Federation by cooperating on a defense research and development program. This program has currently received an increase in funding. Potential joint U.S.-Russian cooperation programs are focused on a wide range of technologies and space operational needs.

(a) Space Solar Power: Russia and U.S. could further this joint technology risk reduction program. (b) Cooperative Aeronautics Research Program: This joint research program in advanced aeronautics and propulsion technologies could benefit both nations. (c) Advanced Space Propulsion technology: We should build on previous U.S.-Russian cooperative activities on Russian electric propulsion technology for deep space missions. (d) Joint Weather Satellites: The U.S. and Russia could jointly develop polar and geostationary weather satellites and solar monitoring satillites. (e) Planetary Defense: Joint U.S.-Russian cooperative program to detect, monitor, and track potential Earth-crossing asteroids and develop capabilities to rapidly respond. There is an unmet need to develop a comprehensive catalogue of Earth-threatening objects and the means to rapidly respond to the threat they pose. (f) Arospace and Aeronautics Research: Achievement of the goal of low-cost access will depend upon significant improvements in launch vehicle technology development. It must be understood that U.S.-Russian partnership on space initiatives will require U.S.-Russian partnership in the areas of aeronautics as well. The state of art in aircraft engine technology for both countries would benefit from an exchange in manufacturing techniques and materials science.

Further Space Exploration—The focus of joint programs involving humans exploring the solar system and beyond must involve launch vehicle technology development. Concentration in this area would allow cooperative programs to move forward in exploring and determining whether there is life in the oceans beneath the ice on Europa, for example. Although NASA abandoned its Pluto mission earlier this year due to a lack of funds, a joint mission to Pluto and the Kuiper asteroid belts may make it feasible.

Support and expand private sector relationship. The Lockheed Krunachev Space Launch is an example of this partnership.

RECESS

The SPEAKER pro tempore (Mr. ISSA). Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 12:10 a.m.

Accordingly (at 11 o'clock and 57 minutes p.m.), the House stood in recess until approximately 12:10 a.m.

□ 2430

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SESSIONS) at 12 o'clock and 30 minutes a.m.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3129, CUSTOMS BORDER SECURITY ACT OF 2002

Mr. REYNOLDS, from the Committee on Rules, submitted a privileged report (Rept. No. 107–482) on the resolution (H. Res. 426) providing for consideration of the bill (H.R. 3129) to authorize appropriations for fiscal years 2002 and 2003 for the United States Customs Service for antiterrorism, drug interdiction, and other operations for the Office of the United States Trade Representative, for the United States International Trade Commission, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 3448, PUBLIC HEALTH SECURITY AND BIOTERRORISM PREPAREDNESS AND RESPONSE ACT OF 2002

Mr. REYNOLDS, from the Committee on Rules, submitted a privileged report (Rept. No. 107–483) on the resolution (H. Res. 427) waiving points of order against the conference report to accompany the bill (H.R. 3448) to improve the ability of the United States to prevent, prepare for, and respond to bioterrorism and other public health emergencies, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4775, 2002 SUPPLEMENTAL APPROPRIATIONS ACT FOR FURTHER RECOVERY FROM AND RESPONSE TO TERRORIST ATTACKS ON THE UNITED STATES

Mr. REYNOLDS, from the Committee on Rules, submitted a privileged report (Rept. No. 107–484) on the resolution (H. Res. 428) providing for consideration of the bill (H.R. 4775) making supplemental appropriations for further recovery from and response to terrorist attacks on the United States for the fiscal year ending September 30, 2002, and for other purposes, which was referred to the House Calendar and ordered to be printed.

Daily Digest

HIGHLIGHTS

The House passed H.R. 3994, Afghanistan Freedom Support Act.

Senate

Chamber Action

Routine Proceedings, pages S4577–S4655

Measures Introduced: Four bills and two resolutions were introduced, as follows: S. 2534–2537, S. Res. 273, and S. Con. Res. 115. **Page S4623**

Measures Reported:

Report to accompany S. 1271, to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small business concerns with certain Federal paperwork requirements, to establish a task force to examine information collection and dissemination. (S. Rept. No. 107–153)

S. 1742, to prevent the crime of identity theft, mitigate the harm to individuals victimized by identity theft, with an amendment in the nature of a substitute. **Page S4623**

Measures Passed:

Safe Workplace Conditions: Senate agreed to S. Con. Res. 115, expressing the sense of the Congress that all workers deserve fair treatment and safe working conditions, and honoring Dolores Huerta for her commitment to the improvement of working conditions for children, women, and farm worker families. **Pages S4627, S4650–51**

Crater Lake National Park Centennial: Committee on the Judiciary was discharged from further consideration of S. Res. 273, recognizing the centennial of the establishment of Crater Lake National Park, and the resolution was then agreed to. **Page S4651**

Andean Trade Preference Expansion Act: Senate continued consideration of H.R. 3009, to extend the Andean Trade Preference Act, and to grant additional trade benefits under that Act, taking action on the following amendments proposed thereto: **Pages S4580–S4614**

Adopted:

By a unanimous vote of 96 yeas (Vote No. 120), Hutchison Amendment No. 3441 (to Amendment No. 3401), to prohibit a country that has not taken steps to support the United States efforts to combat terrorism from receiving certain trade benefits. **Pages S4592–93**

Rejected:

Allen Amendment No. 3406 (to Amendment No. 3401), to provide mortgage payment assistance for employees who are separated from employment. (By 50 yeas to 49 nays, (Vote No. 119), Senate tabled the amendment.) **Pages S4591–92**

Reid (for Kerry) Amendment No. 3430 (to Amendment No. 3401), to ensure that any artificial trade distorting barrier relating to foreign investment is eliminated in any trade agreement entered into under the Bipartisan Trade Promotion Authority Act of 2002. (By 55 yeas to 41 nays (Vote No. 121), Senate tabled the amendment.) **Pages S4593–S4605**

Reid (for Torricelli/Mikulski) Amendment No. 3415 (to Amendment No. 3401), to amend the labor provisions to ensure that all trade agreements include meaningful, enforceable provisions on workers' rights. **Pages S4607–09**

Withdrawn:

Rockefeller Amendment No. 3433 (to Amendment No. 3401), to provide a 1-year eligibility period for steelworker retirees and eligible beneficiaries affected by a qualified closing of a qualified steel company for assistance with health insurance coverage and interim assistance. **Pages S4580–91**

Dorgan Amendment No. 3439 (to Amendment No. 3401), to permit private financing of agricultural sales to Cuba. **Pages S4605–07**

Pending:

Baucus/Grassley Amendment No. 3401, in the nature of a substitute. **Pages S4580–S4614**

Dorgan Amendment No. 3442 (to Amendment No. 3401), to require the United States Trade Representative to identify effective trade remedies to address the unfair trade practices of the Canadian Wheat Board. **Page S4580**

Reid (for Reed) Amendment No. 3443 (to Amendment No. 3401), to restore the provisions relating to secondary workers. **Page S4580**

Reid (for Nelson (FL)/Graham) Amendment No. 3440 (to Amendment No. 3401), to limit tariff reduction authority on certain products. **Page S4580**

Reid (for Bayh) Amendment No. 3445 (to Amendment No. 3401), to require the ITC to give notice of section 202 investigations to the Secretary of Labor. **Page S4580**

Reid (for Byrd) Amendment No. 3447 (to Amendment No. 3401), to amend the provisions relating to the Congressional Oversight Group. **Page S4580**

Reid (for Byrd) Amendment No. 3448 (to Amendment No. 3401), to clarify the procedures for procedural disapproval resolutions. **Page S4580**

Reid (for Byrd) Amendment No. 3449 (to Amendment No. 3401), to clarify the procedures for extension disapproval resolutions. **Page S4580**

Reid (for Byrd) Amendment No. 3450 (to Amendment No. 3401), to limit the application of trade authorities procedures to a single agreement resulting from DOHA. **Page S4580**

Reid (for Byrd) Amendment No. 3451 (to Amendment No. 3401), to address disclosures by publicly traded companies of relationships with certain countries or foreign-owned corporations. **Page S4580**

Reid (for Byrd) Amendment No. 3452 (to Amendment No. 3401), to facilitate the opening of energy markets and promote the exportation of clean energy technologies. **Page S4580**

Reid (for Byrd) Amendment No. 3453 (to Amendment No. 3401), to require that certification of compliance with section 307 of the Tariff Act of 1930 be provided with respect to certain goods imported into the United States. **Page S4580**

Boxer/Murray Amendment No. 3431 (to Amendment No. 3401), to require the Secretary of Labor to establish a trade adjustment assistance program for certain service workers. **Page S4580**

Boxer Amendment No. 3432 (to Amendment No. 3401), to ensure that the United States Trade Representative considers the impact of trade agreements on women. **Page S4580**

Reid (for Durbin) Amendment No. 3456 (to Amendment No. 3401), to extend the temporary duty suspensions with respect to certain wool. **Page S4580**

Reid (for Durbin) Amendment No. 3457 (to Amendment No. 3401), to extend the temporary duty suspensions with respect to certain wool. **Page S4580**

Reid (for Durbin) Amendment No. 3458 (to Amendment No. 3401), to establish and implement a steel import notification and monitoring program. **Page S4580**

Reid (for Harkin) Amendment No. 3459 (to Amendment No. 3401), to include the prevention of the worst forms of child labor as one of the principal negotiating objectives of the United States. **Page S4580**

Reid (for Corzine) Amendment No. 3461 (to Amendment No. 3401), to help ensure that trade agreements protect national security, social security, and other significant public services. **Page S4580**

Reid (for Corzine) Amendment No. 3462 (to Amendment No. 3401), to strike the section dealing with border search authority for certain contraband in outbound mail. **Page S4580**

Reid (for Hollings) Amendment No. 3463 (to Amendment No. 3401), to provide for the certification of textile and apparel workers who lose their jobs or who have lost their jobs since the start of 1999 as eligible individuals for purposes of trade adjustment assistance and health insurance benefits, and to amend the Internal Revenue code of 1986 to prevent corporate expatriation to avoid United States income tax. **Page S4580**

Reid (for Hollings) Amendment No. 3464 (to Amendment No. 3401), to ensure that ISAC Committees are representative of the Producing sectors of the United States Economy. **Page S4580**

Reid (for Hollings) Amendment No. 3465 (to Amendment No. 3401), to provide that the benefits provided under any preferential tariff program, excluding the North American Free Trade Agreement, shall not apply to any product of a country that fails to comply within 30 days with a United States government request for the extradition of an individual for trial in the United States if that individual has been indicted by a Federal grand jury for a crime involving a violation of the Controlled Substances Act. **Page S4580**

Reid (for Landrieu) Amendment No. 3470 (to Amendment No. 3401), to provide trade adjustment assistance benefits to certain maritime workers. **Pages S4580–81**

Brownback Amendment No. 3446 (to Amendment No. 3401), to extend permanent normal trade relations to the nations of Central Asia and the South Caucasus, and Russia. **Pages S4609–12**

Grassley Modified Amendment No. 3474 (to Amendment No. 3446), to express the sense of the Senate regarding the United States-Russian Federation summit meeting, May 2002. **Pages S4612–14**

Reid (for Jeffords) Amendment No. 3521 (to Amendment No. 3401), to authorize appropriations

for certain staff of the United States Customs Service. Page S4614

During consideration of this measure today, Senate also took the following actions:

By 56 yeas to 40 nays (Vote No. 117), three-fifths of those Senators duly chosen and sworn not having voted in the affirmative, Senate failed to agree to the motion to close further debate on Rockefeller Amendment No. 3433 (to Amendment No. 3401), listed above. Pages S4590–91

By 58 yeas to 35 nays (Vote No. 118), Senate agreed to the motion to instruct the Sergeant at Arms to request the attendance of absent Senators. Page S4591

Daschle Amendment No. 3434 (to Amendment No. 3433), to clarify that steelworker retirees and eligible beneficiaries are not eligible for other trade adjustment assistance unless they would otherwise be eligible for that assistance, fell when Rockefeller Amendment No. 3433 (to Amendment No. 3401), listed above, was withdrawn. Page S4580

A motion was entered to close further debate on the bill and, in accordance with Rule XXII of the Standing Rules of the Senate, a cloture vote will occur on Thursday, May 23, 2002. Page S4614

A unanimous-consent-time agreement was reached providing for further consideration of the bill at 10:30 a.m., on Wednesday, May 22, 2002, with a vote on the motion to close further debate on Baucus/Grassley Amendment No. 3401 (listed above), to occur at approximately 11:30 a.m. Page S4650

Nominations Confirmed: Senate confirmed the following nominations:

6 Coast Guard nominations in the rank of admiral.

A routine list in the Coast Guard. Page S4655

Nominations Received: Senate received the following nominations:

James Thomas Roberts, Jr., of Georgia, to be United States Marshal for the Southern District of Georgia for the term of four years.

James Robert Dougan, of Michigan, to be United States Marshal for the Western District of Michigan for the term of four years.

David Scott Carpenter, of North Dakota, to be United States Marshal for the District of North Dakota for the term of four years.

James Michael Wahlrab, of Ohio, to be United States Marshal for the Southern District of Ohio for the term of four years. Page S4655

Messages From the House: Page S4622

Measures Referred: Page S4622

Executive Communications: Pages S4622–23

Executive Reports of Committees: Page S4623

Additional Cosponsors: Pages S4623–25

Statements on Introduced Bills/Resolutions: Pages S4625–27

Additional Statements: Pages S4616–22

Amendments Submitted: Pages S4627–49

Notices of Hearings/Meetings: Page S4649

Authority for Committees to Meet: Pages S4649–50

Record Votes: Five record votes were taken today. (Total—121) Pages S4591–93, S4605

Quorum Calls: One quorum call was taken today. (Total—2) Page S4591

Adjournment: Senate met at 9 a.m., and adjourned at 7:51 p.m., until 9:30 a.m., on Wednesday, May 22, 2002.

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—DEFENSE

Committee on Appropriations: Subcommittee on Defense concluded hearings on proposed budget estimates for fiscal year 2003 for the Department of Defense, after receiving testimony from Donald H. Rumsfeld, Secretary of Defense; and Gen. Richard B. Myers, USAF, Chairman, Joint Chiefs of Staff.

DOD TEST AND EVALUATION FACILITIES

Committee on Armed Services: Subcommittee on Emerging Threats and Capabilities concluded hearings on proposed legislation to improve the management of the Department of Defense Test and Evaluation Facilities, focusing on the value and quality of testing, infrastructure investments, and resource management, after receiving testimony from Michael W. Wynne, Principal Deputy Under Secretary for Acquisition, Technology, and Logistics, and Thomas P. Christie, Director, Operational Test and Evaluation, both of the Department of Defense; John J. Young, Jr., Assistant Secretary of the Navy for Research, Development, and Acquisition; and John E. Krings, Member, Defense Science Board Task Force on Test and Evaluation Capabilities, and former Director, Operational Test and Evaluation, Department of Defense.

NOMINATION

Committee on Banking, Housing, and Urban Affairs: Committee ordered favorably reported the nomination of Anthony Lowe, of Washington, to be Federal Insurance Administrator, Federal Emergency Management Agency.

AVIATION SECURITY

Committee on Commerce, Science, and Transportation: Committee concluded oversight hearings to examine the implementation of the Aviation and Transportation Security Act (P.L. 107–71), after receiving testimony from Norman Mineta, Secretary, and John Magaw, Under Secretary of the Transportation Security Administration, both of the Department of Transportation.

U.S./CUBA TRADE POLICY

Committee on Commerce, Science, and Transportation: Subcommittee on Consumer Affairs, Foreign Commerce, and Tourism concluded hearings to examine U.S./Cuban trade policy, focusing on the President's Initiative for a New Cuba, current U.S. trade embargo against Cuba, Cuba as a future business partner, and humanitarian assistance, after receiving testimony from Otto J. Reich, Assistant Secretary for Western Hemisphere Affairs, and Shaun E. Donnelly, Principal Deputy Assistant Secretary, Bureau of Economic and Business Affairs, both of the Department of State; Dennis K. Hays, Cuban American National Foundation, Washington, D.C.; Stephen Weber, Maryland Farm Bureau, Baltimore, on behalf of the American Farm Bureau Federation; Lissa Weinmann, Americans for Humanitarian Trade With Cuba, New York, New York.

NOMINATIONS

Committee on Foreign Relations: Committee concluded hearings on the nominations of Paula A. DeSutter, of Virginia, to be Assistant Secretary for Verification and Compliance, Michael Alan Guhin, of Maryland, for the rank of Ambassador during tenure of service as U.S. Fissile Material Negotiator, and Stephen Geoffrey Rademaker, of Delaware, to be Assistant Secretary for Arms Control, all of the Department of State, after the nominees testified and answered questions in their own behalf. Ms. DeSutter was introduced by Senator Kyl, and Mr. Rademaker was introduced by Representatives Hyde and Gilman.

IMPROVING NUTRITION AND PHYSICAL ACTIVITY

Committee on Health, Education, Labor, and Pensions: Committee concluded hearings to examine strategies for improving nutrition and physical activity, in an effort to stave off the obesity epidemic in America, after receiving testimony from William H. Dietz, Director, Division of Nutrition and Physical Activity, National Center for Chronic Disease Prevention and Health Promotion, Centers for Disease Control and Prevention, Department of Health and Human Services; Denise Austin, Washington, D.C., on behalf of P.E.4Life; Sally M. Davis, University of New Mexico Center for Health Promotion and Disease Prevention, Albuquerque; Kelley D. Brownell, Yale University Center for Eating & Weight Disorders, New Haven, Connecticut; Lisa Katic, Grocery Manufacturers of America, Washington, D.C.; and Richard A. Dickey, Wake Forest University School of Medicine, Winston-Salem, North Carolina, on behalf of the Endocrine Society.

DOJ CIVIL RIGHTS DIVISION

Committee on the Judiciary: Committee concluded oversight hearings to examine the Department of Justice Civil Rights Division, after receiving testimony from Ralph F. Boyd, Jr., Assistant Attorney General, Department of Justice.

House of Representatives

Chamber Action

Measures Introduced: 10 public bills, H.R. 4779–4788; and 3 resolutions, H. Con. Res. 407, and H. Res. 424–425, were introduced.

Pages H2734–35

Reports Filed: Reports were filed today as follows:

Conference report on H.R. 3448, to improve the ability of the United States to prevent, prepare for, and respond to bioterrorism and other public health emergencies (H. Rept. 107–481).

H. Res. 426, providing for consideration of H.R. 3129, to authorize appropriations for fiscal years 2002 and 2003 for the United States Customs Service for antiterrorism, drug interdiction, and other operations, for the Office of the United States Trade Representative, for the United States International Trade Commission (H. Rept. 107–482);

H. Res. 427, waiving points of order against the conference report to accompany H.R. 3448, to improve the ability of the United States to prevent, prepare for, and respond to bioterrorism and other public health emergencies (H. Rept. 107–483); and

H. Res. 428, providing for consideration of H.R. 4775, making supplemental appropriations for the

fiscal year ending September 30, 2002, and for other purposes (H. Rept. 107–484).

Pages H2691–H2732, H2734

Speaker Pro Tempore: Read a letter from the Speaker wherein he appointed Representative Kirk to act as Speaker pro tempore for today. **Page H2663**

Guest Chaplain: The prayer was offered by the guest chaplain, pastor Ken Wilde, Capital Christian Center of Meridian, Idaho. **Pages H2665–66**

Recess: The House recessed at 9:20 a.m. and reconvened at 10 a.m. **Page H2665**

Private Calendar: On the call of the Private Calendar, the House passed the following measures: H. Res. 103, referring H.R. 1258, for the relief of Sarabeth M. Davis, Robert S. Borders, Victor Maron, Irving Berke, and Adele E. Conrad'', to the chief judge of the United States Court of Federal Claims for a report thereon; H.R. 486, for the relief of Barbara Makuch; and H.R. 487, for the relief of Eugene Makuch. The House passed over without prejudice H.R. 392, for the relief of Nancy B. Wilson.

Page H2666

Suspensions: The House agreed to suspend the rules and pass the following measures:

Dot Kids Implementation and Efficiency Act: H.R. 3833, amended, to facilitate the creation of a new, second-level Internet domain within the United States country code domain that will be a haven for material that promotes positive experiences for children and families using the Internet, provides a safe online environment for children, and helps to prevent children from being exposed to harmful material on the Internet (agreed to by a yea-and-nay vote of 406 yeas to 2 nays, Roll No. 174);

Pages H2669–76, H2745–46

Child Sex Crimes Wiretapping Act: H.R. 1877, amended, to amend title 18, United States Code, to provide that certain sexual crimes against children are predicate crimes for the interception of communications (agreed to by a yea-and-nay vote of 396 yeas to 11 nays, Roll No. 175); **Pages H2676–80, H2746**

Embassy Employee Compensation Act: H.R. 3375, to provide compensation for the United States citizens who were victims of the bombings of United States embassies in East Africa on August 7, 1998, on the same basis as compensation is provided to victims of the terrorist-related aircraft crashes on September 11, 2001 (agreed to by a yea-and-nay vote of 391 yeas to 18 nays, Roll No. 176);

Pages H2680–85, H2746–47

Encouraging Work and Supporting Marriage Act: H.R. 4626, amended, to amend the Internal Revenue Code of 1986 to accelerate the marriage penalty relief in the standard deduction and to modify the work opportunity credit and the welfare-to-work credit (agreed to by a yea-and-nay vote of 409 yeas to 1 nays, Roll No. 177);

Pages H2685–91, H2747–48

Independence of East Timor: H. Con. Res. 405, amended, commemorating the independence of East Timor and expressing the sense of Congress that the President should establish diplomatic relations with East Timor (agreed to by a yea-and-nay vote 405 yeas to 1 nay, Roll No. 178). Agreed to amend the title to read ''Concurrent resolution commemorating the independence of East Timor and commending the President for promptly establishing diplomatic relations with East Timor.''; **Pages H2739–45, H2748**

Veterans' Major Medical Facilities Construction: Debated on May 20, H.R. 4514, amended, to authorize the Secretary of Veterans Affairs to carry out construction projects for the purpose of improving, renovating, and updating patient care facilities at Department of Veterans Affairs medical centers (agreed to by a yea-and-nay vote of 411 yeas with none voting ''nay,'' Roll No. 183); **Pages H2778–79**

Jobs for Veterans Act: Debated on May 20, H.R. 4015, amended, to amend title 38, United States Code, to revise and improve employment, training, and placement services furnished to veterans (agreed to by a yea-and-nay vote of 409 yeas with none voting ''nay,'' Roll No. 184); and **Page H2779**

Veterans Compensation Cost-of-Living Adjustment: Debated on May 20, H.R. 4085, amended, to increase, effective as of December 1, 2002, the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of certain service-connected disabled veterans (agreed to by a yea-and-nay vote of 410 yeas with none voting nays, Roll No. 185). Agreed to amend the title so as to read: ''A bill to amend title 38, United States Code, to provide a cost-of-living increase in the rates of compensation for veterans with service-connected disability and dependency and indemnity compensation for surviving spouses of such veterans, to expand certain benefits for veterans and their survivors, and for other purposes.''; **Pages H2779–80**

Bob Hope Veterans Chapel, Los Angeles National Cemetery: H.R. 4592, to name the chapel located in the national cemetery in Los Angeles, California, as the ''Bob Hope Veterans Chapel''; **Pages H2780–84**

Small Business Advocacy Improvement: H.R. 4231, amended, to improve small business advocacy; and **Pages H2784–87**

Extension of Export-Import Bank: H.R. 4782, to extend the authority of the Export-Import Bank until June 14, 2002. **Page H2787**

Suspensions—Proceedings Postponed: The House completed debate on the following motions to suspend the rules. Further proceedings were postponed until Wednesday, May 22. **Page H2787**

Federal Deposit Insurance Reform: H.R. 3717, amended, to reform the Federal deposit insurance system; and **Pages H2787–H2803**

Tribute to Ground Zero Rescue, Recovery, and Clean-up Workers: H. Res. 424, paying tribute to the workers in New York City for their rescue, recovery, and clean-up efforts at the site of the World Trade Center. **Pages H2803–06**

Afghanistan Freedom Support Act: The House passed H.R. 3994, to authorize economic and democratic development assistance for Afghanistan and to authorize military assistance for Afghanistan and certain other foreign countries by a recorded vote of 390 ayes to 22 noes, Roll No. 182. **Pages H2748–80**

Agreed to the Committee on International Relations amendment in the nature of a substitute printed in the bill (H. Rept. 107–420) and made in order by the rule.

Agreed To:

Hyde Amendment that makes technical changes, authorizes and encourages the applications of subsections (a), (b), (c), and (e) of section 490 of the Foreign Assistance Act to bilateral and multilateral assistance to major opium producing regions to promote counter narcotics efforts; and encourages the use of research conducted by U.S. land grant colleges and universities particularly in the areas of agriculture and rural development; **Pages H2761–62**

Lantos amendment that promotes the secure delivery of humanitarian and other assistance in Afghanistan and requires the submission of the strategy for meeting its security needs within 45 days of enactment (agreed to by a recorded vote of 407 ayes to 4 noes, Roll No. 179); **Pages H2762–69, H2775–76**

Jackson-Lee en bloc amendments No. 3 and 4 printed in the Congressional Record of May 20 that emphasize healthcare and education for Afghan orphans and all children; **Page H2770**

Jackson-Lee en bloc amendments No. 5 and 6 printed in the Congressional Record of May 20, as modified to delete amendment No. 6, that prohibits the use of children as soldiers or combatants (agreed to by a recorded vote of 413 ayes with none voting "no," Roll No. 180); **Pages H2770–73, H2776**

Waters amendment, as modified, that prohibits U.S. participation in poppy cultivation or illicit narcotics growth, production, or trafficking and requires reports concerning the Government of Afghanistan's progress in the eradication of poppy cultivation (agreed to by a recorded vote of 412 ayes with none voting " no," Roll No. 181). **Pages H2773–77**

Withdrawn:

Hoeffel amendment was offered but subsequently withdrawn that sought to mandate a coordinator for United States interests, program, and policy in Afghanistan. **Page H2769**

The Clerk was authorized to make corrections and conforming changes in the engrossment of the bill. **Page H2778**

The House agreed to H. Res. 419, the rule that provided for consideration of the bill on May 15, 2002.

Recess: the House recessed at 11:57 p.m. and reconvened at 12:30 a.m. on Wednesday, May 22. **Page H2834**

Amendments: Amendments ordered printed pursuant to the rule appear on pages H2735–37.

Quorum Calls—Votes: Eight yea-and-nay votes and four recorded votes developed during the proceedings of the House today and appear on pages H2745–46, H2746, H2746–47, H2747–48, H2748, H2775–76, H2776, H2776–77, H2777–78, H2778–79, H2779, and H2779–80. There were no quorum calls.

Adjournment: The House met at 9 a.m. and adjourned at 12:32 a.m. on Wednesday, May 22.

Committee Meetings

GROUNDWATER—MTBE CONTAMINATION

Committee on Energy and Commerce: Subcommittee on Environment and Hazardous Materials held a hearing entitled "MTBE Contamination in Groundwater: Identifying and Addressing the Problem." Testimony was heard from Ben Grumbles, Deputy Assistant Administrator, Office of Water, EPA; Timothy Miller, Chief, National Water Quality Assessment Program, U.S. Geological Survey, Department of the Interior; John B. Stephenson, Director, EPA; and public witnesses.

FEDERAL EMPLOYEES—CAFETERIA BENEFIT PLANS

Committee on Government Reform: Subcommittee on Civil Service, Census and Agency Organization held a hearing on "More Value for Federal Employees: Cafeteria Benefit Plans." Testimony was heard from Dennis G. Jacobs, Judge, U.S. Court of Appeals, Second Circuit; and public witnesses.

HEALTHCARE—RACIAL DISPARITIES

Committee on Government Reform: Subcommittee on Criminal Justice, Drug Policy and Human Resources held a hearing entitled "Racial

Disparities in Healthcare: Confronting Unequal Treatment.'' Testimony was heard from Delegate Christensen; the following officials of the Department of Health and Human Services: Ruben King-Shaw, Jr., Deputy Administrator, Center for Medicare and Medicaid Services; Carolyn Clancy, Associate Director, Agency for Health Care Research and Quality; John Ruffin, M.D., Director, National Center on Minority Health and Health Disparities; and Nathan Stinson, Jr., M.D., Deputy Assistant Secretary, Minority Health; and public witnesses.

SUPPLEMENTAL APPROPRIATIONS

Committee on Rules: Granted, by a vote of 8 to 2, an open rule on H.R. 4775, making supplemental appropriations for the fiscal year ending September 30, 2002. providing one hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The rule waives all points of order against consideration of the bill. The rule provides that the amendments printed in the Rules Committee report shall be considered as adopted in the House and in the Committee of the Whole. The rule waives points of order against provisions in the bill, except as specified in the rule. The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. The rule waives points of order during consideration of the bill against amendments for failure to comply with clause 2(e)of rule XXI (prohibiting non-emergency designated amendments to be offered to an appropriations bill containing an emergency designation). The rule provides one motion to recommit with or without instructions. The rule provides that House Concurrent Resolution 353, as adopted by the House, shall have force and effect as though adopted by Congress. Testimony was heard from Chairman Young of Florida and Representatives Callahan, LaTourette, Thune, Moran of Kansas, Rehberg, Obey, Lowey, Kaptur, Farr of California, Skelton, Frost, Peterson of Minnesota, Clayton, Pomeroy, McGovern, Turner and Carson of Oklahoma.

CUSTOMS BORDER SECURITY ACT

Committee on Rules: Granted, by voice vote, a structured rule providing one hour of general debate on H.R. 3129, Customs Boarder Security Act of 2001, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The rule waives all points of order against consideration of the bill. The rule provides that it shall be in order to consider as an original bill for the purpose of amendment the amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill. The rule waives all points of order against the committee amendment in the nature of a substitute. The rule makes in order only those amendments printed in the Rules Committee report accompanying the resolution. The rule provides that the amendments printed in the report may be offered only in the order printed in the report, may be offered only the member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendments printed in the report. Finally, the rule provides one motion to recommit with or without instructions. Testimony was heard from Chairman Thomas and Representative Rangel.

CONFERENCE REPORT—BIOTERRORISM PREPAREDNESS ACT

Committee on Rules: Granted by voice vote, a rule waiving all points of order against the conference report to accompany H.R. 3448, Bioterrorism Preparedness Act of 2002 and against its consideration. The rule provides that the conference report shall be considered as read. Conference report to accompany testimony was heard from Chairman Tauzin.

SBA PROGRAMS—SUGGESTIONS FOR IMPROVEMENTS

Committee on Small Business: Subcommittee on Workforce, Empowerment and Government Programs held a hearing on Suggestions for improvements in SBA programs: veterans and disaster loans sales, focusing on the progress made by the National Veterans Business Development Corporation and on H.R. 3263, Veterans' Small Business Relief Act of 2001. Testimony was heard from the following officials of the SBA: William Elmore, Associate Administrator, Veterans Business Development; and Ronald E. Bew, Associate Deputy Administrator, Capital Access; and public witnesses.

MISCELLANEOUS MEASURES

Committee on Transportation and Infrastructure: Subcommittee on Economic Development, Public Buildings and Emergency Management approved for full Committee action the following: H.R. 4770, amended, Ronald C. Sheffield Federal Property Protection Act of 2002; and 11(b) Resolutions for Anniston, Alabama, Harrisburg, Pennsylvania, San Antonio, Texas, Greenville, South Carolina.

RELIEVING HIGHWAY CONGESTION

Committee on Transportation and Infrastructure: Subcommittee on Highways and Transit held a hearing

on Relieving Highway Congestion through Capacity Enhancements and Increased Efficiency. Testimony was heard from Mary E. Peters, Administrator, Federal Highway Administration, Department of Transportation; and public witnesses.

TAX RELIEF INCENTIVES—RENEWAL COMMUNITIES

Committee on Ways and Means: Subcommittee on Oversight held a hearing on Tax Relief Incentives for Renewal Communities. Testimony was heard from Representatives Watts of Oklahoma and Davis of Illinois; Roy A. Bernardi, Assistant Secretary, Community Planning and Development, Department of Housing and Urban Development; Eric Solomon, Deputy Assistant Secretary, Regulatory Affairs, Department of the Treasury; and public witnesses.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST of May 20, 2002, *p. D514)*

H.R. 2048, to require a report on the operations of the State Justice Institute. Signed on May 20, 2002. (Public Law 107–179)

H.R. 2305, to require certain Federal officials with responsibility for the administration of the criminal justice system of the District of Columbia to serve on and participate in the activities of the District of Columbia Criminal Justice Coordinating Council. Signed on May 20, 2002. (Public Law 107–180)

H.R. 4156, to amend the Internal Revenue Code of 1986 to clarify that the parsonage allowance exclusion is limited to the fair rental value of the property. Signed on May 20, 2002. (Public Law 107–181)

COMMITTEE MEETINGS FOR WEDNESDAY, MAY 22, 2002

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education, to hold hearings to examine issues surrounding Parkinson's disease, 9:30 a.m., SH–216.

Full Committee, business meeting to mark up an original bill making emergency supplemental appropriations for the fiscal year ending September 30, 2002, 2 p.m., S–128 Capitol.

Committee on Commerce, Science, and Transportation: to hold hearings to examine the promotion of local telecommunication competition, focusing on greater broadband deployment, 9:30 a.m., SR–253.

Subcommittee on Consumer Affairs, Foreign Commerce, and Tourism, to hold hearings to examine the federal regulation of the sport of boxing and boxing regulation, 1 p.m., SH–216.

Subcommittee on Science, Technology, and Space, to hold hearings to examine the National Science Foundation budget, focusing on Federal research and development activities, 2:30 p.m., SR–253.

Committee on Energy and Natural Resources: to hold hearings on S.J. Res. 34, approving the site at Yucca Mountain, Nevada, for the development of a repository for the disposal of high-level radioactive waste and spent nuclear fuel, pursuant to the Nuclear Waste Policy Act of 1982, 9:30 a.m., SD–106.

Committee on Governmental Affairs: business meeting to consider pending calendar business; and to authorize the issuance of subpoenas to the Executive Office of the President and the Office of the Vice President in connection with the Committee's investigation regarding Enron Corporation, 9:30 a.m., SD–342.

Committee on Indian Affairs: to hold hearings on S. 1340, to amend the Indian Land Consolidation Act to provide for probate reform with respect to trust or restricted lands, 10 a.m., SR–485.

Select Committee on Intelligence: to hold closed hearings on pending intelligence matters, 2:30 p.m., SH–219.

Committee on the Judiciary: Subcommittee on Crime and Drugs, to hold hearings to examine Federal cocaine sentencing policies, 10:30 a.m., SD–226.

House

Committee on Financial Services, hearing on European Union's Financial Services Action Plan and its implications for the American financial services industry, 10 a.m., 2128 Rayburn.

Committee on International Relations, hearing on International Adoptions: Problems and Solution, 10:15 a.m., 2172 Rayburn.

Subcommittee on the Middle East and South Asia, hearing on the Future of U.S.-Saudi Relations, 2 p.m., 2172 Rayburn.

Committee on the Judiciary, Subcommittee on Courts, the Internet, and Intellectual Property, oversight hearing on "The Accuracy and Integrity of the WHOIS DATABASE," 10 a.m., 2141 Rayburn.

Committee on Resources, to mark up the following: H. Con. Res. 352, expressing the sense of Congress that Federal land management agencies should fully implement the Western Governors Association "Collaborative 10-year Strategy for Reducing Wildland Fire Risks to Communities and the Environment" to reduce the overabundance of forest fuels that place national resources at high risk of catastrophic wildfire, and prepare a National Prescribed Fire Strategy that minimizes risks of escape; H. Con. Res. 395, celebrating the 50th anniversary of the constitution of the Commonwealth of Puerto Rice; H.R. 521, to amend the Organic Act of Guam for the purposes of clarifying the local judicial structure of Guam; H.R. 1606, to amend section 507 of the Omnibus Parks and Public Lands Management Act of 1996 to authorize additional appropriations for historically black colleges and

universities, to decrease the matching requirement related to such appropriations; H.R. 2388, National Heritage Areas Policy Act of 2001; H.R. 2982, to authorize the establishment of a memorial within the area in the District of Columbia referred to in the Commemorative Works Act as ''Area I'' or ''Area II'' to the victims of terrorist attacks on the United States, to provide for the design and construction of such a memorial; H.R. 3307, Vicksburg National Military Park Boundary Modification Act; H.R. 3380, to authorize the Secretary of the Interior to issue right-of-way permits for natural gas pipelines within the boundary of Great Smoky Mountains National Park; H.R. 3558, Species Protection and Conservation of the Environment Act; H.R. 3786, Glen Canyon National Recreation Area Boundary Revision Act of 2002; H.R. 3858, New River Gorge Boundary Act of 2002; H.R. 3936, to designate and provide for the management of the Shoshone National Recreation Trail; H.R. 3942, John Muir National Historic Site Boundary Adjustment Act; H.R. 4103, Martin's Cove Land Transfer Act; H.R. 4129, to amend the Central Utah Project Completion Act to clarify the responsibilities of the Secretary of the Interior with respect to the Central Utah Project, to redirect unexpended budget authority for the Central Utah Project for wastewater treatment and reuse and other purposes, to provide for prepayment of repayment contracts for municipal and industrial water delivery facilities, and to eliminate a deadline for such prepayment; and H.R. 4609, to direct the Secretary of the Interior to conduct a comprehensive study of the Rathdrum Prairie/Spokane Valley Aquifer, located in Idaho and Washington, 10 a.m., 1334 Longworth.

Subcommittee on Water and Power, hearing on the following bills: H.R. 3561, Twenty-First Century Water Policy Commission Establishment Act; and H.R. 4638, to reauthorize the Mni Wiconi Rural Water Supply Project, 2 p.m., 1334 Longworth.

Committee on Science, to mark up the following bills: H.R. 4664, Investing in America's Future Act of 2002; H.R. 3130, Technology Talent Act of 2001; H.R. 4687, National Construction Safety Team Act; H.R. 2486, Inland Flood Forecasting and Warning Act of 2001; and H.R. 2733, Enterprise Integration Act of 2001, 10 a.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, to mark up the following: H.R. 2950, Rail Infrastructure Development and Expansion Act of the 21st Century; H.R. 3429, Over-the-Road Bus Security and Safety Act of 2001; H.R. 3609, Pipeline Infrastructure Protection To Enhance Security and Safety Act; H.R. 4545, Amtrak Reauthorization Act of 2002; the Ronald C. Sheffield Federal Property Protection Act of 2002; several public building 11 (b) resolutions; and other pending business, 11 a.m., 2167 Rayburn.

Joint Meetings

Conference: meeting of conferees on H.R. 333, to amend title 11, United States Code, 2 p.m., S–211 Capitol.

Commission on Security and Cooperation in Europe: to hold hearings to examine the rise in anti-Semitism violence throughout Western Europe and Russia, 10 a.m., SD–628.

Next Meeting of the SENATE

9:30 a.m., Wednesday, May 22

Senate Chamber

Program for Wednesday: After the transaction of any morning business (not to extend beyond 10:30 a.m.), Senate will resume consideration of H.R. 3009, Andean Trade Preference Expansion Act, with a vote on the motion to close further debate on Baucus/Grassley Amendment No. 3401, in the nature of a substitute, to occur at approximately 11:30 a.m.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Wednesday, May 22

House Chamber

Program for Wednesday: Consideration of the conference report on H.R. 3448, Bioterrorism Preparedness Act of 2002 Conference Report (rule waiving points of order, one hour of debate);

Consideration of H.R. 3129, Customs Border Security Act of 2002 (structured rule, one hour of general debate); and

Consideration of H.R. 4775, Supplemental Appropriations for Fiscal Year 2002 (open rule, one hour of general debate).

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