or memos issued just on the eve of the consideration of this legislation, and I want to make four points to reassure those who have expressed concerns about the effects of this bill on environmental procedures.

One, the bill specifically provides there is no preemption or interference with any practice of seeking public comment or the authority of States or the authority of airport operators to decide on which projects they wish to undertake.

Two, the bill does not give any new authority to the FAA to create exemptions from the environmental requirements.

Three, States have a choice of whether they want to participate in a coordinated process.

Four, if another agency does not comply with the coordinated schedule developed by DOT, the other agency does not lose its authority. It does have a remedy, a report to Congress.

I think on balance we have taken into consideration the concerns expressed in the course of the hearing and subsequently about the effects of this legislation on environmental processes, and I urge the adoption of the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. MICA. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, first, again, I want to thank the ranking member, the gentleman from Minnesota (Mr. OBERSTAR) for his cooperation and the gentleman from Illinois (Mr. LIPINSKI), the ranking member of the Subcommittee on Aviation, for his kind assistance.

This legislation is authored by the chair of our full committee, the distinguished gentleman from Alaska (Mr. YOUNG), and it is cooperation of this nature that allows us to move important legislation forward. Although again not very newsworthy or legislation which brings on a great deal of debate and controversy in the House, today we are passing a significant measure which will allow airport streamlining for the approval process that is so important.

Mr. Speaker, in conclusion, this bill saves time and this legislation saves money. This legislation maintains our protections, important protections over the environment, and this legislation maintains important local and State control and authority.

I believe it is important to move this legislation forward because it does move our aviation infrastructure projects which are so necessary across the country and particularly in our congested regions of the Nation, and also this is important because it will move our economy forward, which we know is so dependent on aviation and aviation infrastructure.

So, with those comments, Mr. Speaker, I urge the adoption of this legislation and support for H.R. 4481.

Mr. CONDIT. Mr. Speaker, I rise today to put on record my concerns regarding the Airport Streamling Approval Process Act of 2002 currently under discussion in the House.

No one can quarrel with the concept of coordinating the extensive environmental review process required for major infrastructure projects such as the airport construction. Major transportation, education, energy, and other essential infrastructure projects warrant expedited environmental review, as long as the review is thorough and complete. However, it is critical that the same standards of review be used for all such projects. In Northern California there is a very controversial and disputed proposal to expand the runways at San Francisco International Airport by filling in approximately one square mile of San Francisco Bay. For the last several years, I have impressed upon federal and state officials the importance of analyzing this proposal from the perspective of meeting the long-term challenges facing commercial aviation throughout Northern California.

The runway expansion and Bay fill proposal is seen as a solution to the problem of too much air traffic and air traffic delays at SFO. But, this solution will only compound the problem of traffic gridlock on our existing freeway and highway system to and from the airport. The permanent damage to San Francisco Bay caused by the Bay fill would only relieve aviation congestion problems on a temporary basis, it does nothing to address the larger issue of moving people and goods throughout California in the most reasonable, efficient, and environmentally prudent manner. In fact, it makes this challenge more difficult.

As we discuss expedited review by the Federal Government of major projects such as the San Francisco Bay fill/airport expansion proposal, we must be mindful of thoroughly reviewing all alternatives. In the case of San Francisco, have we considered the use of existing, under-utilized or abandoned aviation facilities in the San Francisco/Northern California region as an alternative to filling the Bay? Do the increased security concerns resulting from September 11 support such an expansion or would it be more prudent to improve other regional facilities? Has consideration been given to segregating SFO in terms of limiting or eliminating air cargo operations at that facility in order to maximize passenger aviation opportunities?

I have long suggested the Federal Government coordinate its review of all major projects in order to have a timely resolution and avoid endless litigation and delay. Our policies in this area, however, must be consistent and exercised with fairness, and the review must be thorough.

Mr. ROTHMAN. Mr. Speaker, I rise today in strong opposition of the Airport Streamlining Approval Process Act of 2002, which continues this Congress' focus toward the expansion of airports and ignores the quality of life issue forced on many of our constituents who live near airports—aircraft noise.

I fully recognize the vital role the aviation industry plays in our nation's economy, but it is time for this congress to stop focusing solely on what's good for the airport industry and to start focusing on what's also good for the countless individuals who live near airports and are constantly subjected to the thunderous roar of giants jets overhead.

While this measure does include provisions that address aircraft noise, I firmly believe that those steps are inadequate and do not properly address the issue of aircraft noise. Instead of addressing legislation seeking solely to expand this nation's airports, this Congress should also focus its attention on legislation that eliminates aircraft noise. One measure I have introduced would ban the two loudest types of airplane engines from all general aviation airports in the 20 largest metropolitan areas in the country. It is time that we shift our attention away from solely the expansion of airports and toward the problem of aircraft noise which hampers the quality of life for countless American citizens.

Mr. MICA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. ISAKSON). The question is on the motion offered by the gentleman from Florida (Mr. MICA) that the House suspend the rules and pass the bill, H.R. 4481, 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.

GENERAL LEAVE

Mr. MICA. 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. 4481, as amended.

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

There was no objection.

ARMED FORCES TAX FAIRNESS ACT OF 2002

Mr. HOUGHTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5063) to amend the Internal Revenue Code of 1986 to provide a special rule for members of the uniformed services in determining the exclusion of gain from the sale of a principal residence and to restore the tax exempt status of death gratuity payments to members of the uniformed services.

The Clerk read as follows:

H.R. 5063

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 ''Armed Forces Tax Fairness Act of 2002''.

SEC. 2. SPECIAL RULE FOR MEMBERS OF UNIFORMED SERVICES IN DETERMINING EXCLUSION OF GAIN FROM SALE OF PRINCIPAL RESIDENCE.

(a) IN GENERAL.—Subsection (d) of section 121 of the Internal Revenue Code of 1986 (relating to exclusion of gain from sale of principal residence) is amended by adding at the end the following new paragraph:

''(9) MEMBERS OF UNIFORMED SERVICES.—

''(A) IN GENERAL.—At the election of an individual with respect to a property, the running of the 5-year period described in subsection (a) with respect to such property shall be suspended during any period that such individual or such individual's spouse is serving on qualified official extended duty as a member of the uniformed services.

''(B) MAXIMUM PERIOD OF SUSPENSION.—The 5-year period described in subsection (a) shall not be extended more than 5 years by reason of subparagraph (A).

''(C) QUALIFIED OFFICIAL EXTENDED DUTY.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'qualified official extended duty' means any extended duty while serving at a duty station which is at least 250 miles from such property or while residing under Government orders in Government quarters.

''(ii) UNIFORMED SERVICES.—The term 'uniformed services' has the meaning given such term by section 101(a)(5) of title 10, United States Code, as in effect on the date of the enactment of this paragraph.

''(iii) EXTENDED DUTY.—The term 'extended duty' means any period of active duty pursuant to a call or order to such duty for a period in excess of 180 days or for an indefinite period.

''(D) SPECIAL RULES RELATING TO ELECTION.—

''(i) ELECTION LIMITED TO 1 PROPERTY AT A TIME.—An election under subparagraph (A) with respect to any property may not be made if such an election is in effect with respect to any other property.

''(ii) REVOCATION OF ELECTION.—An election under subparagraph (A) may be revoked at any time.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to elections made after the date of the enactment of this Act for suspended periods under section 121(d)(9) of the Internal Revenue Code of 1986 (as added by this section) beginning after such date.

SEC. 3. RESTORATION OF FULL EXCLUSION FROM GROSS INCOME OF DEATH GRATUITY PAYMENT.

(a) IN GENERAL.—Subsection (b)(3) of section 134 of the Internal Revenue Code of 1986 (relating to certain military benefits) is amended by adding at the end the following new subparagraph:

''(C) EXCEPTION FOR DEATH GRATUITY ADJUSTMENTS MADE BY LAW.—Subparagraph (A) shall not apply to any adjustment to the amount of death gratuity payable under chapter 75 of title 10, United States Code, which is pursuant to a provision of law enacted before December 31, 1991.''.

(b) CONFORMING AMENDMENT.—Subparagraph (A) of section 134(b)(3) of such Code is amended by striking ''subparagraph (B)'' and inserting ''subparagraphs (B) and (C)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to deaths occurring after September 10, 2001.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. HOUGHTON) and the gentleman from New York (Mr. MCNULTY) each will control 20 minutes.

The Chair recognizes the gentleman from New York (Mr. HOUGHTON).

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

Mr. Speaker, this is an important bill. It has two features to it. First, it increases the tax-free death benefit payment provided to members of the Armed Services who are on active duty. The present exempt amount is $3,000. The bill increases that to $6,000. In 1991, during Desert Storm, this death benefit paid to the survivors was increased from $3,000 to $6,000, but the tax amount was not changed, so that the extra $3,000 has been subject to tax since that time. What this does, the bill will correct that oversight.

The second feature, Mr. Speaker, is the bill will allow members of the uniformed services who are transferred to take advantage of the present-law capital gains tax relief on the sale of their home, the way all the rest of us can do. An individual is not subject to the first $250,000, or, for a couple, $500,000 on a joint return on the sale of a home if it has been lived in as a principal residence for 2 out of the last 5 years.

Uniformed members are transferred around this country and overseas at someone else's choosing. This happens so many times that it is impossible for them to meet the 5-year rule. What this bill would do is suspend the running of the 5-year rule for a total of 5 years during the time they are assigned away from home.

Furthermore, Mr. Speaker, although the provisions in this bill apply only to the military and uniformed service members, there are other citizens who work abroad for the government or foreign service officers, as well as employees of businesses, who have the same problem with the 5-year rule. At some point, not now, but at some point we need to consider their needs so that the rule is uniform.

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

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

Mr. Speaker, during this time of heightened military engagement, the benefits provided under this bill should go to our men and women in uniform without delay. The high price they are willing to pay is often overlooked during peacetime, but war quickly reminds us of their willingness to place their lives on the line for all that we hold dear. The families of these men and women deserve any help we can provide in making their lives a bit easier.

This bill responds, as my colleague from New York pointed out, to two areas of need. It provides much-needed relief to members of our military through favorable tax treatment of death benefits paid on behalf of military personnel who die in the line of duty. In addition, the bill eases the burden currently experienced by certain military personnel with respect to the exclusion of gain on the sale of their principal residence.

We all agree that the current death benefit of $3,000 is inadequate. This position was adopted earlier when the benefit was increased from $3,000 to $6,000 through the appropriations process. We must now ensure that our military men and women receive the full benefits as intended. Thus, under the bill the full amount of the death penalty payable, which is $6,000, would be excluded from income.

The second provision of the bill would ensure that certain military personnel are not denied the benefits of excluding an amount of the gain realized upon the sale of a principal residence simply because of extended military assignments away from home. Current law provides an individual taxpayer an exclusion from tax of up to $250,000, or $500,000 if married and filing a joint return, of gains realized on the sale or exchange of a principal residence. To qualify, the taxpayer must have owned and used the residence as a principal residence for at least 2 of the 5 years prior to the sale or exchange.

Many of our military personnel do not receive this benefit because they are stationed away from home for an extended tour of duty. Thus, they fail to meet the so-called 2 of the 5 preceding years rule. This bill would ensure that this benefit is not lost because of an extended tour of duty. Under the bill, military personnel would be permitted to exclude any time spent on an extended tour of duty for purposes of meeting the 2 of 5 preceding years rule.

This provides the benefits which were intended when the law was enacted. I do not believe anyone in this body would argue that the Congress intended to deny this benefit to the men and women who faithfully serve in our Armed Forces. This provision brings about the fair and intended results.

I join the gentleman from New York (Mr. HOUGHTON) in strongly supporting this bill, H.R. 5063, and I urge all of my colleagues to support it as well.

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

Mr. HOUGHTON. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. SAM JOHNSON).

(Mr. SAM JOHNSON of Texas asked and was given permission to revise and extend his remarks.)

Mr. SAM JOHNSON of Texas. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, it is a great honor to be here today in support of improving the quality of life for the men and women of our military and their loved ones with this Armed Forces Tax Fairness Act.

Let me begin by saying how extremely proud I am of the men and women who serve in our military, as well as their families. No matter where I go, I have the absolute rapt attention from everyone when I talk about members of our Armed Services and the great job they are doing today. I hope that our troops know that all across the Nation, citizens are proud of our troops and that Americans are grateful for the sacrifices that they and their families make for the defense of our Nation.

The bill we debate here today will put some muscle behind our statements of appreciation. While one could never, ever, put a price on life, as a very small token of respect and condolences, the military provides a death benefit for survivors called a death gratuity after the loss of a loved one. This money can be used to fly family members to a funeral or pay for memorial service expenses.

Unfortunately, in the last decade a large portion of that money has gone back to the Federal Government. The death gratuity was increased from

$3,000 to $6,000 during the Persian Gulf War, but our Tax Code failed to keep up with the military changes. As a result, only half of that $6,000 is tax-free today.

During times of war and times of peace, every military family prays for the safety of their loved ones. A visit by a military chaplain bearing bad news one day is only compounded by the horror of the tax man soon after.

Taxing the loved ones' loss is one of the most inappropriate, irresponsible and immoral forms of taxation. Today's action will change that. This exclusion would be effective for those who died in the Pentagon, have fought for freedom in Afghanistan, and any service member killed while defending this country on September 11 or since that tragic day.

Mr. Speaker, I remember when my wife talked about the chaplain coming up to her front door just when I was missing in action. Those families who have suffered, suffered through the death of a loved one killed in action by terrorism, should not have to give one nickel more to Uncle Sam.

The other important change being made concerns housing of military families. The act would provide a reasonable accommodation to members of the military so they, too, can benefit from the current $500,000 exclusion from capital gains on the sale of a home.

To get this exclusion, a family must live in a home for at least 2 of the previous 5 years. This is generally reasonable, but for those serving in the military, such a requirement is out of their control when their orders ship them to any of the four corners of the earth.

I know firsthand about being transferred. As a 29-year veteran of the Air Force, my wife Shirley and our three kids and I moved 17 times. It is a reality of military life. It is fair for the Tax Code to hold them harmless for the time when they are not living in their own homes because of military orders.

□ 1300

Do not worry. Service members will not be able to become real estate moguls by buying property all over the country and getting this benefit. It is only relevant for one property per family.

Today's action is one more way Congress can say ''thank you'' to our brave military men and women, as well as their families. I hope the Senate follows suit for the families and for freedom, and sends this bill to the President soon.

Mr. HOUGHTON. Mr. Speaker, I thank the gentleman from Texas very much for those wonderful and eloquent words.

Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina (Mr. JONES).

Mr. JONES of North Carolina. Mr. Speaker, I want to first thank the gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) and the gentleman from New York (Mr. HOUGHTON) and the gentleman from New York (Mr. MCNULTY) for bringing this legislation forward.

I think, after the celebration of our freedom last Thursday, that it is just and appropriate that we should bring this legislation forward. I actually got involved with H.R. 3973 2 or 3 months ago when I learned that the tax was on the death gratuity of our military; and I worked both sides of the political aisle. We had over 110 sponsors for that legislation, because all of us were surprised that there was still that tax on the death gratuity. So I want to compliment the chairman and the ranking member for bringing this legislation forward.

I am pleased to say, as the gentleman from Texas (Mr. JOHNSON), who was a former POW, said, that we have so many wonderful men and women in uniform who serve this Nation and are willing to be called to give their life for America at any time; and to eliminate this death tax, death gratuity tax, on the family after they have lost a loved one is absolutely the right thing to do. It should be, as it is to my colleagues, unacceptable that this death gratuity tax is in the law now, but we are going to eliminate that with the passage of this legislation.

In addition, I would like to thank the gentleman from New York (Mr. HOUGHTON), the chairman of the subcommittee, and others, because I have also shared their concern about the fact that our military was left out of the Taxpayers Relief Act of 1997, when we allowed for the first sale of a home that the capital gains tax would not apply. So I am pleased, after 5 years, I say to my colleagues, that they are bringing this forward and bringing this relief to the men and women in uniform.

The last point on that is that I did talk to Chairman Archer at the time, back in 1998, and he said that it was a mistake, that the military should have been included; so I am delighted with the efforts of my colleagues that we are moving this forward.

Mr. Speaker, in closing, I would just like to say that I give my strong support and appreciation to the leadership for bringing this act to the floor of the House.

Mr. HOUGHTON. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi (Mr. PICKERING).

Mr. PICKERING. Mr. Speaker, to the gentleman from New York (Mr. MCNULTY), I rise in proud support and sponsorship of the Armed Forces Tax Relief Act of 2002.

As we return from the 4th of July recess, I can think of nothing more appropriate or better to do than to correct the injustice and the wrong code in our tax system that we would take a tax at the very worst time in an armed service member's family's life when they have lost someone in the line of duty, in combat. We, as a government, have said that we will give that family a death benefit. We should not be taxing them on that; we should be helping them.

Mr. Speaker, I agree with the gentleman from Texas. This is simply wrong and immoral. We must do something. This act will correct that injustice, and we will say to the family, we are proud of your family member's service to our country. We want to help you in this most difficult time, and we will not increase your burden, but we will stand with you and try to comfort, not tax you.

The other thing that is most important in an armed service member's family's life is when they move or sell their home and the quality of life that is so critical to be able to sell a home and buy a home and improve that home, and to create the comfort and the quality for their children. We should not be taxing them in a way that makes that very important and essential component of their quality of life more difficult. So I am very proud to see that we are adjusting the Tax Code.

In my home State of Mississippi, we have two military bases in Meridian and Columbus, Mississippi. Our Air Guard and our other Guard and Reserve forces are being deployed on an even more frequent basis, and we should not count that time of their serving our country, being deployed in foreign countries, fighting a war on terrorism or conducting humanitarian missions or whatever their mission may be, and then penalizing them as they try to sell their home and create a better place and a better home for their family.

So this is an act that is long overdue. It is something that is done in tribute on this, the week after the 4th of July, as our men and women are fighting a war on terrorism. I can think of nothing more appropriate or right to do as we today pass, later this afternoon, the Armed Services Tax Fairness Act of 2002.

Mr. HOUGHTON. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Mr. Speaker, I thank the gentleman for yielding me this time.

When I served in the United States Army, I remember very well, I can trace my steps during that time very vividly, I was transferred four times. That is not unusual for any member of the Armed Forces, no matter which branch it might be.

During that time, I did not have any property problems. I owned no property, so some of these provisions which we attack here today would not have applied to me. But some of the people with whom I served would have faced tax consequences if we were in a position not to do something, as we are doing here today.

The point is that transfers being a way of life, it is possible that the capital gains tax relief that is granted to people otherwise would not be granted

to a member of the armed services because of the rapid transferability of every single member of the United States Army, Navy, Marines, the entire gamut of the Armed Forces.

What we do here today is to grant members of the Armed Forces the stability in their tax structure that they otherwise would not be able to garner. So when we do this, we honor the members of the Armed Forces and we pay heed to their special tax consequences if we did not have the vision to foresee some of the problems that they might face. This bill foresees it and remedies it.

Mr. HOUGHTON. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. FORBES).

Mr. FORBES. Mr. Speaker, I thank the gentleman from New York for yielding me this time.

I am very proud to rise in support of this important legislation. On September 11, our Nation suffered a great tragedy. The enemies of freedom made a deliberate attack upon our people and our soil and our way of life. But those enemies were mistaken if they believed that such an attack could turn us away from the principles of liberty and freedom that we hold so dear.

Despite the strains of the war on terror, America's military is still the strongest in the world. However, the true power behind America's military might is not the high-tech tanks and planes and guns that we have; it is the fighting American soldier, sailor, airman and Marine that operates those weapons.

People are the true power behind America's military might. People fly planes and drive tanks and ride on horseback through the mountains of Afghanistan. People sail into harm's way and launch from the decks of aircraft carriers. People guard over the very freedom that makes this country the best in the world. There is no warfighting without warfighters, and if we do not protect our people, we will lose them.

Only two things in life they say are certain: death and taxes. But how in the world can we possibly continue to justify penalizing our service members who risk their lives to protect this government by then turning around and taxing them on the benefits their families receive because they gave their lives for us? It makes absolutely no sense for our government to bestow a gratuity upon the American service member only so that we can take it away after he has given the ultimate sacrifice.

Please join me in supporting this important legislation to remove death gratuity payments from members of the armed services.

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

Mr. Speaker, I work very hard these days on trying to keep my priorities straight, and part of that is remembering that had it not been for all of the men and women who wear the uniform of the United States military through the years, I would not have the privilege as an American citizen of going around bragging, as I often do, about how we live in the freest and most open democracy on the face of the Earth.

Freedom is not free. We have paid a tremendous price for it. I try not to let a day go by without remembering with deep gratitude all of those who, like my own brother, Bill, made the supreme sacrifice, and all of those who, like many members of this Chamber, served in our Armed Forces, came back home, continued to render outstanding service and raise beautiful families to carry on their fine traditions.

Like many Members, I attended a number of events over the July 4th weekend. One of them was on Sunday, July 7th, with survivors of the Battle of Saipan. They recalled with great sorrow how 80 percent of the people that they served with at the time did not come home alive.

But they survived. This was a very special group, Mr. Speaker, because they had never received the medals that they had earned 58 years before. Thankfully, one of the things that we could do, as Members of Congress, is to try to rectify that.

On that day, I had the honor of pinning on their lapels literally dozens of those medals, including Bronze Stars and Purple Hearts, which they earned 58 years prior to the day, but had never received. People like Nick Grinaldo and Joe Mariano, Adam Weasack, Ralph Colangione, Frank Pusatere, and Sammy DiNova; and people like the gentleman from Texas (Mr. JOHNSON), who just left this Chamber, who served our country, was a prisoner of war, who endured torture on our behalf.

These are the reasons why, when I get up in the morning, my priorities, Mr. Speaker, are to thank God for my life and veterans for my way of life.

Beyond winning the two great World Wars of this century, think of what their service and their vigilance has meant just in the past decade or so: the democratization of all of Eastern Europe. And I can remember, as those Communist countries were falling in 1989, Erich Honecker, then the leader of Germany, standing up before the world and making the pronouncement, ''This is where it stops. It shall not happen here,'' meaning the democracy movement. Three weeks later he was no longer the leader of East Germany, replaced by Egon Krenz, who decided to adopt what he called the interpretation as, ''the moderate hard line,'' meaning he was going to try to preserve the Communist system and just appease the democratic movement. And he was quickly dispatched, and we know the rest of the story.

What a great thrill it was for me in the following spring, in the spring of 1990, to travel and visit our troops in Germany. They flew me into Berlin and they took me to the Berlin Wall, as the people were out there with their hammers and chisels, tearing down the wall piece by piece. Our soldiers made that happen. I got a hammer and chisel, and I went out there and I banged away at the wall myself, and I brought back some of those pieces of wall and gave them to veterans and thanked them for what they had done for the people of that region and for every citizen of the Free World.

And the year after that, the breakup of the Soviet Union into 15 individual democratic republics, who would have predicted that even a short time prior?

□ 1315

I thank this body for sending me over to one of those republics when they were having their independence referendum in Armenia. I went over with three of my other colleagues and watched in awe as 99.5 percent of the people over the age of 18 in that country went out and voted, a privilege none of them had experienced before in their lives. I watched them stand in line for hours for the privilege of the right to vote.

Then it was a beautiful scene, because when they finished voting, they did not go home. They had little banquets in every little polling place to celebrate their independence. What a great thrill it was for me as a Representative of the United States Congress to be there with them the next day in the streets of Yeravan, their capital, as they danced and sang and shouted (Armenian phrase), long live free and independent Armenia, and then pointed to the United States of America as their example of what they wanted to be as a democracy.

At that moment, I was never more proud to be an American. But I remembered why I had that feeling: the men and women who put on the uniform of the United States military through the years and put their lives on the line for me, for my family, and every citizen of this country.

This bill today, Mr. Speaker, is peanuts; it is small-time stuff; it is a couple of minor tax breaks. But we should enact it and build on it and remember why we have the great privileges we have in this country: the men and women of our Armed Forces.

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

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

Mr. Speaker, I would like to thank the gentleman from New York (Mr. MCNULTY) for those wonderful words. Many strong words have been uttered by many strong people here, and I will not try to add to those.

Suffice it to say, Mr. Speaker, that this is a fair bill, it is the right bill, it is the right bill at the right time; and I would like to, as with the gentleman from New York (Mr. MCNULTY), urge Members to support H.R. 5063.

Mr. GILMAN. Mr. Speaker, I rise today in strong support of H.R. 5063, the Armed Services Tax Fairness Act.

Everyday the men and women of the Armed Services risk their lives to defend our country. After September 11th the burden upon the men and women in uniform has grown exponentially. As it is, many in the Armed Forces claim that their pay is low. The least that we could do would be to give those who serve our country some type of financial relief.

Back in 1991, the gratuity death payment was increased from $3,000 to $6,000, however the Tax Code was not adjusted to reflect the change. As a result only the first $3,000 is truly tax-free. House Resolution 5063 would change this so that all of the gratuity death payment money would be exempt from taxes.

Furthermore, this bill would protect armed services personnel who are transferred to take advantage of capital gains tax relief on any home sales. Currently, the law states that a person is not subject to capital gains tax on the first $250,000 when selling a home and $500,000 for a married couple. However, only people who live in their home for at least 2 out of the past 5 years can take advantage of exemption. Armed service men and women often are not able to satisfy the 5-year rule and therefore are not able to take advantage of this tax relief. House Resolution 5063 would address this by providing that even when men and women of the Armed Forces are transferred, it will put them in the same position as if they had been living at home while serving elsewhere.

Accordingly, I urge all of our colleagues to support H.R. 5063, the Armed Services Tax Fairness Act. This is simply the right and fair thing to do for all those in uniform who risk their lives everyday for our Nation.

Mr. HOUGHTON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion offered by the gentleman from New York (Mr. HOUGHTON) that the House suspend the rules and pass the bill, H.R. 5063.

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. HOUGHTON. 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.

GENERAL LEAVE

Mr. HOUGHTON. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 5063.

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

There was no objection.

UNDERGRADUATE SCIENCE, MATHEMATICS, ENGINEERING, AND TECHNOLOGY EDUCATION IMPROVEMENT ACT

Mr. BOEHLERT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3130) to provide for increasing the technically trained workforce in the United States, as amended.

The Clerk read as follows:

H.R. 3130

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 ''Undergraduate Science, Mathematics, Engineering, and Technology Education Improvement Act''.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) Studies show that about half of all United States post-World War II economic growth is a direct result of technological innovation, and science, engineering, and technology play a central role in the creation of new goods and services, new jobs, and new capital.

(2) The growth in the number of jobs requiring technical skills is projected to be more than 50 percent over the next decade.

(3) A workforce that is highly trained in science, mathematics, engineering, and technology is crucial to generating the innovation that drives economic growth, yet females, who represent 50 percent of the United States population, make up only 19 percent of the science, engineering, and technology workforce.

(4) Outside of the biomedical sciences, the number of undergraduate degrees awarded in the science, mathematics, engineering, and technology disciplines has been flat or declining since 1987, despite rapid population growth and a significant increase in undergraduate enrollment over the same period.

(5) The demand for H–1B visas has increased over the past several years, suggesting that the United States is not training a sufficient number of scientists and engineers.

(6) International comparisons of 24-year olds have shown that the proportion of natural science and engineering degrees to the total of undergraduate degrees is lower in the United States than in Japan, South Korea, Taiwan, the United Kingdom, and Canada.

(7) Technological and scientific advancements hold significant potential for elevating the quality of life and the standard of living in the United States. The quality and quantity of such advancements are dependent on a technically trained workforce.

(8) Reversing the downward enrollment and graduation trends in a number of science and engineering disciplines is not only imperative to maintaining our Nation's prosperity, it is also important for our national security.

(9) The decline of student majors in science, mathematics, engineering, and technology is reportedly linked to poor teaching quality in these disciplines and lack of institutional commitment to undergraduate education as compared to research.

(10) Undergraduate science, mathematics, engineering, and technology faculty generally lack any formal preparation for their role as undergraduate educators. In addition, faculty members are generally not rewarded, and in some cases are penalized, for the time they devote to undergraduate education.

(11) Faculty experienced in working with undergraduate students report that undergraduate research experiences contribute significantly to a student's decision to stay in an undergraduate science, mathematics, engineering, or technology major and to continue their education through graduate studies.

SEC. 3. DEFINITIONS.

In this Act—

(1) the term ''academic unit'' means a department, division, institute, school, college, or other subcomponent of an institution of higher education;

(2) the term ''community college'' has the meaning given such term in section 7501(4) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7601(4));

(3) the term ''Director'' means the Director of the National Science Foundation;

(4) the term ''eligible nonprofit organization'' means a nonprofit organization with demonstrated experience delivering science, mathematics, engineering, or technology education, as determined by the Director;

(5) the term ''institution of higher education'' has the meaning given such term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)); and

(6) the term ''research-grade instrumentation'' means a single instrument or a networked system of instruments that enable publication-quality research to be performed by students or faculty.

SEC. 4. TECHNOLOGY TALENT.

(a) SHORT TITLE.—This section may be cited as the ''Technology Talent Act of 2002''.

(b) GRANT PROGRAM.—

(1) IN GENERAL.—The Director shall award grants, on a competitive, merit-reviewed basis, to institutions of higher education with physical or information science, mathematics, engineering, or technology programs, to consortia thereof, or to nonprofit entities that have established consortia among such institutions of higher education for the purpose of increasing the number and quality of students studying and receiving associate or baccalaureate degrees in the physical and information sciences, mathematics, engineering, and technology. Consortia established by such nonprofit entities may include participation by eligible nonprofit organizations, State or local governments, or private sector companies. An institution of higher education, including those participating in consortia, that is awarded a grant under this section shall be known as a ''National Science Foundation Science and Engineering Talent Expansion Center''.

(2) REQUIREMENTS.—

(A) NUMBER.—The Director shall award not fewer than 10 grants under this section each year, contingent upon available funds.

(B) DURATION.—Grants under this section shall be awarded for a period of 5 years, with the final 2 years of funding contingent on the Director's determination that satisfactory progress has been made by the grantee during the first 3 years of the grant period toward achieving the increases in the number of students proposed pursuant to subparagraph (E).

(C) PRINCIPAL INVESTIGATOR.—For each grant awarded under this section to an institution of higher education, at least 1 principal investigator must be in a position of administrative leadership at the institution of higher education, and at least 1 principal investigator must be a faculty member from an academic department included in the work of the project. For each grant awarded to a consortium or nonprofit entity, at each institution of higher education participating in the consortium, at least 1 of the individuals responsible for carrying out activities authorized under subsection (c) at that institution must be in a position of administrative leadership at the institution, and at least 1 must be a faculty member from an academic department included in the work of the project at that institution.

(D) SUBSEQUENT GRANTS.—An institution of higher education, a consortium thereof, or a nonprofit entity that has completed a grant awarded under this section may apply for a subsequent grant under this section.