The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. LAHOO).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

The SPEAKER'S ROOMS,
WASHINGTON, DC, March 2, 2005.
I hereby appoint the Honorable RAY LAHOO to act as Speaker pro tempore on this day.
J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend James T. Akers, National Chaplain, The American Legion, offered the following prayer:

Our Heavenly Father, in this moment of petition, when our minds and hearts are silent before You, may the prayers of Thy servants in this Chamber be heard.

In the midst of great activity today, make this moment sacred, a moment when answers come and guidance is given. Create in us the grace of thankful hearts, the grace of boldness in standing for what is right, the grace to treat others as we would be treated, and, finally, the grace to be thankful for all that we have and enjoy.

Grant us now a vivid sense of Your being by our side and make us Your partners in seeking wisdom for all matters of State. Give to these leaders of our Nation the inspired plans that shall lead this country in making the American Dream come true for all our citizens.

All of this we lift up to Your Holy Will and ask it in Your Holy Name. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof. Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Texas (Mr. CUÉLLAR) come forward and lead the House in the Pledge of Allegiance?

Mr. CUÉLLAR led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

INTRODUCTION OF THE REVEREND JAMES T. AKERS AS GUEST CHAPLAIN

(Mr. MORAN of Kansas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MORAN of Kansas. Mr. Speaker, I am honored today to introduce to my colleagues here in the House the Reverend James T. Akers of Madison, Kansas. Reverend Akers currently serves as the chaplain of the American Legion, and is an ordained priest with the Anglican Orthodox Church in Madison.

Reverend Akers answered the call to the Lord's service when he left public school administration and entered the clergy. He has served his church and has focused his efforts on his colleagues, his comrades, and the American Legion as he tries to meet the spiritual needs of veterans and their families. Since 1992 this chaplain has been the chaplain at Ball-McComb American Legion post in Emporia, Kansas, and has been the American Legion district chaplain twice and for the past 7 years has been the Department of Kansas chaplain. We are honored in Kansas to have him now as the National American Legion chaplain. He is a U.S. Army veteran himself, who fought in the Korean War, and Reverend Akers is not only involved in the American Legion and service to other veterans, but he is also a member of the Disabled American Veterans, the Reserve Officers Association of the United States, and is a Companion of the Military Order of World Wars. I have known Reverend Akers for a long time now. We often meet people in life who make a tremendous difference just on meeting them. He is a warm and caring and compassionate person who loves his fellow man, and it is a real honor to have him today as our guest chaplain in the United States House of Representatives.

THE REAL “SURVIVORS” OF PALAU

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, Reality TV is very popular these days. “Survivor” was the first of these shows to really break through. This season “Survivor” is being filmed on the island of Palau. A reader, Major Jerry Wiffler, pointed out to nationalreview.com that this island was also the site of an important battle in 1944. On September 15, 1944, the 1st Marine Division landed on the beaches of Palau in order to protect MacArthur’s right flank as he tried to recapture the Philippines. The battle was ferocious, as were most of these island engagements in the South Pacific. Ten thousand and five hundred Japan ese troops fought for nearly a month before the Marines were able to secure the island, and during this battle, Major Wiffler recalls, eight Marines earned the Medal of honor for their actions.

Today the island is best known as the setting for a “reality” TV show that...
pits people against each other for prize money. Sixty years ago, the island was the site of great bravery and courage, not for the sake of prize money, but for the sake of our Nation and for freedom. Major Wiffler hoped we would remember this.

SOCIAL SECURITY TOWN HALL MEETINGS

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, this Friday, President Bush plans to take his traveling White House to New Jersey in the hope of convincing New Jersey workers to support his Social Security privatization proposal. I only wish the President would open his event up to New Yorkers who did not contribute huge amounts to his reelection campaign or who refused to sign a letter saying they are a card-carrying Republican. Maybe then he would hear the public’s real concerns about his privatization plan.

Mr. Speaker, the American people simply do not believe the President wants to strengthen Social Security. President Bush talks in generalities about a crisis, but he has even admitted that his own privatization plan does nothing to fix the problems Social Security faces 40 years from now. Instead of fixing a future problem, the President’s privatization proposal will put a wedge between us and the American people who are very worried about their Social Security. I have received well over 300 letters in the past 2 weeks from people who are worried about their benefits. In fact, my office has held 15 senior center visits, high school visits, parent center visits, and health care facility visits. Over 500 constituents have been contacted about this issue. My constituents at Club America and the Federation of Seniors, whose members reside in elderly communities like the San Gabriel Valley, are overwhelmingly opposed to privatizing Social Security. I’m writing to tell you that he has no mandate from me, or from most other Americans, to cut Social Security benefits or add to America’s financial burdens in order to reward Wall Street backers with risky private accounts.” And I have about 300 letters that say about the same thing. So I urge our Members of Congress to reject privatization.

THE NATIONAL BUDGET

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, the Good Book tells us to know the condition of our flocks and keep careful watch over our herds, for riches do not endure forever. Tomorrow the budget debate begins here on Capitol Hill as the Committee on the Budget begins the process of writing our Federal budget, and President Bush has sent to Capitol Hill a strong conservative budget that represents a good start as we head down the road to fiscal discipline.

But as the debate begins, let us also insist that we change the way we spend the people’s money. Observers of Congress know that it is not bad people who spend the people’s money, but it is a bad process that has not been fundamentally reformed since 1972. Only through fundamental budget process reform and a budget that represents fiscal discipline will we begin again to restore fiscal discipline to the national budget.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, upon which the vote is objected to under clause 6 of rule XX.

Any record vote on the postponed question will be taken later today.

CONGRATULATING ASME ON THEIR 125TH ANNIVERSARY

Mr. AKIN. Mr. Speaker, I move to suspend the rules and concur in the Senate concurrent resolution (S. Con. Res. 13) congratulating ASME on their 125th anniversary, celebrating the achievements of ASME members, and expressing the gratitude of the American people for ASME’s contributions.

The Clerk read as follows:

WHEREAS ASME was helping to build the economy of the United States and the world; and

WHEREAS, through its 120,000 members, ASME members help to ensure the supply of quality science, technology, engineering, and mathematics education for young people as a way to foster and encourage the advancement of technology; WHEREAS industrial pioneers and ASME members such as Thomas Edison, Henry Ford, and George Westinghouse helped to build ASME’s engineering society even as ASME was helping to build the economy of the United States; 

WHEREAS ASME members help to ensure the development and operation of quality safety systems, including automobile, rail, and air travel; WHEREAS ASME members continue to contribute to the education and training of all Americans; WHEREAS in 2005, ASME, incorporated in 1880 as the American Society of Mechanical Engineers, celebrates its 125th anniversary as one of the premier professional organizations focused on technical, educational, and research issues of the engineering community; WHEREAS ASME plays a key role in protecting the welfare and safety of the public through the development and promulgation of over 600 codes and standards, including codes governing the manufacture of boilers, pressure vessels, works diligently to ensure the provision of quality science, technology, engineering, and mathematics education for young people as a way to foster and encourage the advancement of technology; WHEREAS industrial pioneers and ASME members such as Thomas Edison, Henry Ford, and George Westinghouse helped to build ASME’s engineering society even as ASME was helping to build the economy of the United States; WHEREAS ASME members help to ensure the development and operation of quality safety systems, including automobile, rail, and air travel; WHEREAS ASME members contribute to the research and development that identifies emerging and future technical needs in evolving and multidisciplinary areas; WHEREAS ASME continues to provide quality continuing education programs designed to keep engineers at the cutting edge of technology; and WHEREAS in the aftermath of the terrorist attacks on the United States of September 11, 2001, ASME members have intensified efforts to develop technologies for homeland security and the protection of the critical assets of this Nation; Now, therefore:

Resolved by the Senate (the House of Representatives concurring), That the Congress—
congratulates ASME on its 125th anniversary; recognizes and celebrates the achievements of all ASME members; expresses the gratitude of the people of the United States for ASME’s contributions to the health, safety, and economic well-being of the citizenry; and

(4) directs the Secretary of the Senate to revise and extend their remarks and include extraneous material on S. Con. Res. 13.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Missouri? There was no objection.

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

Mr. Speaker, I rise today in strong support of Senate Concurrent Resolution 13, a resolution recognizing the American Society of Mechanical Engineers (ASME) on the occasion of its 125th anniversary.

125 years ago, a group of prominent mechanical engineers gathered in the New York offices of the “American Machinist” to form what ultimately became ASME, one of the premier professional engineering organizations for technical education and research issues. Since 1880, ASME has worked to advance technological knowledge and facilitate the transfer of information from research to application.

Significant among ASME’s many achievements is its efforts to improve the safety and reliability of equipment, especially boilers. In the year that ASME was founded, nearly 160 boiler explosions occurred in the U.S., each of which brought death and injury. During this period of industrial growth, boilers were becoming larger, more numerous and dangerous.

On March 10, 1905, a boiler explosion at the Brockton Shoe Factory resulted in 58 deaths and 117 injuries and completely leveled the factory. Terrible accidents like Brockton drove the creation of ASME’s comprehensive Boiler Code, a set of standards to ensure the reliability and predictability of machinery design and production. Quickly adopted by most States, this code virtually eliminated boiler explosions in the United States.

Today, ASME has thousands of volunteers working on committees that combine to issue more than 600 standards, for specified technical purposes in a wide range of manufactured items. From the pressure valve of boilers to the threads on a screw, these standards ensure that equipment fits and holds safely, protecting American workers and the general public.

Some of our most prominent Americans have helped found ASME and many of our greatest innovators have occupied its board. Many will recognize the names of such members as Thomas Edison, Henry Ford, and George Westinghouse.

ASME continues this proud tradition more than a century later, engaging men and women of substance in emerging and future technical fields and cultivating the next generation of industrial leaders. In fact, ASME fellowships can be found in the Halls of Congress and throughout the administration, providing valuable insight on legislation, regulation, and policies related to technology and the practice of engineering. The ASME members are tireless advocates for quality science, technology, engineering, and mathematical education for students of all ages.

For 125 years of service to the U.S., I want to extend my warmest and heartfelt congratulations and sincere appreciation to President Harry Armen and the members of ASME for their strong and inspired leadership. I look forward to our continued association and future ASME achievements.

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

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

Mr. Speaker, today I rise in strong support of this resolution to commemorate the 125th anniversary of the founding of the American Society of Mechanical Engineers. The American Society of Mechanical Engineers, with its 120,000 members worldwide, is a professional organization focused on technical, educational, and research issues of the engineering and technology communities.

The society has a long and distinguished history in the creation of industrial and safety standards that enhance public safety. It began with technical standards for screw threads and now has developed more than 600 standards, including standards in vital areas such as precision machining, nuclear power generation, and petroleum refining.

The diversity and range of the society’s activities is reflected in the variety of its technical divisions, including Aerospace, Management, Materials, Power, Transportation, Rail, Textile Industries, and most recently, Information Storage and Processing Systems.

The Society conducts one of the world’s largest technical publishing operations and holds numerous technical conferences worldwide, and offers hundreds of professional development courses each year. It also sponsors activities to enhance kindergarten through twelfth grade science education and to attract students to careers in science and engineering.

On the basis of its long and beneficial service to the engineering profession and to the welfare of this Nation, it is entirely appropriate that we recognize the accomplishments of the American Society of Mechanical Engineers and congratulate the society on its 125th anniversary.

Mr. Speaker, I commend this resolution to my colleagues and ask for their support for its passage by this House.

Mr. BOEHLERT. Mr. Speaker, I proudly support S. Con. Res. 13, a resolution to recognize the American Society of Mechanical Engineering (ASME) on the occasion of its 125th anniversary.

Since 1880, ASME has focused upon technical, educational, and research issues as they pertain to engineering. It has played a key role in standardization and safety—developing and promulgating more than 600 codes and standards over its 125-year history.

Significantly, ASME created a comprehensive Boiler Code in reaction to the dangerous widespread boiler explosions that plagued early 20th century America. Following rapid adoption, the code virtually eliminated the scourge of boiler explosions in updated versions, the code is still in existence today. It serves as a clear example of the value—indeed the necessity—of clear standards to prevent injury and maximize economic output.

Fifty years after its founding, ASME worked to promote precision manufacturing, mass production and commercial transportation—all technologies that triggered enormous productivity gains and opened the nation and the world to American enterprise. Prominent ASME members included pioneers of American technology and industry such as Thomas Edison, Henry Ford and George Westinghouse.

At the same time, the human aspect of industrial processes grew into focus: ASME leaders Henry Robinson Towne, Frederick Taylor and James M. Dodge pioneered management practices that reformed labor-management relations.

Today, over 120,000 members comprise ASME, serving the interests of industry, government, academia and the public. ASME members play a key role in providing affordable access to energy resources. Its members work to ensure the quality of scientific research as well as science and technology education. In fact, ASME fellowships can be found in the halls of Congress and throughout the Administration providing valuable insight on legislation and helping to shape engineering and technology policy.

Recently, ASME members have risen to the challenge posed by the terrorist attacks on September 11, 2001. Their intensified efforts have developed technologies for homeland security and protected critical assets to our Nation.

On behalf of the 109th Congress, I warmly congratulate ASME for 125 years of service to the United States. I wish to extend my sincere appreciation to President Harry Armen and the members of ASME for their strong leadership and to look forward to future ASME achievement.

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

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

The SPEAKER pro tempore. The question is on the motion offered by...
the gentleman from Missouri (Mr. BLUNT), the gentleman from New Jersey? Mr. SMITH of New Jersey. Mr. Speaker, in the wake of the devastating Indian Ocean tsunami and the genocide in Darfur, we have witnessed untold suffering. And yet, Mr. Speaker, we have learned from other crises situations that people in some crises become victims of additional and incomprehensible violations, sexual exploitation and abuse. The most vulnerable groups, women and children, are at greatest risk.

The passage of the Humanitarian Assistance Code of Conduct Act of 2005 ensures that steps will be taken to protect the most vulnerable people from sexual exploitation and abuse by those providing aid and humanitarian relief operations.

H.R. 912 requires that the United States Government assistance for humanitarian relief operations will be available only to organizations that have adopted a code of conduct incorporating the core principles of the United Nations Inter-Agency Standing Committee Task Force on Protection From Sexual Exploitation and Abuse in Humanitarian Crises. These principles include, but are not limited to, the following:

1. Sexual exploitation and abuse by humanitarian workers constitute acts of gross misconduct and are therefore grounds for termination of employment.
2. Sexual activity with children (persons under the age of 18) is prohibited regardless of the age of majority or age of consent locally. Mistaken belief regarding the age of a child is not a defense.
3. Exchange of money, employment, goods, or services for sex, including sexual favors or other forms of humiliating, degrading or exploitative behavior, is prohibited. This includes exchange of assistance that is due to beneficiaries.

Mr. Speaker, passage of the Humanitarian Assistance Code of Conduct Act of 2005 will help ensure the protection of beneficiaries of United States humanitarian assistance. I urge my colleagues to support it.

Mr. Speaker, I would also include a CBO estimate for H.R. 912, which indicates that this legislation has no significant budgetary effect.

Mr. Speaker, in addition to the important provisions of H.R. 912, I would like to inform my colleagues of additional measures contained in a bill I introduced, the Trafficking Victims Protection Reauthorization Act of 2005, H.R. 972, which we will be marking up next week, cosponsored by my good friend and colleague, the gentleman from California (Mr. LANTOS), the gentleman from Missouri (Mr. BLUNT), and a number of other Members of this committee and of this House. That comprehensive legislation is designed to ensure that human trafficking of vulnerable women and children in post-natural disaster situations.

H.R. 972, among several other things, incorporates stronger child protection and trafficking prevention activities into USAID, State and DOD post-conflict and post-natural disaster relief programs. The measure provides for the Secretary of State and the administrator of USAID to conduct a study regarding the threat and practice of trafficking in persons generated by post-conflict and humanitarian emergencies in foreign countries, and to look at and implement best practices to combat human trafficking in such areas.

It also requires, and I think this is very important, that the Secretary of State certify that prior to approval of a peacekeeping mission or a renewal of the mandate, the Secretary of State would have to guarantee or certify, 15 trafficking victims. The appropriate safeguards are in place to protect vulnerable populations from trafficking and from rape and other kinds of sexual misconduct.

I would point out parenthetically to my colleagues that yesterday we held a day-long hearing on the atrocities committed by U.N. peacekeepers in the Congo, where unfortunately there have been credible and large numbers of allegations made that U.N. peacekeepers have raped 13-year-old, 14-year-old, and 15-year-old girls and we offered them $1 or $2 or a loaf of bread in exchange for this exploitation. It is outrageous.
The U.N. for its part, I believe, is committed to trying to rectify and remedy this situation, but more needs to be done; and we need to have in place safeguards to ensure that this kind of misconduct, which is gross and, unfortunately, very, very prevalent, is mitigated, and we need the next step in that direction; and I applaud the gentleman from Massachusetts (Mr. DELAHUNT), the gentleman from Texas (Mr. DELAY), and all of those who have sponsored it and brought it forth to today.

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

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

Mr. Speaker, I rise in strong support of this legislation. I would first like to thank my good friend and distinguished colleague, the ranking member of the Committee on International Relations Subcommittee on Oversight and Investigations, the gentleman from Massachusetts (Mr. DELAHUNT), for being the principal author of this critically important legislation.

I would also like to express my thanks to my friend, the gentleman from New Jersey (Mr. SMITH); the majority gentleman from Texas (Mr. DELAY); and the distinguished chairman of the House Committee on International Relations, the gentleman from Illinois (Mr. HYDE), for their outstanding work on this legislation.

Mr. Speaker, the humanitarian instincts of the American people run deep, and each year the United States helps tens of millions of refugees and internally displaced people in conflict zones around the globe. When Afghans streamed back to their homes after the fall of the Taliban, the United States was on hand to help rebuild homes and villages. When the tsunami struck Southeast Asia, the United States, and particularly our military, led the way in providing emergency help, food, medicine and shelter to hundreds of thousands of people who had lost their homes in that horrible tragedy.

Mr. Speaker, I want specifically to commend former Presidents Bush and Clinton for their efforts in this very important undertaking.

As we speak today, the United States is helping more than 20,000 Sudanese refugees who have fled their country for the neighboring country of Chad to escape the bloodshed in Darfur. In acting on our humanitarian impulses, the United States greatly enhances the image of our Nation abroad, but only if these activities are carried out correctly. Avoiding any linkage between the United States assistance and sexual abuse must be a cornerstone principle of our Nation’s foreign assistance program.

Over the past year, the United Nations has investigated more than 150 allegations of sexual abuse by United Nations peacekeepers in the Democratic Republic of Congo. Women have charged that they have been raped by U.N. peacekeepers, the very military forces specifically sent there to protect and to defend them. There have been charges that children as young as 12 and 13 were bribed with food for sex. Women trying to feed their families were forced to trade sex for money or food or jobs.

While most peacekeepers in the Congo obviously did not participate in these despicable practices, I strongly agree with United Nations Secretary General Kofi Annan who has stated that “there is a great undercurrent that has undermined the contributions of many.”

In response to the outrages committed in the Congo, Secretary General Annan has wisely instituted a non-fraternization policy between United Nations Peacekeepers and the local population. This ban forbids United Nations personnel and Peacekeepers from engaging in sex with girls younger than 18, from engaging in commercial sex of any kind, and imposes a curfew of U.N. military contingent.

We further understand that the United Nations, under Secretary For Peacekeeping Operations, is engaged in a far-reaching review that will increase enforcement of sexual abuse laws, providing additional training of peacekeeping troops before they are deployed in the field, and providing better investigative capacity to ensure that those who violate the guidelines are properly punished.

I commend the United Nations for taking these measures and for making it clear that a new zero tolerance policy will apply to all United Nations peacekeeping troops abroad.

In light of the problems faced by the United Nations as it has carried out its humanitarian mission, the United States must follow suit. We must ensure that all humanitarian organizations receiving American money have firm policies which prevent their employees from sexually abusing the people they were sent to help.

Mr. Speaker, the Humanitarian Assistance Code of Conduct Act of 2005 prohibits funding for refugee, disaster and other humanitarian assistance to humanitarian organizations that failed to adopt a code of conduct consistent with principles adopted by the U.N. interagency standing committee on protection against exploitation. This is mandated now, under the provisions of this legislation, to report their suspicions to the proper authorities. And most importantly, humanitarian agencies are obliged to create and maintain an environment which prevents sexual exploitation and abuse and promotes the implementation of their code of conduct.

It cannot be denied that as a people and a government, the United States has contributed to crisis after crisis. At the same time, Mr. Speaker, it is estimated that 600,000 to 800,000 people, mostly women and children, are trafficked across national borders. It is also estimated that 2 million children and 2 million children are enslaved in the global sex trade. The magnitude of this crisis is immense. And sadly, Mr. Speaker, it goes largely unnoticed. It is an international scandal that needs to be revealed and acknowledged by the international community because that knowledge is necessary before we can adequately address it and seek to eradicate it. Information and discussion about this tragic reality is critical because there
is widespread agreement that education and awareness, public awareness are the keys to prevention. And if we persist in our collaboration with other governments and stakeholders, including the United Nations, I am convinced that our efforts will result in a significant decline in these unacceptable numbers.

The truth is we are making progress. Since 2001, the U.S. has provided close to $300 million to support anti-trafficking programs in 120 countries. Under the leadership of the gentleman from New Jersey (Mr. SMITH), the Protect Act became law, which allows for the prosecution of U.S. citizens who travel abroad to sexually abuse minors. And in the private sector we secured a commitment from the travel and tourism industry to implement its own code of conduct on child trafficking. And I am confident that the passage of this bill code will build on that progress that we have already observed because it increases public awareness of this quiet crisis. And hopefully it will impact the cultural attitudes that nurture this behavior, often by silence and acquiescence by looking the other way, by ignoring its existence. And there have been some positive developments.

Recently, the action of the government of Morocco in filing charges against its own troops who purportedly bribed Congolese children with food in exchange for sex to serve as U.N. Peacekeepers has to be noted for the record, because I have no doubt that the tangible and cumulative efforts of this Congress and many of the stakeholders contributed in an indirect way do that particular action. Because by our cumulative efforts we have announced to the world, to the international community that this issue is a high priority for the United States and for every American.

The discrete proposal was generated as a result of a meeting in the Majority Leader's office this past January, and I want to acknowledge his leadership on this issue, see the gentleman presents in the Chamber now, not only on the bill before us today, but for his long and committed engagement on children's issues.

The Majority Leader has made a difference, and I would be remiss also not to note the contributions made by the gentleman whose time for the majority, the gentleman from New Jersey (Mr. SMITH) whose leadership on this whole array, this particular issue and other related issues, can only be described as inspirational. Many are in the debt of the gentleman from New Jersey (Mr. SMITH), many victims across the world.

As a people and a government, the United States responded as we always do in a very positive way to the tsunami in South Asia and to every crisis that we are faced with on this planet with partnership and incredible generosity. But we cannot lose sight of that unfortunate reality that at such times, there are increased opportunities for sexual predators and those who would traffic for sexual reasons.

So today, once more, we are announcing to the rest of the world that protection of women and children is a top priority for the people of the United States.

Before I conclude, I think it is incumbent upon me to recognize the key members of the staffs on both sides who have considered to be a thoughtful and obviously bipartisan piece of legislation.

First, let me thank the staff of the Majority Leader's office for their cooperation and hard work enabling us to reach this result. With their customary incredible energy, Cassie Statuto Bevans demonstrated a sincere determination to craft the best legislative proposal to protect women and children who are at risk. I am also grateful to the House Committee on International Relations, Renee Austell and Matt McLean provided significant time and expertise helping us to formulate the right approach.

In addition, I would like to acknowledge the import and guidance of my Democratic colleagues on the committee, Pearl Alice Marsh and Robin Roizman. And I would also like to extend my appreciation to Rob Blair with the Subcommittee on Foreign Operations, Export Financing and Related Programs of the House Committee on Appropriations, appropriately, and insightful guidance throughout this process is much appreciated by me and my own staff.

Finally, I would like to extend my appreciation for the skillful assistance of Mark Spooner in the Office of Legislative Counsel in the drafting of this bill. Myself, and I know the gentleman from Texas (Mr. DELAY) and the gentleman from New Jersey (Mr. SMITH) and the gentleman from California (Mr. LANTOS) and the leaders of support that we have received from several leading relief organizations, including InterAction, Save the Children, the American Red Cross, Refugees International, World Vision and UNICEF.

By the way, I also want to acknowledge the assistance and help of my own staffer, Christine Leonard. Mr. Speaker, with that I urge my colleagues to unanimously approve this legislation.

[From World Vision, Mar. 1, 2005]
STATEMENT OF WORLD VISION ON H.R. 912, THE HUMANITARIAN ASSISTANCE CODE OF CONDUCT ACT OF 2005

We at World Vision would like to thank House Majority Leader Tom DeLay and Congressman William Delahunt for their ongoing commitment to protecting children from harm and their leadership in drafting H.R. 912, the Humanitarian Assistance Code of Conduct Act of 2005.

World Vision supports this important piece of legislation. Each year, millions of children are exploited and abused around the world, often in the midst of a disaster, such as the tsunami that impacted South Asia in December 2004. Humanitarian organizations must be part of the first line of defense in protecting these children, and this includes measures for self-accountability and proper conduct.

H.R. 912 helps to ensure this accountability and protect beneficiaries of relief organizations that have not adopted a code of conduct that provides for the protection of beneficiaries from sexual exploitation and abuse in humanitarian aid. World Vision has been in the forefront of developing comprehensive child protection policies and codes of conduct for the humanitarian aid community.

World Vision is a Christian relief and development organization dedicated to helping children and their communities worldwide reach their full potential by tackling the causes of poverty. World Vision serves the world's poor—regardless of religion, race, ethnicity, or gender. In 2004, World Vision operated in nearly 100 countries around the world.

UNITED STATES FUND FOR UNICEF
New York, NY 10016, March 1, 2005.

DEAR MR. LEADER: On behalf of the United States Fund for UNICEF, I am writing to offer our thanks for your leadership in introducing the Humanitarian Assistance Code of Conduct Act of 2005. This bipartisan legislation will help reduce the risk of exploitation and abuse of children in complex humanitarian emergencies. We are happy to join the coalition of groups endorsing this important legislation.

UNICEF is committed to a zero tolerance policy toward the sexual abuse and exploitation of children, or any other form of child abuse or exploitation by its staff or those affiliated with UNICEF. As of October 2003, the United Nations Secretary-General proclaimed a zero tolerance policy toward the sexual abuse and exploitation of children by UN staff and UN personnel. This policy continues to be reaffirmed by the UN Inter-Agency Standing Committee. We are glad to see these same principles included in your legislation and extended to all humanitarian relief operations.

A strong code of conduct is a big step forward to the goal of universal application and enforcement of the humanitarian code of conduct. We thank you for your leadership and look forward to working with you on this issue and other child protection issues.

Sincerely,

CHARLES J. LYONS,
President, U.S. Fund for UNICEF.

AMERICAN COUNCIL FOR VOLUNTARY INTERNATIONAL ASSISTANCE
Washington, DC.

DEAR MR. DELAY: On behalf of InterAction, the largest alliance of U.S. based nongovernmental organizations working in international humanitarian development assistance, I write to commend you and Representative Delahunt for your interest and commitment in advancing the protection of beneficiaries with the Humanitarian Assistance Code of Conduct Act of 2005. InterAction is an association of humanitarian groups committed to enhance the effectiveness and professional capacities of our member organizations engaged in international
humanitarian efforts. As such, we are committed to promoting the highest standards of ethical and effective performance among our members as we strive towards overcoming poverty, exclusion and suffering in the world.

As you are well aware, most of the victims of conflict are most often the most vulnerable. Humanitarian crises are women and children. They are also the most vulnerable to further exploitation in the delivery of humanitarian relief. This was dramatically highlighted by the February 2002 report by the United Nations High Commissioner for Refugees and Save the Children-UK containing allegations of widespread sexual exploitation of displaced children, particularly young girls, in humanitarian situations.

InterAction immediately established a task force comprised of member CEOs to develop guidelines and recommendations that humanitarian agencies, particularly InterAction members, might take to prevent the abuse of displaced children. The report of the InterAction task force was widely disseminated in the humanitarian community and shared with our donors, partners and policymakers and included the recommendation that humanitarian agencies revise or adopt codes of conduct to reflect the six core principles of the Inter-Agency Task Force on Sexuality, Exploitation and Abuse in Humanitarian Crises. In addition, InterAction amended its own membership standards to include the adoption of a code of conduct against sexual exploitation and abuse of humanitarian beneficiaries by our members. Finally, we continue our efforts to advance and enhance the protection of vulnerable populations in humanitarian situations through our Protection Working Group.

InterAction members appreciate the legislation that has been drafted by you and Mr. Delahunt and appreciated the opportunity to work with your staff in the drafting of this legislation. InterAction strongly supports efforts to require organizations involved in the delivery of humanitarian assistance to adopt codes of conduct to protect beneficiaries from sexual exploitation and abuse. Furthermore, InterAction supports the six core principles of the United Nations Inter-Agency Standing Committee Task Force on Protection in Humanitarian Crises, which have been widely agreed upon as the guiding principles for such codes of conduct.

We believe that such a code of conduct should be required for organizations providing all manner of humanitarian assistance, not just to refugees and internally displaced persons. However, we would urge that any requirement for a code of conduct allow humanitarian agencies flexibility in the type of code required and the manner in which it is implemented to reflect the many variables of organizational structure and country environments. Finally, while we understand that this legislation does not carry any funds for implementation, we firmly believe that our humanitarian assistance be adopted to reflect the many variables of organizational structure and country environments.

We thank you for your interest and commitment to protection of beneficiaries of humanitarian assistance from sexual exploitation.

Sincerely, Mary E. McClymont, President and CEO.

[From Save the Children, Mar. 1, 2005]

STATEMENT OF SAVE THE CHILDREN IN SUPPORT OF THE HUMANITARIAN ASSISTANCE CODE OF CONDUCT ACT OF 2005

On behalf of Save the Children, the leading independent organization committed to creating real and lasting change in the lives of children in need, we applaud the introduction of H.R. 912, The Humanitarian Assistance Code of Conduct Act of 2005. Introduced by House Majority Leader Tom Delay and Congressman William Delahunt, we believe that this legislation sends an important message to all organizations providing assistance to internally displaced people (IDP)—the majority of whom are women and children—that abuse and exploitation will not be tolerated.

Whether as a result of war or natural disaster, a child’s vulnerability to abuse is very similar. To survive, women and children in refugee camps are frequently put in a position where they have little choice but to barter with others to obtain the most basic, operantly needed food and assistance. The full extent of sexual exploitation and abuse of children in war and conflict is largely unknown. However, according to UNIFEM in Sierra Leone, 94 percent of displaced families experienced sexual abuse. Furthermore, 40 percent of the population, including 692,000 children, suffered sexual abuse from 1994-1997 at the height of the civil war. In just one camp for displaced persons in Darfur, 15 cases of rape are reported each week.

A joint Save the Children/UNHCR assessment mission looking at refugee and IDP communities in West Africa in November 2001 highlighted the fact that these issues need urgent attention. The mission found that a large portion of refugee and displaced children, mainly girls, were victims of sexual violence and many more were forced into exploitative relationships in order to obtain food, shelter, healthcare and education. Protection concerns must be integrated into humanitarian services.

The Inter-Agency Standing Committee (IASC) Task Force on Protection from Sexual Exploitation and Abuse in Humanitarian Crises defines six core principles relating to sexual exploitation and abuse by humanitarian workers. Making these principles the standard operating procedures for relief workers should be required for organizations receiving U.S. Government funding will help ensure that these vulnerable children and their families are not victimized by those who are sent to help.

We applaud the efforts of Majority Leader Tom DeLay and Representative William Delahunt. The Humanitarian Assistance Code of Conduct Act of 2005 will go far to help ensure the protection of some of the world’s most vulnerable people.

The American Red Cross fully supports the effort to prevent sexual exploitation and abuse by humanitarian workers in any scenario and committed against children. As an organization chartered by Congress to bring emergency relief to disaster victims all over the world, we firmly believe that our humanitarian workers should behave in a way that is beyond reproach.

Since 2003, the American Red Cross has integrated the six core principles identified by the Inter-Agency Standing Committee Task Force on Protection within the policies and procedures of the American Red Cross International Services. Making these principles the standard operating procedures for relief organizations will help ensure those most in need are not victimized yet again by those sent in to help. Our organization stands in support of your efforts in the House to Congress for advocating on behalf of those in need of humanitarian assistance.

[From Refugees International, Mar. 1, 2005]

STATEMENT BY KEN BACON, PRESIDENT OF REFUGEES INTERNATIONAL, IN SUPPORT OF THE HUMANITARIAN ASSISTANCE CODE OF CONDUCT ACT OF 2005

Refugees International (RI) applauds the introduction of HR 912: The Humanitarian Assistance Code of Conduct Act to protect beneficiaries of humanitarian assistance.

Refugees International (RI) supports the introduction of HR 912: The Humanitarian Assistance Code of Conduct Act to protect beneficiaries of humanitarian assistance. RI has begun to implement codes of conduct regarding sexual exploitation. The Inter-Agency Standing Committee Code of Conduct, the principles of which this legislation is modeled on, is testimony to the seriousness with which the responsible members of the humanitarian community have responded to this issue.

However, many contractors and others that have received funding from the U.S. government have not yet responded to the issue of sexual exploitation in emergency settings. The battle to protect vulnerable women and children from humiliating and degrading behaviors is evidenced by the ongoing problems in the Democratic Republic of Congo. By requiring that all U.S. humanitarian funding go to organizations committed to the IASC guidelines, Congress is sending a strong message to vulnerable women and children that they have a powerful ally in their struggle for human dignity in the face of overwhelming odds.

As an independent organization that promotes life-saving actions for displaced people around the world, RI strongly supports the US Congress’s efforts to require all organizations involved in the delivery of humanitarian assistance to adopt a code of conduct to protect vulnerable women and children from sexual exploitation and abuse by those charged with assisting them. We are fully committed to the IASC principles and to advancing the code of conduct throughout the humanitarian community. RI therefore urges all members of Congress to support the vulnerable women and children of the world by passing this bill into law.

Mr. SMITH of New Jersey. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. DELAY), the distinguished majority leader.

Mr. DELAY. Mr. Speaker, I thank the gentleman for yielding me the time, and I really thank the gentleman from Massachusetts (Mr. DELAHUNT) for bringing this bill to the floor and particularly the gentleman from California (Mr. LANTOS) and the gentleman from New Jersey (Mr. SMITH) for working hard to make sure it was all right and well. These three gentlemen have worked tirelessly on children’s issues, particularly HR 912. It is a thankless issue. Just like people in the United States do not want to talk about abused and neglected children in foster care, people in the international community, particularly the governments, do not want to recognize that sex trafficking is going on, slavery is going on, and actual exploitation of children and women is going on around the world. The three men have worked tirelessly on the thankless job to raise this issue, an issue this is vitally important to the lives of many, many people.
Last December, the United Nations Under Secretary for Humanitarian Relief reported that cases of sexual abuse and exploitation by U.N. peacekeeping and humanitarian personnel had reached an unacceptable level.

Victims of natural disasters and civil wars, especially children, are among the most vulnerable people on Earth.

In many places around the world, the security of homes, families and lives rely on the protection and commitment of international relief organizations. As anyone who has ever seen them in action could tell my colleagues, the men and women who devote their lives to this work, who travel at a moment’s notice to help total strangers, survive in desperate straits, arrive on such scenes with wings on their backs.

The very thought that such people could prey upon the women and children under their care is disturbing in the extreme, and yet we must now sadly admit such cases have occurred.

Victims of disasters need our help, and the American people always respond to humanitarian crises with compassion and generosity. That any of our generosity for these victims might be twisted into revictimizing them will not stand.

Assistance must reach those in need of relief, and it must be delivered by organizations and individuals committed to their safety. That is what this bill will do.

The Humanitarian Assistance Code of Conduct Act, the result of cooperation from humanitarian relief organizations, administration officials, and especially the work of the gentleman from Massachusetts (Mr. DELAHUNT) will ensure that from now on the American people need not accept a choice between difference and abuse.

It will require any organization receiving humanitarian assistance funds from the United States Government adopt a strict code of conduct for its relief workers.

It will prohibit humanitarian relief workers from engaging in sexual contact with minors, soliciting prostitution, and in other ways exploiting the women and children of disaster-ravaged communities.

Such organizations must strongly discourage any sexual relationships between relief workers and beneficiaries and will immediately terminate any worker who crosses the line.

The best of such groups already adhere to the principles in this bill, groups that have assisted in its development, groups that set a gold standard for every aspect of humanitarian activity; and the adoption of these principles by others and more groups will help eradicate the behavior they specifically prohibit.

This code of conduct will help identify and document at-risk children in devastated regions, reducing the likelihood that children and more groups will help eradicate the behavior they specifically prohibit.

This code of conduct will help identify and document at-risk children in devastated regions, reducing the likelihood that children and more groups will help eradicate the behavior they specifically prohibit.

We have no additional requests for time; but before yielding back, I want to join the gentleman from Massachusetts (Mr. DELAHUNT) in paying tribute to the majority leader and to the gentleman from New Jersey (Mr. SMITH) for their invaluable work on this issue.

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

Mr. SMITH of New Jersey. Mr. Speaker, we do have one additional request for time, and I yield such time as he may consume to the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I appreciate the gentleman yielding me time, and I want to rise in strong support for the gentleman from Massachusetts’ (Mr. DELAHUNT) for their invaluable work on this issue.

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

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself 30 seconds.

We have no further requests for time, and I just want to conclude and again say to my friends on the other side of the aisle, to the gentleman from Massachusetts (Mr. DELAHUNT), the gentleman from California (Mr. LANTOS), as well as to the gentleman from Illinois (Mr. HYDE), the chairman of our distinguished Committee on International Relations, to the gentleman from Connecticut (Mr. SHAYS) and, of course, to our majority leader for his leadership on this in ensuring that this very important piece of legislation not only gets expedited treatment but will be passed early and closed enough to the tsunami in order to address some of the problems that were exposed as a result of it.

Children need protection. Women need protection. This bill advances that ball. It is an important and very noble task, and I am glad we have bipartisan consensus on this kind of humanitarian and human rights legislation.

Ms. PRYCE of Ohio. Mr. Speaker, I rise today in support of H.R. 912, the Humanitarian Assistance Code of Conduct Act. I’d like to thank Majority Leader Delay and the gentleman from Massachusetts, Mr. Delahunt, for their steadfast work on crafting this critical legislation. They have put partisan politics aside to collaborate on a monumental initiative that will establish a clear U.S. policy to protect some of the most vulnerable refugees in the tsunami-affected areas.

It’s been over two months since the tsunami devastated villages and neighborhoods across South Asia. Yet while the images we were so used to seeing on television in the days and weeks after the tragedy struck seem to have...
call up House Resolution 126 and ask for its immediate consideration. The Clerk read the resolution, as follows:

H. RES. 126
Resolved, That at any time after the adoption of this rule by the House on the floor of the House, there shall be a five-minute rule that the House, subject to the call of the Chair, shall be in order to consider a bill, or any amendment thereto, to the Job Training Improvement Act of 2005, or any amendment thereto, or amendments to the committee amendment in the nature of a substitute, on the floor of the House, subject to amendment, and shall not be subject to the five-minute rule. It shall be in order to consider the bill, or any amendment thereto, or amendments to the committee amendment in the nature of a substitute, or any amendment to the committee amendment in the nature of a substitute, to be in order except those printed in the report of the Committee on Education and the Workforce. After general debate the bill shall be subject to the five-minute rule. A motion to recommit the bill, or any amendment thereto, or amendments to the committee amendment in the nature of a substitute, shall be in order except those printed in the report of the Committee on Education and the Workforce. The previous question shall be considered as adopted without instructions, and the bill, or any amendment thereto, or amendments to the committee amendment in the nature of a substitute, 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. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Utah (Mr. BISHOP) is recognized for 1 hour.

Mr. BISHOP. Mr. Speaker, for the purpose of debate only, I yield to the gentleman from Utah.

Mr. SIMPSON of Utah. Mr. Speaker, by previous announcement, further suspension of the rules is in order only those amendments printed in the report, shall be considered as read, and no instructions may be offered only by a Member designated in the report, shall be considered as read.

Mr. BISHOP. for the purpose of debate only, I yield to the gentleman from Utah.

Mr. SIMPSON of Utah. Mr. Speaker, by previous announcement, further suspension of the rules is in order only those amendments printed in the report of the Committee on Education and the Workforce. The work rule makes in order only those amendments printed in the Committee on Rules report, and for the time specified in the report. And finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, I am pleased to stand before the House today in strong support of the bi-partisan and bicameral efforts of this legislative body in the belief that people are each individuals, that they have a spark of divinity, that individual needs are there that require individualized...
help, then we do not need uniformity. What we need is creativity, efficiency, and caring; and that can only be done effectively on the State levels, which is why this particular bill has gone from several years ago, 63 programs, has now taken three different streams and to bring it into one so they could help individual people by trying to apply 70 percent of the funding that has been given to students to those who have been unserved and out of school, to create a one-size-fits-all approach to give local governments the ability to work with individuals so that Micaela here does not slip through the crack by definition.

Prior to coming to Congress, I had the opportunity, like many of you, of serving in the State legislature, and I was a teacher for a long time. In that position, or those positions, I witnessed firsthand the years of oftentimes Federal programs and mandates shoved on State and local school districts. In local units of governments with this one-size-fits-all uniform approach. What was often, too often, left out were, quite frankly, the bona fide local needs. A uniform Federal approach stifles innovation with the heavy hand of Federal regulations and professionalism.

The philosophy behind H.R. 27, therefore, is to give Governments as the chief political and financial officers of the States the flexibility over job training programs to promote economic development and jobs based upon local needs, and that way, the States become responsive to the need of training qualified workers in the State levels, which is vital in helping provide workers for the competition of the 21st century. H.R. 27 is strongly supported by a coalition of community colleges which authorizes $250 million for community-based job training grants to strengthen the role of those community colleges and to promote the United States’ full workforce potential.

We face a 21st-century challenge in an ever-changing technology and the aging American workforce. We must provide States, local workforce boards, Governors flexibility to fit real people with real skills for real jobs. And they vary in need from State to State. We must allow them to work together as they see fit to help people like Micaela.

I further support H.R. 27 because it targets Federal funds to groups of youths who are presently underserved, because it provides for individual self-help efforts.

I would like to point out also that H.R. 27 builds upon legislation passed in the 106th Congress, namely H.R. 1261, the Workforce Reinvestment and Adult Education Act of 2003, which was passed by this House.

There may be some who would oppose this bill because it respects both the letter and the spirit of existing law. If there is a problem with existing laws, this is not the proper venue for that discussion.

Let us not, in the debate over the rule or the bill, lose focus and lose sight of our goal, which is to help the Micaelas of this Nation who need services, which are and will continue to be distributed fairly without pre-condition.

It is significant that we not confuse services rendered with the desire of some to sanitize and regulate legally diverse practices, reaffirmed in a rare moment of sanity by the courts, which do not impact the rendering of those employment services. Others beside sanctioned-government programs care and help and are effective, and we ought to forget the old pattern of confrontation and pointless attacks on groups that we see as different; we should join for the common goal of helping people.

Mr. Speaker, this is a good rule, supporting a bill that has been discussed and amended in committee through regular order. The rule allows for three specific amendments to focus discussion on key elements of the proposal. I am looking forward to riveting debate on this bill, with the realization our goal is to help the Micaelas of this world who have been hurt because there have been programs which are too high, too far away, and forgotten our purpose of helping real people. I urge adoption of the rule.

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

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

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

Mr. MCGOVERN. Mr. Speaker, I thank the gentleman from Utah (Mr. Bishop) for yielding me the customary 30 minutes.

Mr. Speaker, here we go again. The 109th Congress convened 2 months ago. The Committee on Rules has reported eight rules, including the one we are considering today. None of these rules, not a single one, has been open. The Republican majority is zero for eight on open rules. It is an abysmal record and just continues to prove how out of touch with America, and with the democratic process, this leadership really is.

I oppose this rule and I oppose this bill. The Republican leadership seems to think that the job picture in this country is rosy, but they could not be more wrong. They seem to think jobs are popping out of the woodwork, but it is clear our workers need job training assistance in order to compete in the 21st century workplace.

When we think that the Republican leadership cannot be any more out of touch with the challenges facing working Americans, they bring the Job Training Improvement Act of 2005 to the floor today.

Let us look at the facts. Every day over 85,000 people in this country lose their jobs. Under this administration’s watch, the Nation has lost 2.8 million jobs, and 4.3 million formerly middle class Americans have been pushed into poverty. President Bush’s failed economic policies have produced a 5.2 percent unemployment rate.

Let us be clear. This slightly lower unemployment rate does not signal a rebounding labor market. In addition to the 3.5 million Americans who are currently unemployed, there are 5 million unemployed workers who want to work but have given up looking for jobs simply because there are no jobs out there for them. Beyond that, there are 4.5 million people who have accepted low-wage, part-time work simply because they cannot find full-time employment in this weak economy. The real unemployment rate would skyrocket to 9.3 percent by merely including these workers.

Not only are millions of American workers looking for jobs, but the long-term unemployment rate, workers who have been jobless for 6 months or more, is the highest in more than 20 years. Despite these startling statistics, this administration has continued to resist efforts to extend unemployment benefits for the 3.5 million workers who have exhausted their coverage.

The Republicans have mismanaged this economy, and American workers are paying the price through lower pay, reduced benefits, and in too many cases job loss. As if this were not enough, the Republican leadership is trying to enact broad, sweeping changes to the Workforce Investment Act. This bill will do nothing to create new jobs, reduce the number of unemployed people in this country, or sufficiently training workers for jobs. Frankly, this bill is a slap in the face to American workers. Contrary to what we will hear from the Republican leadership, the Job Training Improvement Act will not help those in the unemployed to obtain employment and reemployment training.
Specifically, H.R. 27 would eliminate the employment services system, a program which provides critical job assistance to those unemployed workers hardest hit with the job loss of recent years. In my home State of Massachusetts, this program provides services to nearly 130,000 people each year, and it has successfully helped 75 percent of them retain employment in less than 6 months.

In addition, this bill block grants adult and dislocated worker funding streams to States to ensure that funds from the Disability and Veteran Employment and Adult Learning Programs to fund expenses at the Workforce Investment Act’s centers. The result of this provision will be more bureaucracy and less training for the disabled and veterans.

Given all of the rhetoric that we hear about supporting our troops and providing for our veterans, we should find this provision particularly disturbing. We should do everything we can to help veterans find employment instead of slashing the disability and veteran employment and adult learning programs.

Additionally, the bill eliminates existing protections and safeguards against low quality and potentially fraudulent job training providers and permits States to allow these providers to receive Federal funding. It caps at 30 percent the use of funds for services targeting low-income youth, those considered most likely to drop out of school.

If that were not bad enough, this bill also abandons a core principle of our Constitution by repealing civil rights protections written into current law.

Twenty-one years ago, then-Senator Dan Quayle sponsored legislation that provided civil rights protections against religious-based employment discrimination in programs that receive Federal funds. In 1972, President Reagan signed that bill into law. It is not every day that I praise Dan Quayle, but that nondiscrimination provision has served us well. This provision received strong bipartisan support when the Workforce Reinvestment Act was reauthorized in 1998.

However, the Job Training Investment Act strips these protections by allowing religious organizations to receive Federal funding for job-training activities and social services while still employing religious-based discriminatory practices. In other words, this bill would allow a religious organization that discriminates based on religion, like a Bob Jones University, to get taxpayer money and use that Federal funding to legally discriminate on religious grounds when hiring staff to carry out the job training programs and social services.

But let me be clear, the right of churches, synagogues, mosques and other religious organizations to remain free from government intervention has long been protected under the law, and I am sure my colleagues join me in support of this protection. Congress has always exempted faith-based organizations from antidiscrimination provisions in programs funded by their own money. We know that a church or synagogue or mosque be forbidden from using religious criteria in deciding who to hire as a minister or rabbi or imam.

However, that same church, synagogue or mosque should not be permitted to apply for and receive Federal funding for job training and then, as written in this bill, be exempted from Federal civil rights protections. Faith-based institutions should be required, like all other recipients of Federal funds, to adhere to basic civil rights laws, and I cannot even begin to count the number of institutions that have contacted my office in the last few days asking to be held to those same standards.

Last night in the Committee on Rules, I heard my colleagues, the gentleman from Virginia (Mr. SCOTT) and the gentleman from Florida (Mr. HASTINGS) talk about a return to discrimination practices that forced these men and millions of other African Americans to drink from separate drinking fountains and eat at separate lunch counters from white Americans. How can anyone justify abandoning one of our Nation’s most fundamental principles? How can Members believe this is the right position for Congress to advocate? How can Members believe this provision is moral? I certainly cannot find it in myself to do so. This provision is offensive, it is ugly, it is wrong, it is unacceptable. But beyond that, Mr. Speaker, I believe it is unconstitutional and un-American.

The gentleman from Virginia (Mr. SCOTT) will offer an amendment to this bill. I hope that my colleagues will join me in voting for the Scott amendment. It is important that we oppose discrimination at every turn, and this is an important vote.

Mr. Speaker, many Democrats offered several high-quality amendments in the Committee on Rules yesterday. Unfortunately, the majority has continued to stifle the democratic process by denying common sense amendments to this bill.

Just because the Republican leadership allowed the Scott amendment to be considered on the floor today does not make this a good rule. Once again, let me remind my colleagues and the American people watching at home that the Republican’s most likely pass one single open rule this year.

Mr. Speaker, this is an unfair rule, poor policy-making and a bad bill. It is truly a tragedy when a Nation that prides itself on democracy and equality conspires and arranges to pass a bill that would permit employment discrimination in federally-funded programs. It is a slippery slope from here on out, and I fear this may just be the beginning. I urge this House to defeat the rule and vote against the bill. Mr. Speaker, I reserve the balance of my time.

Mr. BISHOP of Utah, Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Chairman BOEHNER).

Mr. BOEHNER. Mr. Speaker, I congratulate the gentleman from Utah (Mr. BISHOP) as a new member of the Committee on Rules for his work today on this first rule that he is bringing to the floor of the House.

Today we are considering a rule that would allow for consideration of the reauthorization of the Workforce Investment Act. The Workforce Investment Act, enacted in 1998, brought together some 60 Federal job-training and retraining programs, and put them together and we created these one-stop shops all across America. They are intended to be able to provide training and retraining for workers who are out of work or workers who simply want to improve their skills so they can move up the economic ladder.

By and large, these one-stop shops have worked very well, but as we reauthorize this law, it is our obligation to look at what could work better, and as we bring this reauthorization forward, there are some important changes that we are bringing to the floor with it.

Mr. Speaker, we want to provide more flexibility to the local workforce boards to do their work by consolidating the funding stream. We want to ensure that more of the funding that is available for this Act goes down to the local county boards, or, in some cases, multiple county jurisdictions. In this bill, we also renew the vocational programs for those who have disabilities, an important part of our workforce.

I think all of us know if we are going to be successful in the 21st century, the United States has to do a better job of training and retraining our workforce. The days of going to work for one employer and being there for most of your career are, by and large, over. People are going to change jobs multiple times during their career, and we have to have available to them the kinds of services where they can improve their skills to take that new job of tomorrow.

The reauthorization program that we have today, I think is a good one. There is one amendment that we will debate that we have had considerable debate on over the last several years in this Congress and considered in the committee twice during the markup of this bill. It is on the faith-based language. Members are going to hear an awful lot about it today, but let me give the parameters.

The 1964 Civil Rights Act, the landmark legislation which prevented discrimination in America, allowed for one exception in hiring and that exception was granted to religious organizations where we grant them an exemption if they wished to only hire people...
of their own faith. That is the law. It has been the law since 1964.

We believe that faith-based providers who may want to offer services, job training services or retraining services, ought not to be denied their rights under the 1964 Civil Rights Act just because they wish to serve the neediest of our neediest and help the poor improve their skills and get a job.

This is a great debate which has gone on for several years. We allow faith-based providers in this bill to provide services without giving up their protections in the 1964 Civil Rights Act. Some believe, and it is certainly their right to have a different opinion, believe that faith-based organizations, even though they have this right, ought to be forced to give it up in order to take Federal funds to help the poorest of the poor.

Now I would argue those who really do believe that is the case ought to go back and amend the 1964 Civil Rights Act, and try to do it in this bill. But this provision, and again, we will have ample time to debate it later, I think this provision helps organizations who want to go out and help the needy in their community. It gives them an incentive to do it without having to set up a new organization, or denies them the ability and the rights that they have under the 1964 Civil Rights Act.

I think that we have a fair rule before us. I think it will provide for a very meaningful debate today on this reauthorization. I would urge my colleagues to support it.

Mr. McGovern. Mr. Speaker, I yield myself such time as I may consume. I would just reiterate what we believe is that taxpayer money should not be used by faith-based organizations to assist the needy, by faith-based organizations that are based on religion. What we feel is that this provision in this bill is offensive and it turns the clock backwards on civil rights.

Mr. Speaker. I include for printing in the Record a letter opposing this bill signed by 67 religious organizations and civil rights organizations that have great concerns not only with the provision on religious-based employment discrimination but on a whole series of other provisions.

DEAR REPRESENTATIVE: The undersigned organizations are writing to urge you to vote against H.R. 27, the Job Training Improvement Act. This legislation is not designed to address the concerns outlined in this letter; and to oppose any effort to expand the block grant authority in the bill along the lines of the Administration’s “WIA Plus” program, which violates the policy goals that the states desire to achieve.

H.R. 27 fails to make meaningful improvements to the Workforce Investment Act (WIA) that would enhance the training and career opportunities of unemployed workers. Instead, the legislation would eliminate the dislocated worker training program, undermine state rapid response systems, end the federal on-the-job training program, roll back protections against religious discrimination in hiring by job training providers, and potentially undermine the stability of other important programs.

In particular, we are concerned about the following provisions in H.R. 27:

H.R. 27 consolidates into a single block grant the WIA adult and dislocated worker programs with the Wagner-Peyser employment service. This would allow states to shift resources to WIA’s employment services for unemployment insurance recipients. In doing so, it will eliminate job training assistance specifically targeted to workers displaced by economic changes, pit different types of workers against each other, and lead to future funding reductions. The block grant also eliminates the special formula under which the states provide a nationwide system for matching employers and jobseekers, replacing it with a multiplicity of localized programs that would have no incentive or ability to cooperate and function as a comprehensive labor exchange system. Eliminating the employment service, which is financed with revenue from the unemployment insurance (UI) trust fund, breaks the connection between the unemployment insurance program and undermines the UI “work test,” which ensures that UI recipients return to work as quickly as possible.

INFRASTRUCTURE AND CORE SERVICES FUNDING

A principal criticism of WIA has been the substance and duration of training compared to its predecessor, the Job Training Partnership Act. While there are various reasons for the reduction in training, including the sequence of services requirement in current law, the use of WIA resources by local boards and operators to build new one-stop facilities and bureaucracies, without any limitation, has contributed substantially to the decline in training. This is despite the fact that many WIA partner programs also provide employment and career opportunities in an evenhanded manner and should be rejected.

REARGUING THE CASE

H.R. 27 repeals longstanding civil rights protections that prohibit religious-based employment discrimination by job training programs and social service organizations that are included in job training programs, which received bipartisan support, since 1982. At no time have the civil rights provisions prohibited religiously affiliated organizations from participating in federal job training programs. This rollback of civil rights protections is especially uncongruous in a program designed to provide employment and career opportuni ties for workers and providing skilled workers for employers. We strongly urge you to oppose any effort to adopt this misguided proposal.

In summary, H.R. 27 strays far from the appropriate mission for federal job training programs of enhancing training opportunities for workers and providing skilled workers for employers. We strongly urge you to oppose this legislation unless amendments are adopted to delete the block grant, PRAs determination and religiosity discrimination provisions and to modify the infrastructure provisions as recommended.

American Association of People with Disabilities.
American Civil Liberties Union.
American Counseling Association.
American Federation of Government Employees (AFGE).
American Federation of Labor-Congress of Industrial Organizations (AFL-CIO).
American Federation of State, County, and Municipal Employees (AFSCME).
American Federation of Teachers (AFT).
American Humanist Association.
American Jewish Committee.
American Psychological Association.
American RehabACTION Network.

H.R. 27 includes permanent and unlimited authority for the Secretary to conduct “personal reemployment accounts” (PRA) demonstrations even though the Department of Labor recently initiated a PRA demonstration without strong interest among the states. Although some states could have participated, only seven are doing so.

Since this demonstration already is in process, we see no justification for this provision and it turns the clock backwards on civil rights protections. Since 1982, the PRA demonstration has been initiated by a lack of Congressional support for a full-scale program in the past. The current WIA includes demonstration projects, the PRAs would limit the cost of training that an unemployment insurance recipient can receive and would bar that individual from receiving developmental services for reemployment. This is the wrong way to go. Long-term unemployment at historically high levels, there is a much greater need for continued unemployment benefits for the long-term unemployed who have found it so difficult to become reemployed.

RELIGIOUS-BASED EMPLOYMENT DISCRIMINATION

H.R. 27 repeals longstanding civil rights protections that prohibit religious-based employment discrimination by job training programs and social service organizations that are included in job training programs, which received bipartisan support, since 1982. At no time have the civil rights provisions prohibited religiously affiliated organizations from participating in federal job training programs. This rollback of civil rights protections is especially uncongruous in a program designed to provide employment and career opportuni ties for workers and providing skilled workers for employers. We strongly urge you to oppose any effort to adopt this misguided proposal.

In summary, H.R. 27 strays far from the appropriate mission for federal job training programs of enhancing training opportunities for workers and providing skilled workers for employers. We strongly urge you to oppose this legislation unless amendments are adopted to delete the block grant, PRA determination and religiosity discrimination provisions and to modify the infrastructure provisions as recommended.

American Association of People with Disabilities.
American Civil Liberties Union.
American Counseling Association.
American Federation of Government Employees (AFGE).
American Federation of Labor-Congress of Industrial Organizations (AFL-CIO).
American Federation of State, County, and Municipal Employees (AFSCME).
American Federation of Teachers (AFT).
American Humanist Association.
American Jewish Committee.
American Psychological Association.
American RehabACTION Network.
Americans for Democratic Action (ADA).
Americans for Religious Liberty.
Americans United for Separation of Church and State (AU).
Association for Career and Technical Education.
Baptist Joint Committee.
Brain Injury Association of America.
Brotherhood of Locomotive Engineers and Training.
Campaign for America’s Future.
Center for Community Change.
Communications Workers of America (CWA).
Council of State Administrators for Vocational Rehabilitation (CSAVR).
Easter Seals.
Equal Partners in Faith.
Goodwill Industries.
Institute for America’s Future.
Interfaith Alliance.
International Association of Machinists and Aerospace Workers.
International Brotherhood of Teamsters.
International Union of Painters and Allied Trades.
National Advocacy Center of the Sisters of the Good Shepherd.
National Alliance For Partnerships in Equity.
National Association of State Head Injury Administrators.
National Council of Jewish Women.
National Education Association.
National Education Association Foundation.
National Employment Law Project.
National Head Start Association.
National Immigration Law Center.
National Law Center on Homelessness & Poverty.
National League of Cities.
National Organization for Women.
National Rehabilitation Association.
National Rehabilitation Research and Training Center.
National Women’s Law Center.
NETWORK, A National Catholic Social Justice Lobby.
OMB Watch.
Paralyzed Veterans of America.
Patient Alliance for Neuroendocrine-immune Disorders; Organization for Research and Advocacy.
Plumbers and Pipe Fitters Union.
Professional Employees Department, AFL-CIO.
Protestants for the Common Good.
Service Employees International Union (SEIU).
The Arc of the U.S.
United Cerebral Palsy.
Unitarian Universalist Service Committee.
United Auto Workers (UAW).
United Church of Christ Justice and Witness Ministry.
United Mineworkers of America.
United Steelworkers of America.
USAction.
Welfare Law Center.
Wider Opportunities for Women.
Women Employed.
Women Work! The National Network for Women’s Employment.
YWCA USA.
9 to 9, National Association of Working Women.
Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. HOLT).
Mr. HOLT. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time, and I rise to oppose this rule to H.R. 27, the Workforce Investment Act. The gentleman from Ohio, the chairman of the committee on which I serve, is correct. The Workforce Investment Act has been successful. The renewal that is proposed to us today, however, is a step backwards; and we will hear a great deal about that.

There were amendments that were proposed that have not been made in order. These amendments would have created a separate authorization for infrastructure funding for one-stop centers, would have struck the provisions regarding personal reemployment accounts. There was an amendment that would have struck the provisions to consolidate the funding of adult, dislocated worker and employment service; and an amendment that I would like to address at this moment that I offered that would have increased the authorization by $750 million for job training programs under the Workforce Investment Act.

Between fiscal year 2002 and fiscal year 2006, Mr. Speaker, funding for the Workforce Investment Act has been reduced by three-quarters of a billion dollars. This is for a program that works. But the funding has been reduced. My amendment would have restored this funding. However, the Committee on Ways and Means did not accept the amendment. At a time when there are 7.7 million people unemployed, not counting those who have fallen off the rolls, 4.5 million working part-time because they cannot find a full-time job, religious organizations are still being created. Through the one-stop delivery system, job seekers have access to labor market information, job counseling, and job training to help them get back on their feet.

Back in 1996 when this bill, this program, was first passed, David Broder wrote an article. He said: When Senator Paul Wellstone walked off the floor in arm with Senator Mike DeWine of Ohio, bipartisan I should point out, he said, ‘‘Mike, this may not be the lead story on the network news, but it’s a good piece of work.’’ Well, indeed it was not the lead story on the network news.

David Broder reports, It was hard to find a trace of their bill. The news at that time was overwhelming, overtaken by scandals. But as says Broder, In communities less consumed by scandal than Washington, the impact of the measure that DeWine and Wellstone and others had fashioned may be felt in real life long after the memories of the scandals have faded. In a dynamic economy where technological changes and market shifts are forcing layoffs of some people even as other jobs are being created, the key is to equip workers with needed skills and then link them efficiently to the vacancies.

That is what this legislation is intended to do. It should be authorized at a greater amount. Said Broder back then, The workers will never know the names of the legislators, but they are in their debt.

Unfortunately, the workers who do not get to take advantage of this program because it is underfunded will never know what they have missed, and we have let them down. We should oppose this rule, Mr. Speaker.

Mr. BISHOP of Utah. Mr. Speaker, I yield 8 minutes to the gentleman from Michigan (Mr. EHLERS).

Mr. EHLERS. Mr. Speaker, I thank the gentleman for yielding me this time. I urge the body to adopt this rule and to pass the bill.

I will be addressing just one particular topic which has been controversial in committee discussions and will be the subject of an amendment later on, and that is turning the clock back on the Civil Rights Act of 1964 and changing what it says. Those who are opposed to this bill on that ground believe that somehow it is wrong to allow religious institutions to receive Federal funds for programs that benefit the public at large, are not restricted to people of particular faith but are operated by organizations that are religious in nature.

I have listened carefully to the debate in the committee. We have had this same debate several times in committee. I have yet to understand precisely what the objections are, but it seems to me that there are, in fact, two things: one, that this provision in the bill somehow will allow these organizations to discriminate on other grounds in their hiring, which is, first, contrary to the Civil Rights Act, and second, I would say any organizations are the least likely to discriminate on the basis of race or any of the other forbidden categories.

The other objection appears to be that somehow these churches are going to use this Federal money to try to proselytize, to get people in these programs and then they will say, okay, now isn’t this wonderful, you should join this church. I would like to say, that is also not true. It just does not happen. I can speak from my personal experience. When my wife and I moved to Grand Rapids, Michigan, in 1966 to take on a new position, we looked for a church. In fact, we spent 3 months trying out different churches, looking, trying to find a certain something: we wanted a church in the inner city because we wanted to be able to contribute to solving the problems of the city of Grand Rapids, particularly in the inner city.

And so we joined Eastern Avenue Christian Reformed Church because of its location and because of the attitude of its people. They worked very hard in the community. As an example, they established a community center. There was not at that time either federally funded, State funded, or city funded. The church stepped in and started it. It was on the top story of a ramshackle building which housed a small convenience store in the lower floor. It grew slowly at first, but then took off. It would say religious organizations are one of the best, if not the best, in the city. They purchased a school which was being abandoned, filled up that...
school, and they now have just successfully completed a $2.5 million capital drive to add on to their facilities and improve them.

Our church started that. We did have and still largely do have religious restrictions on the hiring of individuals, but it serves all faiths within that community. It has brought in medical care workers of all faiths to work and provide medical care and dental care for the recipients in that community.

We started a housing program which turned into the Inner City Christian Federation, and we spun off this organization as well as Baxter Community Center, but they are still largely faith-based organizations. ICCF, the Inner City Christian Federation, developed housing programs, and they had built many houses before Habitat for Humanity started in our community; but ICCF has built and remodeled more houses than almost any organization within the inner city that I am aware of. Again, it is faith-based. The employees are hired partially on the basis of their faith and their commitment to serving in the inner city and often work for less pay than they could get elsewhere.

Our individual congregation, but our denomination started a mental health institution, Pine Rest, years ago because the people of our church and of our community were not getting adequate mental care. Today it is one of the largest mental health hospitals in our Nation. It serves many people of different faiths and of no faith, but it is a faith-based institution because their treatment modalities are based, to a large extent, on our beliefs about the nature of people and their interaction with each other. It has been very successful. It has received millions upon millions of dollars of aid from the Federal Government, from the State through community mental health funds and from the local community.

No one has ever said a word about this, that using Federal money for this is improper. The reason is simply that Pine Rest provides services that really are unequaled anywhere else. And so they have received Federal dollars through Medicaid and through Medicare, and State dollars through community mental health. It is an outstanding operation.

There is something we have ongoing in our church right now. Every Saturday, I wish you could visit our church; you would see people of all races, all colors, all faiths walking in the church basement which we have stocked with food that we have collected from different stores, warehouse houses and so forth: produce, baked goods, and many different types of perishable food.

We have purchased a truck to go around and collect this on Fridays. And Saturday serves as a day from that city can walk in with no test of their faith, no means test, they can just walk in and say, I need some groceries, and they go through the line. We charge them roughly 10 cents on the dollar because we think it is a good thing for them to feel they have bought something; but a family of four can buy a week’s worth of groceries for about $10. That is a good deal. It is a neighborhood church and it is not supported from other churches, and it is a very successful operation. If we adopt the Scott amendment, which we will be discussing later, we simply could not do that.

There is one other factor here as well, and that is every church that I am aware of does not have a surplus of money. The people that they hire have to do many different jobs. That is true in our church as well. We have hired individuals who work in the church. Those individuals not only operate programs such as the food program, or getting community centers started, but they also have duties within the church and by necessity, and clearly not an individual, from the Civil Rights Act, they are performing religious duties. A church cannot go out and afford to hire a different person to run each different program. You have to be multifaceted to be on the staff of a church, and that is precisely what we have in our church.

For these reasons, and many others I could enumerate, I urge the Congress to pass this rule and this bill, and to defeat the Scott amendment, so that churches and faith-based organizations of other sorts can continue to do their good work for the people of this country without fear of their programs being damaged because they would have to hire additional personnel who do not have a faith compatible with the organization.

I believe the system as we have it now, and have had it since the 1964 Civil Rights Act, has worked, it has worked well, and I urge that we keep it that way and not adopt the Scott amendment.

Mr. MCGOVERN. Mr. Speaker, I yield myself such time as I may consume. I would just say to the gentleman who just spoke that we believe that there are many religious organizations, many faith-based organizations that do incredible work, and they will still be able to do incredible work. What we object to, quite frankly, is the use of taxpayers’ money to basically subsidize religious activities, concern is that those of us who are speaking here have; I submitted a list of close to 70 civil rights and religious organizations that have objections to this provision, including the African American Ministerial Action; American Jewish Committee; the American Jewish Congress; Americans for Religious Liberty; the Anti-Defamation League; the Baptist Joint Committee; Central Conference of American Rabbis; Episcopal Church, USA; the General Board of Church and Society of the United Methodist Church; the National Advocacy Center of the Sisters of the Good Shepherd; National Council of Jewish Women; NETWORK, a national Catholic social justice lobby; Presbyterian Church USA; Protestants For the Common Good; Religious Action Center of Reform Judaism; Texas Faith Network; the Interfaith Alliance; Union for Reform Judaism; United Universalist Association of Congregations; United Church of Christ; United Church of Christ Justice & Witness Ministries. They go on and on and on. This is a concern that many of the faith-based organizations all across this country share with us.

Mr. Speaker, I yield 6 minutes to the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. I thank the gentleman for yielding me this time.

Mr. Speaker, we have heard a lot about the amendment I will be offering. I will be offering it in conjunction with the gentlewoman from California (Ms. WOOLSEY), the gentleman from Maryland (Mr. VAN HOLLEN), the gentleman from Massachusetts (Mr. FRANK), the gentleman from Texas (Mr. EDWARDS), and the gentleman from New York (Mr. NADLER) in order to preserve and maintain civil rights protections as they currently appear in the job training laws. Current law prohibits sponsors of job training programs from discriminating based on race or religion, and that policy goes back decades. For decades, our country has prohibited discrimination in hiring with Federal funds.

In 1941, President Roosevelt ordered a prohibition against discrimination in all defense contracts. In other words, since 1941, our national policy has been that even if you can build better and cheaper rifles, the Army will not buy them from you if you discriminate in employment. The Civil Rights Act passed in 1964, and it prohibited discrimination; but it included an exception for religious organizations, but that exception was limited to the context of the religious organizations using their own money. In 1965, President Johnson banned discrimination in all government contracts without exception.

In job training programs specifically, this Congress passed in 1982 the Job Training Partnership Act with bipartisan support. In that Act, Congress included a nondiscrimination clause without exception, and that remains the statutory requirement in job training requirement programs today. That policy will change and discrimination will be allowed if my amendment is not adopted.

So let us be clear. This is not a debate about religious organizations having the right to participate in job training programs. They already do. As the current law stands, and my amendment would keep that law intact, Catholic, Jewish, Lutheran, Baptist, and other religious organizations all receive hundreds of millions of dollars today to run job training and other federally funded programs. Religious organizations do not need Section 129 in the
Mr. Speaker, for 40 years, if an employer had a problem because the weight of the Federal Government was behind the victim of discrimination, there was no objection.

Mr. Speaker, religious organizations actively supported the Civil Rights Act 40 years ago. Today they support the nondiscrimination provision in the Workforce Investment Act the way it is and they oppose Section 129.

Mr. speaker, I urge my colleagues to oppose the bill unless traditional civil rights protections are included.

Mr. Speaker, I reserve my time.
The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HASTINGS of Florida, 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, further proceedings on this question will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until 3:15 p.m. today.

Accordingly (at 2 o'clock and 56 minutes p.m.), the House stood in recess at 3:15 p.m.

□ 1515

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SIMPSON) at 3 o'clock and 15 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule xx, proceedings will resume on questions previously postponed.

Votes will be taken in the following order:

H. Res. 126, by the yeas and nays; H.R. 912, by the yeas and nays.

Without objection, the minimum time for electronic voting on the second question will be reduced to 5 minutes, notwithstanding the intervention of remarks concerning the passing of a former Member.

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 27, JOB TRAINING IMPROVEMENT ACT OF 2005

The SPEAKER pro tempore. The pending business is the question of agreeing to the resolution, H. Res. 126, on which the yeas and nays are ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The vote was taken by electronic device, and there were—yeas 227, nays 191, not voting 15, as follows:

(ROLL No. 42)

YEAS—227

Cantor
Capito
Carroll
Chabot
Chocola
Coble
Cole (OK)
Conaway
Connolly
Cox
Crenshaw
Cubin
Cunningham
Davis (KY)
Davis, Jo \( \text{NC} \)
Davis, Tom
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Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Duncan
Emerson
English (PA)
Everett
Feeney
Fitzpatrick (PA)
Flake
Forbes
Fonseca
Fox
Franks (AZ)
Frelighsburg
Galleley
Gibbs
Gillibrand
Gingrey
Gohmert
Goodlatte
Granger
Green
Gutknecht
Haller
Hart
Hastings (WA)
Heller
Hayworth
Heffley
Hefler
Himes
Holt
Hon
House
Howard
Hoyer
Buck
Boucher
Boyd
Bradley (RI)
Brown (OH)
Brady (TX)
Brown (SC)
Bregis
Broun
Burton
Bucy
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Bush
Buxbaum
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Calvert
Camp
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Camp
Cannon

NAYS—191

Abercrombie
Ackerman
Allen
Andrews
Baca
Barfield
Baker
Barrett (SC)
Barrett (MD)
Bartow (TX)
Bass
Beauprez
Biggert
Bilirakis
Bishop (UT)
Blinkhorn
Boehlert
Boucher
Boyce
Brady (PA)
Bishop (NY)
Blumenauer
Boren
Bowser
Boucher
Boucher
Buck
Brown (OR)
Brown (CA)
Brown (NY)
Brown (IN)
Brown (NB)
Bono
Boscomb
Boustany
Bradley (NC)
Bradley (TX)
Brown (SC)
Buchanan
Burgess
Burton
Burr
Califano
Calvert
Camp
Cannon

Platts
Peto
Pombo
Portman
Price (GA)
Peyton
Putnam
Radanovich
Reed
Robinson
Rohrabacher
Ros-Lehtinen
Roy
Ryan (WI)
Ryan (KS)
Saxton
Schwarz
Sensenbrenner
Sessions
Shepherd
Shinkins
Shady
Shadock
Simmons
Smolin
Smith (TX)
Solberg
Souder
Stearns
Sweeney
Tancredo
Taylor (NY)
Taylor
Thomas
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walden (OR)
Waal
Wamp
Welch
Westmoreland
Whitfield
Wilder
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

Clayburn
Coyne
Cooper
Costello
Cramer
Crowley
Cummins
Davis (AL)
Davis (CA)
Davis (FL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Doyle
Edwards
Emmanuel
Engel
Engler
Enderle
Enrile
Ensley
Farr
Fattah
Chandler
Chandler
Clay

Ford
Frank (MA)
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Harman
Hastings (FL)
Hefley
Higgins
Incen
Holt
Honda
Hooley
Hoyer
Inoue
Israel
Jackson (IL)
Jackson-Lee
Jefferson
Johnson, B. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick (MI)
And, Mr. Speaker, I yield to the gentleman from Florida (Mr. CRENSHAW) for a further announcement.

Mr. CRENSHAW. Mr. Speaker, I thank the gentlewoman for yielding. Tillie had an awful lot of friends in this Chamber. And for those of you that that will not be able to go to Jacksonville for the funeral service on Friday, next Tuesday night we have reserved a time of Special Order to celebrate her life and her service. And so if you would like to be part of that celebration, if you would please contact my office.

Tillie was a remarkable woman. She was a rare combination of passionate drive and dedication coupled with just a warm and caring feeling for all the people around her, and she will be missed by not only her family, but her friends in this Chamber, by the people of Florida, as well as the people of this Nation whom she so proudly served. So I am sure you all join as we send our thoughts and prayers to her husband Buck, and her two daughters in this difficult time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). Under the previous order by unanimous consent of earlier today, this next question will be a 5-minute vote.

HUMANITARIAN ASSISTANCE CODE OF CONDUCT ACT OF 2005

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 912.

The Clerk reads 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. 912, 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—yes 416, nays 0, answered “present” 1, not voting 16, as follows:

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<tr>
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<td>Ms. Pryce</td>
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<td>Mr. Brady</td>
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<td>Ms. Schakowsky</td>
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<td>Mr. Hinojosa</td>
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<td>Mr. Simpkin</td>
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Mr. BRADY of Pennsylvania, Ms. SCHAKOWSKY and Messrs. BERCERA, CHANDLER, RUPPERSBERGER and TAYLOR of Mississippi changed their vote from “yea” to “nay.” So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT OF THE PASSING OF FORMER COLLEAGUE TILLIE FOWLER

Ms. PRYCE of Ohio. Mr. Speaker, I rise today with great sadness to inform the House that our good friend and our distinguished former colleague from Florida, Tillie Fowler, passed away today at 10:30 a.m. Tillie epitomized the very meaning of class, and she was the Southern lady in this House. She was a rare find, an example to all Members of Congress in her patriotism and her bipartisanship, and to women everywhere in her ability to attain the highest levels of power while always putting her family first. Our prayers are with Tillie’s family during this difficult time, and we will all miss her greatly.

Her loved ones should know that Tillie left them, our country, and all who had the good fortune to know her a wonderful and lasting legacy.

[Roll No. 43]

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

Mr. Chairman, as we stand here today we continue to see significant progress toward greater economic opportunity and prosperity across the country. More than 27 million new jobs have been created over the last 17 months, and the unemployment rate has fallen to 5.2 percent, the lowest level since September 2001. Our economy is strong and it is getting stronger.

The backbone of a strong economy is a well-trained and highly skilled workforce, and it is absolutely critical for workers to have the education and skills necessary to adapt to new opportunities and to move into higher wages.

Federal Reserve Chairman Alan Greenspan agreed with this view when he testified before Congress and talked about the need to do a better job with our education system and better training and retraining of American workers.

The bill before us, the Job Training Improvement Act, would achieve this objective by strengthening the Nation’s job training system. In 1998, Congress established a system of one-stop career centers aimed at providing one convenient central location to offer job training and related employment services to workers to upgrade their skills and avoid layoffs. First, requiring State and local workforce investment boards to ensure the job training programs reflect the employment needs in local areas. Second, allowing training for currently employed workers so employers can use training and related employment services, and third, encouraging the highest caliber providers, including community colleges, to offer training through the one-stop system, and leveraging other public and private resources to increase training and keep workers on the job.

Our bill includes a number of reforms. First, requiring State and local workforce investment boards to ensure the job training programs reflect the employment needs in local areas. Second, allowing training for currently employed workers so employers can use training and related employment services, and third, encouraging the highest caliber providers, including community colleges, to offer training through the one-stop system, and leveraging other public and private resources to increase training and keep workers on the job.

In addition, it targets 70 percent of the youth grant funds to out-of-school youth, an underserved population that faces significant challenges in finding meaningful employment.

The bill includes a proposal passed by the House last year introduced by the gentleman from Nevada (Mr. PORTER) to create personal reemployment accounts of up to $3,000 to help unemployed Americans purchase job training and other employment-related services, such as child care, transportation services and housing assistance, giving them the flexibility they need in order to gain meaningful employment.

In addition, it includes the President’s community college proposal to strengthen the partnership between local businesses, community colleges, and the local one-stop delivery system.

Later today, we will consider an amendment from my colleague from Virginia to strip the faith-based provisions from this bill, an amendment that would deny faith-based providers the rights they enjoy under the historic 1964 Civil Rights Act. When we considered this bill in committee, we twice rejected it on a bipartisan basis, and I urge all Members to vote against it today. The 1964 Civil Rights Act made clear that when faith-based groups hire employees on a religious basis, it can exercise the group’s civil rights liberties and not discriminate under Federal law. In 1987, the Supreme Court unanimously upheld this right.

As my colleagues can see from the chart that I have next to me, former President Bill Clinton signed four laws allowing faith-based groups to staff on the religious basis when they receive Federal funds. Those four laws are the 1996 welfare reform law; the 1998 Community Services Block Grant Act; the 2000 Community Renewal Tax Relief Act; and the 2000 Substance Abuse and Mental Health Services Administration Act, all allowing faith-based providers to provide their services under the 1964 Civil Rights Act.

Our Nation’s faith-based institutions have a proven track record in meeting the training and counseling needs of
the citizens. Why would we want to deny them the opportunity to help in Federal job training efforts? President Bush repeated this call to empower faith-based providers both during his State of the Union address and again yesterday. I can think of no better place to begin our efforts to ensure the rights of faith-based groups who are willing to lend a helping hand in providing job training and other critical social services to the most needy of our citizens.

I want to thank the gentleman from California (Mr. MCKEON) for his work in putting this bill together, a bill that is supported by a broad and diverse coalition of groups, including the U.S. Chamber of Commerce, the National Association of Counties, the National Association of Workforce Boards, the National Workforce Association, the Coalition to Preserve Religious Freedom and the Salvation Army, amongst others.

We are part of a dynamic economy that is constantly creating new and different types of jobs, so the knowledge and skills of each job seeker is absolutely critical in determining their success or failure. If we are going to help our citizens then strengthening our job training programs is essential. The bill, I believe, accomplishes that goal.

Unfortunately, the only plan that my colleagues on the other side have put forward to meet the needs of American workers is the status quo. Their plan fails to reduce duplication and inefficiency, it fails to give States and local communities more flexibility, and it fails to take advantage of the positive role that faith-based institutions play in our communities and the success they have in providing critical social services to those most in need.

Mr. Chairman, the status quo is no plan at all. I ask my colleagues to support the underlying bill.

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

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

Mr. Chairman, I rise in strong opposition to this bill. This bill is nearly identical to the WIA bill that passed this House last Congress on a near-party line vote. It was a bad bill then, and it remains a bad bill now.

H.R. 27 represents a missed opportunity to do what more, not less, job training happens for the millions who are unemployed or looking to upgrade their skills. This legislation fails to increase the amount of actual training services that will be provided to unemployed, dislocated, and underemployed workers. Instead, this legislation focuses on moving around and changing the bureaucratic elements of WIA without focusing on getting more resources to the consumers of these programs.

H.R. 27 is largely the same proposal backed by the administration for the past 2 years. Just a few weeks ago, President Bush spoke to individuals in Omaha, Nebraska. There he met a woman in her late 50s who is a mother of three children. She told him that presently she was working three jobs to ensure she could provide for her family. The President’s response was the following, and I quote exactly: “Let them eat cake.”

Mr. Chairman, this bill is not going to help this mother of three or the millions of Americans seeking job training. This bill is objectionable for four primary reasons.

First, the bill block-grants the adult worker, dislocated worker, and employment service programs effectively repeals the Wagner-Peyser Act and the employment service, the national program used to match job seekers with employment opportunities. Termination of the employment service will translate into higher unemployment and less jobs.

The elimination of the employment service and Wagner-Peyser marks another example of the Republican majority terminating a New Deal program. The Wagner-Peyser Act was first enacted in June of 1933 in the first term of President Franklin Delano Roosevelt. It is shameful that we are eliminating a 70-year-old program that has helped so many achieve and maintain work. In my hometown of Flint, Michigan, we had two parts of the unemployment office, one where you applied for the unemployment benefits and the other where you went in and were seeking a job and they would put the unemployed and an employer together. That would be decimated by this bill.

Second, H.R. 27 allows Governors to siphon off resources currently providing veterans, adult learners, and individuals with disabilities with critical services. Instead of helping vulnerable and needy individuals, these resources would fund infrastructure costs of the one-stop centers. Many of these individuals have nowhere else to turn to receive help, and this bill would exacerbate their problems.

H.R. 27 requires programs which provide these critical services to give up resources, but it also takes away any say over how they are allocated or used. They no longer will have a voice in the local boards. We should not be taking funds away from these programs. These lost resources will translate into disruptions and lost opportunities to people who presently rely on these services. We should provide a separate source of funding for these one-stop centers.

Third, the bill allows discrimination in hiring based on religion with WIA funds. The bill turns back the clock on decades of civil rights protections in our job training programs. This is simply wrong. Focus Hope in Detroit, Michigan, is one of the best, if not the best, job training program in the State of Michigan. Focus Hope was run until his death by Father William Cunningham, a classmate of mine in the seminary. He trained thousands of people in inner-city Detroit as a Catholic priest assigned by his bishop there, and he did not care whether those who were training people to run a lathe, to do engineering or whatever it be the case, did not care whether they were Catholic, whether they were Protestant, whether they were Mormon, Muslim or had no faith at all. All he cared was they knew how to teach what they were teaching. That was a very important and effective program. He did not need to discriminate to carry out his duties. I strongly urge Members to support the Scott amendment today that will be offered later during debate to remedy this major shortcoming in this legislation.

Finally, Mr. Chairman, H.R. 27 creates personal reemployment accounts which voucherize the job training system and cuts individuals off from other training services. The money they do get do not spend they can’t keep and use for any purpose. Workers do not need a bribe to get back to work. Research on similar schemes have proven that PRAs are not an effective mechanism for providing job training.

Mr. Chairman, the bill will not respond to the needs of underemployed and unemployed individuals. It misses an opportunity to improve our job training system. I urge Members to join me in opposing passage of this legislation.

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

Mr. BOEHNER. Mr. Chairman, I am pleased to yield 5 minutes to the gentleman from California (Mr. MCKEON), the author of the bill, the chairman of the Subcommittee on 21st Century Competitiveness.

Mr. MCKEON. Mr. Chairman, I rise in strong support of H.R. 27 and thank the gentleman from Ohio for his leadership in bringing this bill to the floor, the Job Training Improvement Act of 2005, which I introduced to strengthen and reauthorize the Nation’s job training system as well as adult education and vocational rehabilitation programs. Job training programs must be responsive to the needs of the workforce and improving them is critical. In today’s knowledge-based economy, we need to equip Americans with the skills they need to find a new or better job and quickly return to the workforce.

One of the hallmarks of WIA is that in order to encourage the development of comprehensive systems that improve services to both employers and job seekers, local services are provided through a one-stop delivery system. The one-stop centers serve as the front line in helping job seekers return to the workforce. At the one-stop centers,
assistance ranges from core services such as job search and placement assistance, access to job listings and an initial assessment of skills and needs, to intensive services such as comprehensive assessments and case management and, if needed, occupational skills training.

Over the last 3 years, I have met with local workforce development leaders, businesses, the administration, researchers, and others to examine how we can improve our Federal job training system. While the Workforce Investment Act of 1998 made dramatic reforms to the Nation’s workforce system, I learned that further refinements were necessary to ensure State and local officials have the flexibility they need to effectively target resources toward the unique needs of their communities.

The Job Training Improvement Act builds upon WIA to make it more demand-driven and flexible while reducing duplication and inefficiency. H.R. 27 will help strengthen and improve the Nation’s locally driven, business-led workforce investment system to help States and localities ensure workers get the training they need and jobs.

For example, the bill streamlines the current WIA funding in order to provide more efficient and results-oriented services and programs by combining the adult, dislocated, and employment service funding streams into one funding stream. This will eliminate duplication in service delivery and administrative functions that remain in the system, improving services for individuals.

The bill also ensures the financial contribution of the mandatory partners in the one-stop centers while at the same time it increases the service integration among the partner programs. This will improve access to services in the one-stop delivery system for special populations, such as individuals with disabilities.

In order to ensure greater responsiveness to local area needs and strengthen the private sector’s role, the bill simplifies the local and State governance processes. One-stop partner programs will no longer be required to have a seat on the local boards. This will provide for greater representation and influence by local business representatives. Workers are frequently frustrated that they are not able to connect with or access resources from the local boards.

Mr. Chairman, I had a couple of my good friends, constituents in my district, that lost their jobs in the defense industry. They came up and thanked me for the help they received from WIA. They were able to get vouchers. One of them went on to become a school teacher, one a worker in the computer industry. This bill works. The money is being invested today will make it better, more efficient and help the people to really get the services they need so we can continue to have the job growth that we have been enjoying the last few months here in the country. I support this strongly.

Mr. KILDEE, Mr. Chairman, I yield 4 minutes to the gentleman from Washington (Mr. MCDERMOTT).

Mr. MCDERMOTT. Mr. Chairman, the question is when is the Congress going to stop letting American businesses and workers drown? It is time to roll up our sleeves and chart a path to economic freedom. It is time to govern.

Today the Republicans again ask us to consider a bill with provisions that will make its mark by missing the mark. Inherent bureaucracy and deflates workers’ opportunity. American business needs the best, most qualified workers on earth, but this bill does nothing to reach that goal.

Workers, especially the working poor, need a credible realistic road to economic freedom. This bill is a dead end. Our workforce is in trouble. The “L.A. Times,” which I will enter into the RECORD an article from the “L.A. Times,” recently reported that the volatility of income for the working poor is growing. They do not have income among the working poor now fluctuates by as much as 50 percent annually. One cannot buy a home with a wild fluctuation like that. One cannot plan for their children’s college education with such a fluctuation, and they are lucky to put food on the table.

Mr. Chairman, we need to rethink the systems we have in place to help workers and employers maximize productivity and profitability. We continue to pursue open trade to open our domestic market to foreign competition, but we are not employing the systems that allow workplace discriminations that allow workplace discrimination based on religion, does nothing to meet the needs of the new challenge workers and businesses that rely on them face in the new global economy.

The question again, Mr. Chairman, is when will you tell your chairman to start taking these responsibilities seriously rather than just say, as we are here today, putting the same bill before us that we have put here before, we know it is not going anywhere, it is a waste of time, and it does nothing for the workers? This is not even an election year.

[From the Los Angeles Times, Dec. 12, 2004]

THE POOR HAVE MORE THINGS TODAY—INCLUDING WILD INCOME SWINGS

(By Peter G. Gosselin)

“The poor are not like everyone else,” social critic Michael Harrington wrote in the 1960s. The New York Times has recently reported that the working poor are the working poor.

They are a different kind of people,” he declared. They think and feel differently. They think in terms of what they spend; they look upon a different America than the middle class.

How then to account for Elvira Rojas? The 38-year-old Salvadorian-born dishwasher and her partner, warehouse worker Jose Maldanado, make barely enough to stay above the official poverty line—$18,610 last year for a family of four. But by working two, sometimes three, jobs between them, they are grabbing at middle-class dreams.

Rojas and Maldanado live in a two-room apartment in Hawthorne but have china settings for 16 tucked in a wooden hutch. Their two young daughters receive health coverage through Medi-Cal but get many of their clothes at Robinsons-May.

The family struggles to meet its monthly bills but has taken on a mountain of credit card debt. They have used plastic to buy a large-screen TV and a computer. They have also relied on it to cover bare necessities such as rent and emergency-room visits.

“It’s why I’m really poor even though I work so hard,” Rojas said with a rueful laugh.

Some see circumstances like Rojas’ as testament to the economic strides that America has made over the last generation, rather than a reflection of its failures.

“We’ve won the War on Poverty,” asserted Robert Rector, an influential analyst with the Heritage Foundation, a conservative Washington think tank. “We’ve basically eliminated widespread material deprivation.”

But if deprivation is no longer as big a problem, that hardly means all is well. In many ways, Rojas is the new face of the working poor, suffering not so much from a dearth of possessions as from a cavalcade of chaos—pay cuts and eviction notices, car troubles and medical crises—that rattles her finances and nudges her family toward the economic brink.

In this way, Rojas and millions like her are not—as Harrington described them—functionally different from other Americans; they are remarkably similar.

Indeed, today’s working poor are experiencing an extreme version of the economic turbulence that is spreading across the income spectrum. And the cause, no matter people’s means, is the same: a quarter-
century-long shift of economic risk by business and government onto working families. Protections that Americans, especially poor ones, once relied on to buffer them from economic hard times—affordable housing, stable jobs with good benefits, union membership and the backstop of cash welfare—have shriveled or been eliminated. These losses have been more than offset by expansion of programs such as the earned-income tax credit for the working poor and publicly provided healthcare.

For the most part, the poor have been left to cope on their own, scrambling from one fragile employment arrangement to the next, doubling up on housing and borrowing heavily.

"Families up and down the income distribution are bearing more economic risk than they did 25 or 30 years ago," said Johns Hopkins University economist Robert A. Moffitt. "But the increase has been especially dramatic among the working poor." As a result, their earnings are jumping around like never before.

During the early 1970s, the inflation-adjusted incomes of most families in the bottom fifth bobbled upward and down no more than 25% a year. By the beginning of this decade, those annual fluctuations had doubled to as much as 50%, according to a recent study of the Los Angeles Times in conjunction with Moffitt and researchers at several other major universities.

For a family with an income at the 20th percentile—or roughly $23,000 a year in inflation-adjusted terms—that has meant recent annual swings of as much as $12,000. Twenty-five years ago, those swings tended to be no more than $4,300.

The Times' figures are based on the Panel Study of Income Dynamics, a database funded by the National Science Foundation and run by the University of Michigan. In contrast to most economic indicators, which involve taking random samples of different Americans at different times and comparing the results, the panel study has followed the same 5,000 nationally representative families and their offshoots for nearly 40 years.

In supplementing conventional statistics with the panel-study data, the newspaper has sought to explain why Americans in rising numbers report being less financially secure, even as the economy has grown richer overall.

In a nutshell, The Times has found that the upward march of most economic averages is increasingly frequent instances of financial hard times for families that are not in the very bottom quintile of incomes. That effect is especially pronounced among illegal immigrants, but many legal ones interpreted the measure as a blanket ban aimed at them. Rojas, for one, took no chances; she never applied for housing assistance—or almost any other kind of aid—although it appears from her Social Security records and tax returns that she would have qualified. "I didn't want to be a burden on the government," she explained.

It's probably just as well. By the mid-1990s, the state and federal governments were winding down most of a six-decade-long drive to help poor families meet their housing needs. That effort, after decades of study, concluded that the nation had "legalized" some 20 million documented immigrants, but many legal ones interpreted the measure as a blanket ban aimed at illegal immigrants, according to several studies.

In 1991, the two gained legal status under a program that allowed people fleeing war in their nations to become refugees.

But their new standing was thrown into question in 1994, when California voters approved Proposition 187. The initiative was designed to eliminate assistance to undocumented immigrants, but many legal ones interpreted the measure as a blanket ban aimed at illegal immigrants, according to several studies.

In the years that followed, a booming private sector largely solved the food and clothing problems. And a combination of financial market innovations and federal power applied through a battery of agencies—the Veterans Administration, the Federal Housing Administration, Fannie Mae and Freddie Mac—greatly expanded homeownership, especially among the middle class. But that still left what to do for poor families, most of whom could afford only to rent.

Washington has tried to have the government build and run housing projects. Some worked. But many degenerated into vertical ghettos, victimized by disastrous design, racial and economic segregation, drugs and crime.

In 1974, President Nixon and Congress turned to another solution: the Section 8 program. Instead of putting up buildings itself, the government would subsidize private developers to construct housing and give poor families rent coupons to use the apartments in the open market. But developer subsidies produced cost overruns and political scandals in the 1980s and were largely phased out.

That left only the vouchers, which recently have been cut back. In all, the amount of money that Congress and the president have authorized to be spent on housing assistance has plunged by nearly two-thirds in the last 25 years, from an infla-

tion-adjusted $82 billion in 1978 to $29 billion last year.

Washington's latest answer has been more laissez-faire: offer tax breaks for the creation of low-income housing, to leave it to the marketplace to decide how much gets built. In hot housing markets such as Southern California's, little has been produced. But thousands of units recently, but the well's been dry for so long we should have been producing hundreds of thousands," said Jan Breidenbach, executive director of the South California Assn. of Non-Profit Housing, which represents many of the region's developers of low-income housing.

In the absence of substantial government help—and with housing prices soaring beyond the reach of even the middle class—most working-poor families have been left to fend for themselves.

By 1997, Rojas and Maldanado thought they had succeeded in doing that. He was making $5,800 a year at a dry-cleaning plant. She was making more than $12,000 a year working between a part-time job at an airline linen service on Prairie Avenue in Hawthorne and a job packing cheeses at a Los Angeles International Airport.

The combination of the middle and had drainage problems, it featured two kitchens and two living rooms, plenty of space for each family. The place cost Rojas and Maldanado $50 a month more than 30% of their earnings, a level the government considers the outer limit of affordable, but it was still something they could bear.

The bungalow "felt good because there were not so many of us," Rojas said. "It was the most room I've ever had." The following year, the two families celebrated Christmas by stringing sparkling lights along the structure's faded blue eaves and inviting neighbors for a party.

HEADING WEST FOR WORK

Albert Grimes arrived in Los Angeles a few years before Elvira Rojas did, similarly hungry to start over.

He came from Cleveland, where his family was a pillar of the African-American community. His father, "Big Joe" Grimes, had returned home from World War II and used the GI Bill to buy a house. He opened a barber shop, founded a youth marching band called B.J.'s Raiders and became a kingmaker of sorts in Cleveland politics.

Albert's uncle, Walter Dicks, ran the municip- al workers union and helped the young-er Grimes find a job right out of high school on a city sanitation truck. It paid about $15,000, equal to about $30,000 in today's dollars.

But Albert was laid off during one of Cleve-
da's periodic fiscal crises. In 1985, at the age of 29, he left home and headed West. He had a youth marching band called "Ruggers" but mostly surrounded himself with one of Los Angeles' big employers.

For most of the postwar era, working Americans could count on big business even more than big government to provide safe-

The current passion for temping, outsourcing and lean workforces, corporate America felt a civic duty to provide jobs with good wages and solid benefits, even to those like Grimes with no college education.
"Steady, year-round employment is so right from the standpoint of the employer, so right from the standpoint of the workers and so right for the country as a whole . . . that it is the reason why we manage all our efforts to have not made more progress in its application," Procter & Gamble Co. President Richard Deupree told a 1948 audience.

As Los Angeles became the hub of the nation’s aerospace industry; a second home to U.S. automakers, after Detroit; a financial center among the region’s largest employers: Lockheed Corp., McDonnell Douglas Corp., General Motors Corp., Goodyear Tire & Rubber Co., First Interstate Bank and Security Pacific Bank.

By the late 1970s, the typical L.A. County workplace had nearly 30% more employees than the U.S. average, according to government statistics—a situation that translated into a high level of economic security. "There is a close correlation between firm size, employment stability and generous compensation," said UCLA economist Sanford Jacoby, who has written extensively about small employers. "Big firms underwrite the creation of America’s— and Southern California’s—blue-collar middle class."

As Grimes found his way to Sears, Roebuck & Co.’s massive warehouse at Olympic Boulevard and Soto Street, where he was hired as a merchandise handler represented by the Teamsters. He did well for himself there. His Social Security records show that his income rose steadily—from $12,000 in 1987 to $20,000 in 1993 ($28,000 in 1993’s dollars). On top of that, his health care was covered.

But in 1992, Sears stumbled, the result of failed strategy to sell everything from socks to stocks. Grimes, then on leave with a bad back, soon found himself out of a job. It was a bad time to be without work. The combination of recession and steep cuts in defense spending, brought on by the end of the Cold War, wallop Southern California. Unemployment pressure from low-cost foreign producers and wage competition from new immigrants such as Rojas took a severe toll on unskilled workers like Grimes. Any chance that he would be rehired by Sears soon evaporated when the company’s warehouse and adjacent store were damaged in the L.A. riots. The warehouse was eventually just begun.

By the time the region bounced back, the nature of employment had changed. Gone was the large factory where Grimes and Harvey expected they would be pulling down hourly pay. The 1980s had ushered in a new type of employer for the poor, the most dramatic of all the safety-net cuts that the government has engineered in the last 25 years came in 1996.

When a Republican-controlled Congress passed and President Clinton signed the Personal Responsibility and Work Opportunity Reconciliation Act, overshadowing the nation’s cash welfare system.

The law sought to push people off the dole and into work. In doing so, it essentially reversed the poverty-fighting strategy that Washington had used since the 1960s in which poor Americans were promised a certain minimal standard of living. By last year, the law had reduced the nation’s welfare rolls 3 million, or one-half, and had sliced inflation-adjusted welfare spending by about $10 billion, or one-third.

Grimes and Harvey’s household has remained largely unaffected by the law’s “work first” requirements. That’s because California already had generous benefits and because Grimes’ domestic partner, Jacqueline Harvey, has a chronic intestinal disease and is exempt from work requirements. She has thus continued to collect benefits off and on from the state’s cash welfare system, CalWORKS. She now receives $883 a month.

Grimes, in the meantime, has been staggered by another, lesser-known element of the 1996 act—a significant toughening of child-support enforcement rules. This part of the law built on other efforts undertaken since the 1970s to go after absentee parents and compel them to help finance their kids’ upbringings.

For its part, Grimes’ household has remained largely unaffected by the law’s “work first” requirements. That’s because California already had generous benefits and because Grimes’ domestic partner, Jacqueline Harvey, has a chronic intestinal disease and is exempt from work requirements. She has thus continued to collect benefits off and on from the state’s cash welfare system, CalWORKS. She now receives $883 a month.

But she was not worried. To tide her over during the shutdown, Local 814 had steered her to a job at a unionized Burger King at LAX. The fast-food outlet offered a wage of $7.50 an hour and, because the workers were represented by Hotel Employees Local 814, it came with holidays and family health insurance. The latter would prove particularly important when Rojas gave birth to his daughter in 2001, and her health plan picked up the tab for more than $5,000.

Rojas saw the job as a turning point. "I was viably part of the fabric of society. I had in my life had belonged to her in-laws. "If we used dishes,” she remembered, “they were theirs. If we watched TV, it was theirs. But all that would change when she went to the Wyndham. "I knew at that point I would have my own things,” she said.

By 1996, as Rojas and Maldanado’s income more than doubled to $26,000 ($30,500 in today’s dollars), the couple began assembling the pieces of a middle-class life.

Rojas bought china by Royal Prestige. She purchased a hutch from Levitz Furniture in which to display the dishes. She and Maldanado acquired a couch, a bed and a dining table. They shelled out for two large-screen “TVs and signed up for satellite-dish service.

"They bought a 1987 Plymouth Sundance to go with their aging blue Toyota Camry. And they traveled. "We would go to Las Vegas and Disneyland,” Maldanado recalled. "We had more money to spend."

When the first of the couple’s two daughters was born the following year, Rojas was so eager for her to be part of the fabric of America that she resisted enticements to name her Maria after five of Maldanado’s aunts, and instead gave her the name Katherine. She would make a similar choice when their second child was born last May, rejecting Maldanado’s suggestion of Elvira in favor of Melane.

"The new job let Rojas dream about owning a house and having her own home, and maybe one day I can take care of my grandchildren if I have some."

Meanwhile, any thought of returning to Central America faded away. "Here,” said Rojas, "my family will go a lot farther than in El Salvador.

"In the summer of 2000, the Wyndham’s owners announced that they were closing the hotel for renovations. Rojas remembers hearing ominous rumblings that more would change soon. Like something about the parking attendants’ jobs being contracted out.

H872    CONGRESSIONAL RECORD — HOUSE  March 2, 2005

SHRINKING WELFARE

For the poor, the most dramatic of all the safety-net cuts that the government has engineered in the last 25 years came in 1996.

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The law sought to push people off the dole and into work. In doing so, it essentially reversed the poverty-fighting strategy that Washington had used since the 1960s in which poor Americans were promised a certain minimal standard of living. By last year, the law had reduced the nation’s welfare rolls 3 million, or one-half, and had sliced inflation-adjusted welfare spending by about $10 billion, or one-third.

These numbers, though, are about all the experts can agree on. Advocates have hailed the measure as a spectacular success, saying it has increased the incomes of many poor and while triggering a steep rise in poverty among black children. Critics have denounced it as a failure, saying that many people are poorer today than they were before the law was signed.

For its part, Grimes’ household has remained largely unaffected by the law’s “work first” requirements. That’s because California already had generous benefits and because Grimes’ domestic partner, Jacqueline Harvey, has a chronic intestinal disease and is exempt from work requirements. She has thus continued to collect benefits off and on from the state’s cash welfare system, CalWORKS. She now receives $883 a month.

Grimes, in the meantime, has been staggered by another, lesser-known element of the 1996 act—a significant toughening of child-support enforcement rules. This part of the law built on other efforts undertaken since the 1970s to go after absentee parents and compel them to help finance their kids’ upbringings.

Grimes and Harvey’s son, Albert Jr., was born in 1988. Nine years later, when the elder Grimes applied for custody of a nephew, the Los Angeles County district attorney’s office told her the boy had never lived with her. The D.A. took action even though Grimes, Harvey and their son had always lived together and, they and several relatives say, Grimes always helped raise that boy—something about the parking attendants’ jobs being contracted out.

Nonetheless, Grimes declined to challenge the county, which won a court judgment
against him, Grimes said he thought that he had to go along with the support order to obtain custody of his nephew and to ensure that Harvey would continue receiving publicly funded healthcare. It’s also unclear whether counting Grimes as a parent in the house would have jeopardized the size of Harvey’s welfare checks. Whether a mix-up or not, the effect on Grimes’ finances has been devastating. California courts not only have imposed high monthly support payments—often unrelated to a parent’s ability to pay—but also have added interest at a 10 percent annual clip to past-due amounts. A recent study commissioned by the state found that past-due child-support payments in California have soared to almost $17 billion from $2.5 billion in the last decade. Most of that money, moreover, is earmarked for state coffers—not for the children who need support.

The system was largely about welfare-cost recovery, not helping families,” said Curtis L. Child, who stepped down recently as head of the state Department of Child Support Services, which was created in 2000 to redirect power from county district attorneys and restructure the system. “In imposing these huge judgments on fathers, we’re confronting these men with an awful choice: Go underground, which is just as ruinous as remaining up-front, or else pay a flood of past-due support totaling $4,900. When he fell behind after his Bixel Street business collapsed and he was laid off, he borrowed his way through the bad times and paid off their debts in flush periods.

The problem comes when there are no flush periods. Some of the items purchased on Rojas’ and Maldanado’s credit cards can seem frivolous or extravagant, such as buying two $150 sets of sepa-toned studio photographs of Katherine and her mom dressed in feather boas and gowns. But most of the charges appear to fit the definition of safety-net spending.

Beyond the emergency room charge, there was $300 at the start of September to cover rent and a $1,000 cash advance that Rojas said went to help a brother bring his wife to the U.S. from El Salvador. Chipping away at what’s due on their cards is virtually impossible. That’s in large part because interest rates are charged on about double what a typical middle-class borrower faces. By the time they cover that, there is little left to reduce the balance. Although interviews on the couple’s most heavily used cards, a pair of Direct Merchants Bank MasterCards, range from 20.49% to 31.99%, a review of recent bills indicates that they are consistently charged close to the higher amount. (The Minnetonka, Minn., bank recently was ordered by federal regulators to pay $3.2 million in fines for “high school”-style offering low pre-approved rates and then moving customers to higher-rate accounts without fully disclosing the switch. It is not clear that this happened to Rojas and Maldanado.)

Rojas and Maldanado now owe $14,592 on their four credit cards—a burden that financial experts say is appropriate for a household making about $10,000, but not one like theirs.

FALLING BEHIND

In the spring of 2000, two years after Grimes’ Bixel Street business collapsed, he found a job as a security guard five blocks away at Ernst & Young Plaza. Grimes is determined to recover from the financial burden.

“My goal was to have a facility of my own,” Grimes said. “I thought I should have a situation where I’m in control.” But for most of the last year, Grimes has been fighting but in vain. In February, after a dispute with their landlord, he and his family were evicted from their apartment on Fedora Street, a two-room home that they had lived in for more than 40% of their combined income. Before long, he fell behind again on his court-ordered child-support payments.

In July, he ran through several thousand dollars paying for a $300-a-night motel room while he looked for a new apartment. He and Harvey eventually rented a two-room Hollywood walk-up for $82.79 a month. All that he was able to save from the place were three mattresses, two chairs and a Sony PlayStation.

April, he had run through several thousand dollars paying for a $300-a-night motel room while he looked for a new apartment. He and Harvey eventually rented a two-room Hollywood walk-up for $82.79 a month. All that he was able to save from the place were three mattresses, two chairs and a Sony PlayStation.

The family’s new apartment is so small that the bedroom is a single mass of mattress, crib, and clothes. The hutch and couches fill the living room to overflow. The cabinetry in the kitchenette are so stuffed that Rojas must store her supply of infant formula and other car seat parts in the boxes. But the couple has plans—to turn around the slide in their income, to look for a house, to make sure that the girls continue all the things they did before—before the family begins to be struggling like us,” Maldanado said.

Rojas is making other plans as well. Soon after arriving in the U.S., she took out a loan to finance her future at the Inglewood Park Cemetery. She now owns two plots at the cemetery’s Mausoleum of the Golden West, and recently signed papers to pay $820 a month for the next 50 years to buy two more. By the time Rojas is finished, she will have spent more than $12,000 in total. But she’s convinced it’s worth it.

“If I am retired, I want to take my daughter to see my funeral,” she said. “I won’t have to worry about my funeral.”

The Source of the Statistics and How They Were Analyzed

The Times used the Panel Study of Income Dynamics for its analysis of family income volatility. This panel study has followed a nationally representative sample of about 5,000 families and their offspring for nearly 40 years and is the most comprehensive publicly available data set in the world. It is run by the University of Michigan and principally underwritten by the National
Science Foundation. The families’ identities are kept confidential.

The Times employed techniques for gauging income volatility that were developed by economists Robert A. Moffitt of Johns Hopkins University and Peter Gottschalk of Boston College. The Times also consulted with Yale University political scientist Jacob S. Hacker, who conducted his own study of income volatility among households in the panel study and has published results linking it to economic risk.

The Times employed two Johns Hopkins graduate students, Xiaoguo Hu and Anuhita Dhasmana, to help generate the data. Moffitt guided them and advised the newspaper.

The analysis looked at five-year increments from 1970 to 2000 and examined the annual fluctuations in each family’s income.

For example, for a family whose income rose by $5,000 over a five-year span, the paper examined the journey from the lower number to the higher. Did the change occur in steady $1,000 annual increases? Or did the family’s income take a big jump in one year and plunge in another?

The Times’ basic finding is that the fluctuations in annual income that individual families have experienced have grown larger over the last three decades.

Based on the panel-study sample, The Times estimated the annual income swings, up or down, for all of U.S. families—those who did not have the most extreme fluctuations. As a result, the newspaper’s conclusions don’t rest on cases outside the main body. The near-star of John Hope dries up overnight, say, or the hourly worker who wins the lottery.

To zero in on working families, The Times focused on men and women 25 to 64 years old whose households had some income. To analyze the working poor, the paper ranked families by their average income during each five-year period. The study concentrated on those in the bottom one-fifth of income earners and especially those right at the 20th percentile.

The average annual income of panel-study families at the 20th percentile is close to the government’s official poverty line for a family of four most years.

The analysis looked at pretax income of all family members from all sources, including workplace earnings; investments; public transfers such as child support; valuable benefits, food stamps and cash welfare; and private transfers such as inheritances.

All amounts were adjusted for inflation, expressed in 2003 dollars.

Mr. MCKEON. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska (Mr. OSBORNE), a member of the committee.

Mr. OSBORNE. Mr. Chairman, I would like to particularly thank the gentleman from Ohio (Chairman BOEHLER) and the gentleman from California (Mr. MCKEON), subcommittee chairman, for this bill.

From my perspective this is a good bill. And I think there are several points I would like to make. First of all, it reemphasizes programs and creates efficiencies. It gives State and local officials more flexibility, which is always important. And the $3,000 reemployment accounts to purchase needed services to ensure reemployment seem to me to be a good idea because it allows those who have been laid off to go back on their feet, they need to have money to pay for child care. They need transportation. It allows them to get reestablished, and we think this is certainly very helpful. And then it also allows faith-based organizations to offer job training services. We think this is important.

I would like to amplify on that just a little bit. Number one, faith-based organizations often provide services more efficiently than State or Federal agencies. The Salvation Army, Catholic Charities, Jewish Federation are all extremely efficient and they are very cost effective.

Secondly, faith-based organizations often go where others will not go or do not go. In inner cities, and sometimes our rural areas, we find that they are very effective. Faith-based organizations are by law allowed to hire employees to provide services which conform to the mission of the faith-based organization. This right was affirmed by the 1964 Civil Rights Act and the 1987 Supreme Court decision, Corporation of the Presiding Bishop versus石榴社. So there is ample legal justification for this.

Number four, faith-based organization employees must often wear many hats. For instance, a music director at a church may also work at the job training center in the afternoon. A Sunday school superintendent may also run a Head Start program at the faith-based organization. So it is unreasonable and contrary to establish law to force faith-based organizations to hire employees who do not share the faith-based organization’s mission. We think this makes perfect sense.

This is a good bill and I urge support for it.

Mr. KILDEE, Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. ANDREWS).

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

Mr. ANDREWS. Mr. Chairman, I think the gentleman from Michigan for yielding me this time.

I am opposed to this bill because it reflects a misunderstanding of the proper way to build a successful career and a gross misinterpretation of our constitutional tradition.

With respect to its misunderstanding of the best way to build a career, I think that these personal retraining accounts, although clearly well intentioned, have exactly the wrong effect and the wrong purpose of workforce investment is not to move a person from a position of unemployment to a position of employment for a while. The purpose of the workforce investment is to move a person from dependency to opportunity and eventually to prosperity. The great dividing line in the American economy is whether one has 2 years of college or not. People with more than 2 years of college tend to have stable jobs and high and rising incomes. This bill says it is a success of an industrial industry or some other employer like that the first job that comes along.

As the gentleman from Washington (Mr. MCDERMOTT) said, they are virtually compelled to do that. The first job is not always the best job. But, more importantly, from the public’s point of view, it may be a temporary job that will move the person from a period of unemployment to another period of employment. Our goal should not be temporary employment. Our goal should be opportunity and prosperity in the long run.

A second respect to the constitutional misinterpretation, the gentleman from Virginia (Mr. SCOTT) will offer an amendment later in this debate that needs to be adopted. We are not opposed to faith-based organizations continuing the work they are presently doing in job training. They do a great job and they should continue. If the gentleman from Virginia’s amendment passes, that work will not be discontinued. If the gentleman from Virginia’s amendment passes, here is what will happen: We think that with Federal money a religious organization should not be able to say we will not hire Catholics to serve meals at a clinic. We think with Federal money, an organization should not be able to say we will not hire Jews to do job training. We think with Federal money, people should not be able to say we do not want evangelical Christians or Muslims or Buddhists doing job training.

This country started because we wanted to get away from religious persecution and discrimination. It is an abrogation of our constitutional traditions to enshrine that in the law, and that is what this bill does. The gentleman from Virginia’s amendment corrects that mistake and it should be adopted.

Mr. MCKEON. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. REGULA).

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

Mr. REGULA. Mr. Chairman, I rise in strong support of H.R. 27, the Job Training Improvement Act of 2005. I would like to recognize the gentleman from Ohio (Mr. BOEHLER) and the gentleman from California (Mr. MCKEON) for their leadership and tireless efforts in bringing this bill to the House floor.

Hard-working families in my district who have been laid off rely on programs like the One-Stop workforce development system, which helps States and communities ensure workers to get the training they need to find good jobs. And I would like to call this the One-Stops “hope centers” because they provide hope to people seeking gainful employment.

For example, my constituent, Jeff Ring, who after 24 years of employment as a steelworker, was laid off. He is a father of three children, eight and younger. He came to the One-Stop and enrolled in training to become a registered nurse. Just last week he received his certification and will begin
working at Aultman Hospital and will be making nearly 20 percent more than his previous salary.

In another case, my constituent, Tiffany Biratlan, a single mother raising a teenager, she currently works as a waitress making $2.13 an hour plus tips. She came to the local One-Stop seeking to change careers. Tiffany is now enrolled at a community college and is training to be a dental hygienist. Based on current labor market information and training demand for this occupation, she will easily make $25 to $30 per hour.

Every day, every day, hard-working people like Jeff and Tiffany walk through the doors of One-Stop shops across the country seeking assistance. We must do all we can to streamline unnecessary bureaucracy and strengthen allocations so that adequate resources are available to them achieve their hopes and dreams.

Mr. Chairman, this is a good bill, and I would urge my colleagues to support H.R. 27.

Mr. KILDEE. Mr. Chairman, I yield 2 minutes to the gentleman from Texas (Mr. HINOJOSA).

Mr. HINOJOSA. Mr. Chairman, I rise to engage the gentleman from Ohio (Chairman BOEHNER) of the Committee on Education and the Workforce in a colloquy.

During our full committee consideration of H.R. 27, I offered and withdrew an amendment to ensure that data on high school-aged students participating in adult education programs is publicly available and reported to our committee.

We already know that 30 percent of our high school students fail to earn diplomas with their peers. In the Hispanic community, that figure is nearly 50 percent. Many of our adult education providers report that high school-aged students are flooding their programs. We cannot continue to allow our high school students to slip through the cracks. Our first step in bringing this important legislation to the floor today.

I yield.

Mr. PORTER. Mr. Chairman, I rise to engage the gentleman from Ohio (Chairman BOEHNER) for his comments.

Mr. MCKEON. Mr. Chairman, I yield 3 minutes to the gentleman from Nevada (Mr. PORTER), a member of the committee, vice chairman of the subcommittee.

Mr. PORTER. Mr. Chairman, I rise to engage the gentleman from Ohio (Chairman BOEHNER) for his comments.

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Mr. MCKEON. Mr. Chairman, I yield 3 minutes to the gentleman from Nevada (Mr. PORTER), a member of the committee, vice chair...
MR. PRICE of Georgia. Mr. Chairman, I am somewhat perplexed and disappointed by the tactics from the other side. This is serious business, and simply working to divide our citizens I believe to be counterproductive.

This bill, this bill, will enhance employment; it will increase employment and job retention, plus increase the overall skill level of our labor force. Now, the demagoguery that you hear from the other side on this issue, and, frankly, on every issue, seemingly every issue, frankly is a disservice to this debate and does a disservice to our Nation.

This bill gets more resources to the individual needing it. That is a good thing.

These are very challenging times for many in our workforce. They need more options for assistance, not a one-size-fits-all model or program. Streamlining the one-stop career center system is easier for the client. That is a good thing. It does not harm the Wagner-Peyser money. There are no lost resources.

Greater flexibility in the delivery of core, intensive, and training services allows individuals to receive the most appropriate services specifically for them. That is a good thing. Providing Personal Reemployment Accounts allows those who are unemployed an opportunity to choose the things that are often that final hurdle to getting a new job, child care, transportation, housing assistance. That is a good thing. Getting more resources to those most in need when they are out of a job allows for a whole array of opportunities, and that is a good thing.

Faith-based language in this bill is identical, identical, to four separate pieces of legislation passed during the Clinton administration. There is no discrimination on the provision of services.

With this legislation, we are actively and positively addressing how the Federal Government, and ultimately how matters are handled together and lend a helping hand to those needing that assistance at a very pivotal time. That is a good thing.

Mr. Chairman, I urge my colleagues to support this bill and move forward in helping those needing to return to the workforce. This is a good thing.

Mr. KILDEE. Mr. Chairman, I yield 3 minutes to the gentlewoman from California (Ms. WOOLSEY).

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Chairman, once again my colleagues on the other side of the aisle are claiming they want to help workers in their communities, but, as usual, their actions say otherwise.

The newest WIA proposal does nothing more than force workers to compete with each other for services that they have come to expect and services they deserve from the WIA system. WIA sets up a one-stop job training system to help workers. Workers would no longer be able to allocate their own resources to meet their own needs. This bill forces Governments to choose between workers and updating facilities, all from the same pot of money. Limiting this pool of funding will deny workers the quality services they need.

If this bill passes, veterans and unemployed adults will be placed second to infrastructure needs. This bill forces Governments to choose between workers and updating facilities, all from the same pot of money. Limiting this pool of funding will deny workers quality services for reemployment and adult education programs, and that is just plain and simple true.

This bill also sets up a voucher system that will actually decrease the average cost of services available to job seekers. Those receiving these new job vouchers will be able to pay for training courses or other job-searching expenses. That sounds great. But the catch is that once a worker takes a voucher, they will lose access to Federal job training programs through WIA for an entire year. Money and services are both critical for many workers to get back on track, particularly when they have become unemployed over and over. Workers who should not have to make the choice between one or the other are continually faced with the dilemma.

This bill also changes the way in which the government will evaluate the success of WIA programs. Now workers will be judged on how they serve the company they work for rather than on the quality of services they received under WIA. Since when was WIA focused on big business' needs rather than the workers' needs? The worst part of this bill, however, is that it will write discrimination into the law. At religious institutions receiving WIA funds, those who share the
same religious philosophies will have an advantage over those applying for employment that do not subscribe to the same views. Workers can now lose job opportunities through blatant religious discrimination at places our tax dollars are funding. This bill turns WIA into a competitive service provider, rather than an equal opportunity resource for our Nation’s unemployed workers.

This is not the way we can help our Nation’s workforce, and I urge my colleagues to oppose H.R. 27 as it is written.

The CHAIRMAN. The committee will rise informally.

The Speaker pro tempore (Mr. McKeon) assumed the Chair.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Speaker pro tempore. The Chair will remind all persons in the gallery that they are here as guests of the House and that any manifestation of approval or disapproval of proceedings or other audible conversation is in violation of the rules of the House.

MESSAGE FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the House by Ms. Wanda Evans, one of his secretaries.

The SPEAKER pro tempore. The Committee will resume its sitting.

JOB TRAINING IMPROVEMENT ACT OF 2005

The Committee resumed its sitting.

Mr. Boehner. Mr. Chairman, I yield 3 minutes to the gentleman from Puerto Rico (Mr. Fortuno).

Mr. Fortuno. Mr. Chairman, back in 1998, Congress enacted the Workforce Investment Act, which established a system for a one-stop career centers aimed at providing one convenient central location to offer job training and other employment-related services.

While these reforms have largely been a success, the system is still hampered by inefficiency, duplication, and unnecessary bureaucracy. The bill that we are approving today aims to strengthen training services for job seekers accomplishes these goals in several ways: Particularly by streamlining bureaucracy and eliminating duplication; consolidating the three adult WIA training programs, giving States and local communities greater flexibility, and enabling more job seekers to be served with no reduction in services; removing arbitrary barriers that prevent individuals from accessing job training services immediately; strengthening partnerships between local businesses, communities colleges and the local one-stop delivery system; enhancing vocational rehabilitation to help individuals with disabilities; and improving allocation and literacy for adults to ensure they gain the knowledge and skills necessary to find employment, including language proficiency.

I want to thank the chairman on the committee for adopting two amendments I have introduced to enhance further employability of the limited English proficient calculation by preventing necessary skills, training and English language instruction. I believe this will help tremendously, especially the Hispanic populations throughout the country.

I believe that the backbone of a strong economy and a strong society is a well-trained and highly-skilled workforce. The bill on the floor today is an excellent source to achieve that goal. This bill includes a number of reforms aimed at streamlining our Nation’s job training system and better engaging the business community to improve job training services.

It accomplishes this by requiring State and local workforce investment boards to ensure the job training programs reflect the employment needs in local areas; also allowing training for currently employed workers so employers can upgrade workers’ skills and avoid layoffs; encouraging the highest caliber providers including community colleges, to offer training through the one-stop system; leveraging other public and private resources to increase training opportunities; and increasing connections to economic development programs.

The bill reauthorizes the Rehabilitation Act of 1993, the primary Federal program designed to assist individuals with disabilities to prepare for, obtain and retain employment to live independently; and furthermore, it includes transition service for students with disabilities moving from secondary education into post-secondary activities that can only be determined as a possible alternative to address the needs of those in special needs.

I am convinced that H.R. 27 is a valuable tool to achieve that goal we all have set our minds to. And that is none other than creating a better and stronger economy and society that will be prepared to compete in a changing and demanding new world that rises as we speak.

Mr. Kildee. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York (Mrs. McCarthy).

Mrs. McCarthy. Mr. Chairman, I rise to join the chairman of the Committee on Education and the Workforce, the gentleman from Ohio (Mr. Boehner), in a colloquy on how certain provisions in this legislation might affect the governance of WIA funding in New York State. The Gentleman from Ohio mentioned that this legislation provides governors the authority to take a portion of funds provided through the authorizing statutes of mandatory partner programs to cover the infrastructure costs of one-stop centers. I am concerned that this may create a constitutional conflict between the Governor of New York and the Board of Regents.

I offered an amendment to remedy this conflict in committee. The amendment I offered was language that is identical to language already included in S. 9. I would ask the chairman if he would commit to working with me and New York colleagues in conference to resolve this issue.

Mr. Boehner. Mr. Chairman, will the gentlewoman yield?

Mrs. McCarthy. I yield to the gentleman from Ohio.

Mr. Boehner. Mr. Chairman, I want to thank the gentlewoman for yielding. I pledge to work with her and other interested members of the New York delegation during conference on this legislation to identify and remedy any governance problems which New York may have under this bill. However, it is not clear that the language that the gentlewoman offered in committee that is identical to S. 9 from New York could have other unintended consequences in New York and other States.

So my goal is to ensure that the mandatory partners contribute to the cost of the one-stop infrastructure without causing constitutional problems for States. And as I suggested, I will continue to work with the gentlewoman to achieve this.

Mrs. McCarthy. Mr. Chairman, I want to thank the chairman for agreeing to work with us on this issue of importance to New York.

Mr. Boehner. Mr. Chairman, I reserve the balance of my time.

Mr. Kildee. Mr. Chairman, I yield two minutes to the gentleman from New Jersey (Mr. Holt).

Mr. Holt. Mr. Chairman, I rise in opposition to H.R. 27. The Reauthorization of the Workforce Investment Act. The Workforce Investment Act was one of these pieces of legislation that actually helps people. It was passed back in 1998. Unfortunately, this is a step backward as it comes before us today. The bill now here would create block grants to fund the adult dislocated worker and employment service programs. And as we know, funding through nearly every past block grant program has led to decreases in funding in just about every education or labor program that was block granted.

In addition, the proposal here would reduce and restrict services for in-school youths. It would fund one-stop infrastructure by siphoning off funds under the program reserved for veterans and individuals with disabilities. And importantly, the legislation before us here would allow discrimination in hiring based on individual’s religious beliefs.

Under current religious law, organizations are free to make employment decisions using religious criteria with tax exempt status. Organizations are free to make employment decisions using religious criteria with tax exempt status.

Under current religious law, organizations are free to make employment decisions using religious criteria with tax exempt status. Organizations are free to make employment decisions using religious criteria with tax exempt status.
Mr. KILDEE. Mr. Chairman, how much time do I have remaining?

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

Mr. CHAIRMAN. The gentleman from Michigan (Mr. KILDEE) has 5 minutes.

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

In summary, I urge a no vote on this bill. In 1998, the gentleman from California (Mr. McKEON) who is a very good friend of mine, we will always remain friends, and we have that respect for another, we wrote a very good bill in 1998, WIA, and I hope we would do likewise this time; but I find myself unable to support this bill.

The bill, among other things, I do not mean to say it is the worst, but among other things, encapsulates President Bush’s response to the woman in Omaha who told him that she was presently working three jobs to ensure that she could provide for her family. And the President responded, “Uniquely American, isn’t it? I mean, that is fantastic that you’re doing that.”

Mr. Chairman, we can do better than that.

Mr. CHAIRMAN. I yield back the balance of my time.

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

Mr. Chairman, what we have before us is the Reauthorization of the Workforce Investment Act. It was first passed in 1998. These one-stop centers that have been created all over the country to help the people gain skills and to increase their skills are a critical part of what we need to do if we are going to have a successful economy over the next 10 years and even 50 years.

What we have done in this reauthorization is tried to make these one-stop centers work even better. We believe that by consolidating the three separate funding streams, three different sets of employees, three different sets of books, we can gain more flexibility for the local workforce boards and thereby freeing up more dollars to be used to actually train workers.

We believe strongly that the youth services money here ought to be distinguished from the part to out of school youth, a population that is vastly underserved and we do that in this bill. We also believe that faith-based providers, especially in large urban centers, can provide a very necessary outreach to help those who are really needy have an opportunity to get the kind of training and retraining they need to become productive members of our society.

I think what we have here is a very good bill. And while my friends on the other side of the aisle have some disagreement, I think all of us understand that by and large, this is a good program, that the bill before us is worth the support of my colleagues and I would ask them to do that.

Ms. PELOSI. Mr. Chairman, I rise in opposition to H.R. 27, the Workforce Investment Act Reauthorization.

Today, there are nearly 8 million people who are unemployed and seeking work in this country. There are an additional 5 million workers who want a job but have given up their job search out of frustration. And about one in every five unemployed people—1.7 million Americans—has been jobless for more than 26 weeks.

These sad statistics make a clear point—access to job training services is critical for Americans across the country.

Job training has been a bipartisan priority of this Congress, but this is the second Congress in a row that Republicans have brought to the floor a partisan bill that undermines our job training initiatives.

This Republican bill puts the funding for job training services at risk by consolidating them into a block grant. This is at a time Republicans have already cut funding for job training initiatives under WIA by $750 million since 2002.

The Republican bill eliminates targeted job training programs that are needed to target the most—those who have lost their jobs to outsourcing and the downturn in our economy.

It allows the states to rob from Adult Education, Veterans Reemployment, and Job training programs for individuals with disabilities to fund more bureaucracy. This would severely jeopardize services to our most vulnerable populations.

Most troubling, this bill sends the message that discrimination will be condoned in federal, taxpayer-funded job training programs.

We all recognize and appreciate the work of faith-based organizations in their service to communities in need. But there is absolutely no evidence that the current law protections have hampered the full participation of faith-based organizations in providing job training services.

This bill, however, would allow religious groups to discriminate on the basis of religion when hiring or firing staff for federally-funded job training initiatives.

It would permit those seeking jobs funded by the federal government to be judged solely on the basis of their religious beliefs and practices, not on their qualifications or ability to do the job.

Instead of promoting the good works of religious organizations, this bill unfairly tarnishes them with the specter of discrimination that they have nobly fought so hard against.

The bill’s constitutionally dubious provisions will introduce needless uncertainty and controversy. It will subject religious organizations to legally and morally untenable positions.

That is why this bill is opposed by many religious and civil rights organizations.
important, in as much as it recognizes that the industries themselves are the most qualified to determine what skills their workforce will need to succeed and excel. This is especially true with respect to the constantly changing and ever-evolving IT industry.

Through certification, individuals receive validation of a level of expertise. This, in turn, can increase an individual’s ability to find and retain a good job that utilizes that training. Employers also benefit when certification assures a level of skill that an individual could bring to a job.

The success of WIA in expanding the computer skills of Americans—through training and certification—will improve the productivity of every sector of our economy. This in turn will make America more competitive globally and is an effective step toward creating good jobs right here in the United States.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise in support of the amendment offered by my colleague the Ranking Member of the Judiciary Subcommittee on Crime, Mr. SCOTT, Mr. WOOSEL, Mr. VAN HOLLEN, Mr. FRANK, Mr. EDWARDS, and Mr. NADLER, to the base bill, H.R. 27. As I stated with respect to the rule, H. Res. 126, the party-line vote of 220–204 that we saw in the 108th Congress on the debate of the then H.R. 1261 should evidence the need for the most open debate over the deficiencies that lie within the provisions on the floor. The need for debate arises from disagreement. As representatives of the United States Congress, we all have a duty to fully debate the issues on behalf of our constituents. A restricted rule precludes that duty.

I support the Scott-Woolsey-VanHollen-Frank-Nadler amendment to H.R. 27 to remove the provision allowing religious discrimination in employment from the underlying bill. A base bill purportedly designed to improve the opportunity to achieve adequate employment is no place to encourage discrimination. In fact, there is no place for religious discrimination in American law just as there should be no place in America for that kind of backwards thinking.

H.R. 27: in its current state, erodes fundamental civil rights protections for the unemployed and the underemployed by exempting faith-based organizations from compliance with the current non-discrimination law. Presently, under our country’s existing laws, in Title VII of the Civil Rights Act, employing institutions using private funds were exempt from employment discrimination protections. However, WIA programs are federally funded and as such do not fall under the jurisdiction of the Title VII statute. Simply put: Public funds should not be used to encourage religious discrimination in employment, and that should not change.

Each of my colleagues should understand that without this important amendment, we are advocating the notion that one’s ability to provide employment to those who are in need is contingent on the religious institution to which the individual belongs. What if anything is accomplished by attempting to create religious hierarchies in the workplace? What benefit does that provide the employer? None. And thus the language allowing religious discrimination is taken from the bill.

The Founding Fathers of this country found it necessary to say that no one should be unfairly judged or discriminated against on the basis of their religion. This Congress should do no less. We should not create law that does harm. We should not encourage discrimination of any kind, religious or otherwise. Surely, this is the heart of its diversity and its willingness to open its doors to people of different religions, races, and ethnic backgrounds. Yet on the floor of the people’s House we are faced with an attempt by the Republicans to create a monolithic sub-culture that supports their interest in employment programs. Despite the rhetoric on the other side of the aisle, H.R. 27 as it currently reads on the floor will not only result in the loss of jobs for applicants who do not identify with their prospective employer’s religious beliefs but more importantly it will cause the loss of quality workers.

The Scott-Woolsey-Van Hollen-Frank-Nadler amendment will effectively retain civil rights protections for individuals who seek employment or employment training. This amendment simply retains their freedom of religious choice and their freedom not to be discriminated against due to their religion. This amendment adds nothing to the law rather it maintains current law. Without the addition of this proposal, however, the body elected to serve all of the people of this country will have legislated inhumane and un-American discrimination with federal dollars. We simply cannot allow this to happen. We must do everything we can to preserve the fundamentals of Head Start. I urge my colleagues to vote to ensure that our job programs are not muddied and degraded by the promotion of religious discrimination. Therefore, I support this amendment and I urge my colleagues to do the same.

Mr. MORAN of Virginia. Mr. Chairman, I rise in strong opposition to the Job Training Improvement Act, because it will reduce important job training programs such as the veterans employment programs, Perkins Vocational Educational Program and the Vocational Rehabilitation Program.

This measure consolidates the adult, dislocated worker and employment service programs and funding into a block grant, while also repealing the Wagner Peyser Act and removing many of the federal performance and accountability measurements that make the Workforce Investment Act such an important investment in our nation’s workforce.

With the unemployment rate at 5.2 percent, it is reprehensible that this legislation will repeal a dedicated funding stream for one-stop centers where job seekers can learn about job opportunities, apply for aid and receive counsel.

We all know what is going to happen if Workforce Investment Act programs are block-

It is not good news that money where it is needed the most, which is to aid job seekers in this troubling economy. Instead, these funds may be used to cover infrastructur and administrative costs. This will go against the true intent of the Workforce Investment Act, which is to invest in our workforce.

Even more troubling is the fact that H.R. 27 reduces preventive in-school youth training programs and eliminates the ability to drop out of school. President Bush has pledged to expand the No Child Left Behind law to high schools and require students to take annual tests in reading and mathematics through 11th grade.

So the president wants to ensure that students and teachers are held accountable for learning standards, but he lacks support for programs that strive to keep kids in school?

As we all know, these workforce investment programs are already critically underfunded. They strive to meet the increasing demands placed upon them in an environment of increasingly inadequate resources. To be effective, these programs cannot sustain these devastating cuts.

Finally, the Workforce Reinvestment and Adult Education Act would eliminate the civil rights protections of Americans, by exempting religious organizations from anti-discrimination requirements.

The message that we are sending to the millions of Americans who are unemployed, who are veterans and those who are in need of economic assistance is that we do not care about keeping them from falling further into an economic crisis. This is an absolute disgrace. As we all know, the workforce investment programs do not simply fail to reinvest in our nation of any kind, religious or otherwise. Surely, this country prides itself on its diversity and its willingness to open its doors to people of different religions, races, and ethnic backgrounds. Yet on the floor of the people’s House we are faced with an attempt by the Republicans to create a monolithic sub-culture that supports their interest in employment programs.

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I urge all my colleagues to vote in favor of the Scott Amendment which will protect current civil rights protections for employees and job seekers of faith-based organizations.

The Scott-Woolsey-Van Hollen-Frank-Nadler amendment to H.R. 27, the Job Training Improvement Act, which will reauthorize the Workforce Investment Act (WIA)—programs which provide job training for youths, veterans, and seasonal and migrant workers.

For the past six years WIA has offered a “one-stop delivery system” through which job-seekers have access to labor market information, job counseling, and job training. In addition, they have access to numerous other federal programs that provide services for job-seekers. With facilities in Wilmington, Newark, Dover and Georgetown, the “one-stop delivery system” in Delaware has proved to be an efficient tool in training individuals for the workforce.

For example, in Delaware all of our centers are fully equipped with: Internet ready computers, interactive CD-ROM tutorials, fax machine to send resume and cover letters to prospective employers, copy machine, telephone resource center with career manuals including reference books. Delaware also runs an internet site where applicants can post resumes, as well as to search a comprehensive database of job openings. Applicants can also allow Job Scout to search the system for you automatically track wages and trends, training locations and funding available. It also offers brochures, links to newspaper classified ads, child care and related information through the family and workplace connection.

The purpose of highlighting the program in Delaware is to provide a real life example of useful it is to have services in one central place. The bill before us today builds on the efficiency of the “one-stop delivery” model by streamlining unnecessary bureaucracy, eliminating duplication, strengthening resource allocation, and improving accountability. I am pleased that we are able to make reforms that build upon successes, and that will ultimately end up helping to access services that lead to employment.

I would also like to briefly touch upon the services that are provided for youth under this
bill. Under this legislation youth between the ages of 16 and 24 are eligible for a variety of services geared toward graduating high school or gaining the skills necessary for employment. The importance of these services cannot be overestimated to these young adults.

With that, I thank the gentleman from Ohio (Mr. Boehner), the gentleman from California (Mr. McKeon), and urge my colleagues to support H.R. 27.

Mr. GREEN of Wisconsin. Mr. Chairman, there are towns and neighborhoods across America that have tough problems, social crises, that desperately need to be addressed. Fortunately, there are many organizations in those communities that want to help, and they offer unique and innovative solutions to some of our most challenging needs. We must open doors for them and help them help our neighbors. That begins by removing the barriers that unnecessarily stand in their way.

It is essential that we recognize the importance of government working with faith-based providers to help society. These organizations are a central part of the fabric of communities across America. We need to ensure that we are removing any obstacles that stand in the way of their ability to help.

Faith-based organizations have a federally-protected right to maintain their religious nature and character through those they hire. Organizations would like to serve their communities by participating in federal programs should not be forced to give up that right. We must pass this legislation with a clear message from Congress to our faith-based leaders: we need your service and we want to assist you in delivering for us and for the most vulnerable in our society.

I urge my colleagues to vote against any amendment that would remove the important religious freedom protections these organizations need and deserve.

Mrs. DRAKE. Mr. Chairman, the policies Congress has implemented over the last four years have provided a solid foundation for American workers and businesses to build a strong economy.

With steady job growth over the last 20 months and a 3.6 million Americans back to work, it is clear that Congress has the right priorities: Working Americans and their families.

American workers need access to job-training in order that they may obtain the skills to perform the jobs of the 21st century.

Americans want more than a job—they want jobs with higher pay and that provide them with meaning and personal satisfaction. They also want a career, a future, and financial independence in retirement.

As the economy shifts from production to service-related jobs, and from low-tech to high-tech occupations, Americans need access to education and job training that provides them with the skills they need to perform.

Mr. Chairman, when enacted, this plan will pair workers with the employers who need the skills they offer, and vice versa.

In a dynamic and changing world economy, many Americans are faced with the reality that they might have to change careers multiple times. This plan will strengthen the ties between job training programs, adult education and vocational rehabilitation programs and the people they serve so they can continue to grow in their careers.

Of particular importance to me and my colleagues who support this plan is provision I proposed that is reflected in the bill we’re voting on today.

The provision paves the way for added support for disabled veterans who need help finding meaningful work as they transition to the civilian sector after their dedicated service to our nation.

The men and women of our Armed Forces who have given of themselves should not only be honored, but aided as much as possible in starting life again upon their return.

The Job Training Improvement Act is a crucial step in taking the American workforce into the 21st Century, and I encourage my colleagues to support its passage.

Mr. BACA. Mr. Chairman, I rise in opposition to H.R. 27, the Job Training Improvement Act. This bill fails to improve the Workforce Investment Act and falls short of the promises our government made to provide training and career opportunities for the unemployed.

H.R. 27 is fatally flawed and undermines our current national workforce policy.

It eliminates various worker-training programs, rolls back protection against religious discrimination, and potentially damages the stability of important social programs.

We cannot neglect the unemployed, under-employed and disfranchised workers of America who need ample and widespread funding for federal job training services.

Despite a suffering economy and high unemployment, this bill undercuts the ability of our government to provide for these vital workers and erodes Congressional authority and accountability over workforce funds.

Under the provisions of H.R. 27, funding will be shifted from WIA partner programs to pay for the WIA infrastructure and core services costs.

This transfer will weaken vital programs such as TANF, adult education, unemployment insurance, child support enforcement, and veterans employment programs.

Why would we threaten these vital social programs by passing a flawed bill that does not even assure more training would result from the transfer of funds? H.R. 27 also contains explicit discriminatory provisions.

By repealing long-standing civil rights protections that were signed into law by President Reagan, this bill allows job-training providers to discriminate on the basis of religion.

Since 1982, these provisions have been included in the bill and received bipartisan support.

We cannot allow this gross inequity to tear at the fabric of a fundamental American principle—the American right to fair and equal treatment under the law.

This is why I strongly support Congressman Scott’s amendment that will restore these basic civil rights and my faith in our legislative process.

We cannot allow ourselves to drastically depart from previous workforce policy by eliminating worker training programs, destabilizing essential social programs, and writing discriminatory provisions into law.

This so-called Workforce Investment Act is not an acceptable or responsible proposal to provide needed services to our nation’s unemployed.

I urge my colleagues to join me in voting no on final passage.

Mr. STARK. Mr. Chairman, I rise today in opposition to H.R. 27, the so-called Job Training Improvement Act of 2005.

Today’s bill has nothing to do with improving job training for our workforce—far from it. Instead, this bill actually weakens worker protections, opens the door to hiring discrimination, and puts a federal job training program that helps unemployed workers find jobs.

Apparently the Republicans haven’t monitored the weak job market numbers. How else can you explain being so cruel and unfair as to pull the rug out on our nation’s unemployed?

Let me remind my Republican colleagues that there are still fewer jobs available in America than when President Bush came to office. Inflation is still growing faster than the average earnings of workers—a fact that is particularly true for low-skilled and low-income workers.

Confronted with such evidence, this Congress should be doing everything we can to bolster workforce investment. Yet, this Republican bill cuts employment and re-employment services at the time they are needed most. It underfunds the Employment Service, Adult, and Dislocated Worker programs by consolidating them into a single block grant. This puts a greater financial burden directly on the states, exacerbating their budget deficits and perversely triggering layoffs among the very state employees who administer these programs.

Yet, much worse, it forces unemployed workers and welfare recipients to fight it out for a share of these limited funds.

To add insult to injury, the Republicans give states the right to waive basic worker protections that allow employees to seek redress when they’ve been treated unfairly. They even allow religious organizations to engage in hiring discrimination in an unholy attempt to turn back a half-century of progress in preventing workplace discrimination.

Current law prohibits employers participating in federal job training programs from discriminating based on race, religion, sex, national origin, age, disability, or political affiliation or belief. The Republican bill would allow the taxpayer dollars that pay for these job-training programs to go to religious organizations that blatantly discriminate in hiring based on religious beliefs. What next? Will the next Bush initiative include allowing discrimination based on race, sexual orientation or political affiliation?

The vital civil rights provision barring federally-funded religious discrimination has never been controversial and has never been a partisan issue. In fact, the provision was first included in the federal job training legislation that former Senator Dan Quayle sponsored. It passed through a committee chaired by Senator Orrin Hatch and was signed by President Ronald Reagan.

Throughout its 23-year history, this civil rights provision has not been an obstacle to the participation of religiously affiliated organizations in federal job training programs. Currently, many religious organizations participate in the federal programs and comply with the same civil rights protections that apply to other employers.

But suddenly, under the leadership of the White House, we are being asked to forget the principle of equal opportunity on which our country was founded.
Now is not the time to be rolling back civil rights protections and it certainly isn’t the time to be short-changing the unemployed.

Congress ought to be creating solutions to make it easier for folks to find jobs, not more difficult. This Republican bill is clearly not a solution. I urge my colleagues to vote “no” on H.R. 27.

Mr. BOEHRINGER. Mr. Chairman, I yield back the balance of my time.

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 and shall be considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 27

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 “Job Training Improvement Act of 2005”.

SEC. 2. TABLE OF CONTENTS.
Sec. 1. Short title.
Sec. 2. Table of contents.
Sec. 3. References.

TITLE I—AMENDMENTS TO TITLE I OF THE WORKFORCE INVESTMENT ACT OF 1998

SEC. 101. DEFINITIONS.

(1) by striking paragraphs (13) and (24) and redesignating paragraphs (1) through (12) as paragraphs (13) through (24), respectively;

(2) by inserting after “In this title:” the following new paragraph:

"(1) ACCRUED EXPENDITURES.—The term ‘accrued expenditures’ means charges incurred by recipients of funds under this title for a given period requiring the provision of funds for goods or other tangible property received; services performed by employees, contractors, subgrantees, and other payees; and other amounts becoming owed under programs assisted under this title for which service or performance is required, such as annuities, insurance claims, and other benefit payments.

"(2) ADMINISTRATIVE COSTS.—The term ‘administrative costs’ means charges incurred by State and local workforce investment boards, direct recipients (including State grant recipients under subtitle B and recipients of awards under subtitle D), local grant recipients, local fiscal agents or local grant subrecipients, and one-stop operators in the performance of administrative functions and in carrying out activities under this title which are not related to the direct provision of workforce investment services (including services to participants and employers). Such costs include both personnel and nonpersonnel costs and both direct and indirect costs.

(3) in paragraph (6) (as so redesignated), by inserting “(or such other level as the Governor may establish)” after “8th grade level”;

(4) in paragraph (10) (as so redesignated), by inserting “(and)" after the semicolon;

(5) in paragraph (11) (as so redesignated), by striking “and” after the semicolon; and

(6) in paragraph (14)(A) (as so redesignated) by striking “section 122(e)(3)” and inserting “section 122”;

(7) in paragraph (25)—

(A) in subparagraph (B), by striking “higher of” — and all that follows through clause (ii) and inserting “poverty line for an equivalent period”;

and

(B) by redesigning subparagraphs (D) through (F) as subparagraphs (E) through (G), respectively, and inserting after subparagraph (C) the following:

“(D) receives or is eligible to receive free or reduced price lunch under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).”;

(8) in paragraph (32) by striking “the Republic of Marshall Islands, the Federated States of Micronesia,” and

(9) by striking paragraph (33) and redesignating paragraphs (34) through (53) as paragraphs (33) through (52), respectively.

SEC. 102. PURPOSE.

Section 106 (29 U.S.C. 2811) is amended by inserting at the end the following: “It is also the purpose of this subtitle to provide workforce investment activities in a manner that promotes the informed choice of participants and actively involves participants in decisions affecting their participation in such activities.”.

SEC. 103. STATE WORKFORCE INVESTMENT BOARDS.

(a) MEMBERSHIP.—

(1) in general.—Section 111(b) (29 U.S.C. 2821(b)) is amended by inserting paragraph (1)(C) to read as follows:

“(C) representatives appointed by the Governor, who are—

(i) the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) and carried out by one-stop partners;

(ii) in any case in which no lead State agency official has responsibility for such a program or activity, a representative in the State with expertise relating to such program or activity; and

(iii) if not included under clause (i), the Director of the State unit, defined in section 7(b)(1)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 705(b)(1)) except that in a State that has established 2 or more designated State units to administer the vocational rehabilitation program, the board representative shall be the director of the designated State unit that serves the most individuals with disabilities in the State;

and

(III) if not included under clause (I), the lead State agency officials with responsibility for economic development;

(iii) representatives of business in the State who—

(i) are owners of businesses, chief executive or operating officers of businesses, and other business executives or employers with optimum policy making or hiring authority, including members of local boards described in section 117(b)(2)(A)(i).

(II) represent businesses with employment opportunities that reflect employment opportunities in the State; and

(III) are appointed from among individuals nominated by State business organizations and business trade associations;

(iv) chief elected officials (representing both cities and counties, where appropriate); and

(v) representatives of labor organizations, who have been nominated by State labor federations; and

(vi) such other representatives and State agency officials, as the Governor may designate.

(b) in paragraph (3), by striking “paragraph (1)(C)(i)” and inserting “paragraph (1)(C)(ii)”;

(2) CONFORMING AMENDMENT.—Section 111(c) (29 U.S.C. 2821(c)) is amended by striking “subsection (b)(1)(C)(i)” and inserting “subsection (b)(1)(C)(iii)”.

SEC. 104. STATE PLAN.

...
(b) FUNCTIONS.—Section 111(d) (29 U.S.C. 2811(d)) is amended—

(1) in paragraph (2), by striking “section 134(c)” and inserting “section 121(e)”; (2) by amending paragraph (3) to read as follows:

“(3) development and review of statewide policies affecting the integrated provision of services through the one-stop delivery system described in section 121, including—

“(A) the development of criteria for, and the issuance of, certifications of one-stop centers; 

“(B) criteria for the allocation of one-stop center infrastructure funding under section 121(h), and oversight of the use of such funds; 

“(C) approaches to facilitating equitable and efficient cost allocation in one-stop delivery systems; and 

“(D) such other matters that may promote statewide objectives for, and enhance the performance of, one-stop delivery systems within the State;”;

(3) in paragraph (4), by inserting “and the development of State criteria relating to the appointment and certification of local boards under section 117” after “section 116”; 

(4) in paragraph (5), by striking “sections 128(b)(3)(B) and 133(b)(3)(B)” and inserting “sections 128(b)(3)(A) and”;

(5) in paragraph (9), by striking “section 501” and inserting “section 136(i)”;

(6) ELIMINATION OF ALTERNATIVE ENTITIES AND PROMPT START-UP FUNDING.—Section 111(e) (29 U.S.C. 2821(e)) is amended to read as follows:

“(e) AUTHORITY TO HIRE STAFF.—The State board may hire staff to assist in carrying out the functions described in subsection (d).”;

SEC. 104. STATE PLAN.

(a) PLANNING CYCLE.—Section 112(a) (29 U.S.C. 2822(a)) is amended—

(1) by removing the “5-year strategy” and inserting “2-year strategy”;

(2) by amending paragraph (3) to read as follows:

“(3) planning cycle—

“(A) the planning cycle; 

“(B) the cycle’s required parts; 

“(C) the cycle’s required measures; 

“(D) the cycle’s required results; and 

“(E) the cycle’s required changes.”;

(b) CONTENTS.—Section 112(b) (29 U.S.C. 2822(b)) is amended—

(1) by amending paragraph (12)(A), by striking “sections 128(b)(3)(B) and 133(b)(3)(B)” and inserting “sections 128(b)(3) and 133(b)(3)”; 

(2) in paragraph (14), by striking “section 114(c)” and inserting “section 121(e)”; 

(3) in paragraph (17)(A)—

“(A) in clause (iii) by striking “and”;

(B) by amending clause (ii) to read as follows:

“(ii) how the State will serve the employment and training needs of dislocated workers (including displaced homemakers and formerly self-employed and transitioning farmers, ranchers, and their family members, and low-income individuals (including recipients of public assistance), individuals with limited English proficiency, homeless individuals, ex-offenders, individuals training for new nontraditional employment, and other individuals with multiple barriers to employment (including older individuals); and”;

(C) by inserting after clause (iv) the following:

“(vi) how the State will serve the employment and training needs of individuals with disabilities, consistent with section 188 and Executive Order 13217 (42 U.S.C. 12131 note) relating to community alternatives for individuals with disabilities including the provision of outreach, intake, assessments, and service delivery, the development of performance measures, the training of staff, and other aspects of accessibility to program services, consistent with sections 504 and 508 of the Rehabilitation Act of 1973;”;

(4) by paragraph (18)(D), by striking “youth opportunity grants” and inserting “youth challenge grants”; and

(5) by adding at the end the following new paragraph:

“(19) a description of the methodology for determining one-stop partner program contributions for the cost of the infrastructure of one-stop centers under section 121(h)(1) and for allocating such infrastructure funds to local areas under section 121(h)(3); and

“(20) a description of any programs and strategies the State will utilize to meet the needs of businesses in the State, including small businesses, which may include providing incentives and tools to assist in job creation in engaging employers in local workforce development activities.”;

(c) MODIFICATION TO PLAN.—Section 112(d) (29 U.S.C. 2822(d)) is amended—

(1) in paragraph (18)(D), by striking “at the end the following clause:—

“(u) The Governor shall not make a determination for local areas which will establish new one-stop delivery systems, as the Governor determines that such local areas are currently not served by a one-stop delivery system, or serve the population and geographic areas under the Governor’s control or supervision.”;

(2) in paragraph (18)(E), by striking “at the end the following paragraph:

“(E) the Governor may make a determination for local areas which will establish new one-stop delivery systems, as the Governor determines that such local areas are currently not served by a one-stop delivery system, or serve the population and geographic areas under the Governor’s control or supervision.”;

SEC. 105. LOCAL WORKFORCE INVESTMENT AREAS.

(a) DESIGNATION OF AREAS.—

(1) CONSIDERATIONS.—Section 116(a)(1)(B) (29 U.S.C. 2831(a)(1)(B)) is amended by adding at the end the following:

“(ii) The extent to which such local areas will promote efficiency in the administration and provision of services.”;

(2) AUTOMATIC DESIGNATION.—Section 116(a)(2) (29 U.S.C. 2831(a)(2)) is amended to read as follows:

“(2) AUTOMATIC DESIGNATION.—

“(A) In general.—Except as provided in subparagraph (B) of this paragraph and subsection (b), the Governor shall approve a request for designation as a local area from—

“(i) any unit of general local government with a population equal to or fewer than—

“(ii) an area served by a rural concentrated funding area, including a description of the area, if such unit of government was designated by a State works council prior to the date of the enactment of this Act; and

“(iii) an area that is designated as a local area by the Governor not to include such programs as required partners for purposes of this title in a State unless the Governor of the State notifies the Secretaries of Labor, Health and Human Services, and Housing and Urban Development of a determination by the Governor not to include such programs as required partners for purposes of this title in the State.”;

(b) ESTABLISHMENT OF COUNCILS.—The local board may establish councils to provide information and advice to the local board in carrying out any other activities under this title. Such councils may include a council composed of one-stop partners to advise the local board on the operation of the one-stop delivery system, a youth council composed of experts in the field of youth programs to advise the local board on activities for youth, and such other councils as the local board determines are appropriate.

(c) REPEAL OF ALTERNATIVE ENTITY PROVISION.—Section 117 (29 U.S.C. 2832) is further amended by striking subsection (i).

SEC. 107. LOCAL PLAN.

(a) PLANNING CYCLE.—Section 118(a) (29 U.S.C. 2833(a)) is amended by striking “5-year” and inserting “2-year”;

(b) CONTENTS.—Section 118(b) (29 U.S.C. 2833(b)) is amended—

(1) by amending paragraph (2) to read as follows:

“(2) a description of the one-stop delivery system to be established or designated in the local area, including a description of how the local board will ensure the appropriate use and management of eligible providers of services through the system and ensure that such providers meet the employment needs of local employers and participants;”;

(2) in paragraph (4), by striking “and located worker” and inserting “andend”;

(3) in paragraph (9), by striking “end” and inserting a semicolon; and

(4) by redesigning paragraph (10) as paragraph (12) and inserting after paragraph (9) the following:

“(10) a description of the strategies and services that will be initiated in the local area to engage employers, including small employers, in workforce development activities;”;

(II) how the local area will serve the employment and training needs of individuals with disabilities, consistent with section 188 and Executive Order 13217 (42 U.S.C. 12131 note) including the provision of outreach, intake, assessments, and service delivery, the development of performance measures, the training of staff, and other aspects of accessibility to program services, consistent with sections 504 and 508 of the Rehabilitation Act of 1973;”;

SEC. 108. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEMS.

(a) ONE-STOP PARTNERS.—Section 121(b)(1) (29 U.S.C. 2841(b)(1)) is amended—

(A) in subparagraph (B)—

(i) by striking clauses (ii) and (v);

(ii) by redesigning clauses (iii) and (iv) as clauses (ii) and (iii), respectively, and by redesigning clauses (v) through (xii) as clauses (iv) through (xii), respectively;

(iii) in clause (i)(B) (as so redesignated), by striking “and” and inserting “and”; and

(b) AUTHORITY TO BOARD MEMBERS.—Section 119(b)(3) (29 U.S.C. 2831(b)(3)) is amended—

(1) in the heading, by inserting “and”;

(2) in paragraph (4) by inserting “,” and ensuring the appropriate use and management of the funds provided under this title for such programs, activities, and system after “area.”;

(3) ESTABLISHMENT TO COUNCILS AND ELIMINATION OF REQUIREMENT FOR YOUTH COUNCILS.—Section 117(h) (29 U.S.C. 2832(h)) is amended to read as follows:

“(h) ESTABLISHMENT TO COUNCILS.—The local board may establish councils to provide information and advice to the local board in carrying out any other activities under this title. Such councils may include a council composed of one-stop partners to advise the local board on the operation of the one-stop delivery system, a youth council composed of experts in the field of youth programs to advise the local board on activities for youth, and such other councils as the local board determines are appropriate.

(e) REPEAL OF ALTERNATIVE ENTITY PROVISION.—Section 117 (29 U.S.C. 2832) is further amended by striking subsection (i).
(2) ADDITIONAL PARTNERS.—Section 121(b)(2)(B) (29 U.S.C. 2414(b)(2)(B)) is amended—

(A) by striking clause (i) and redesignating clause (ii) as clause (i) through (iv), respectively;

(B) in clause (ii) (as so redesignated) by striking “and” at the end;

(C) by inserting “and” immediately before “(D)”; and

(D) by adding at the end the following new clause:

“(v) programs carried out in the local area for individuals with disabilities, including programs carried out by State agencies relating to mental health, mental retardation, and developmentally disabled persons, and other relevant factors described in paragraph (3).”

(iii) programs carried out in the local area for individuals with disabilities, including programs carried out by State agencies relating to mental health, mental retardation, and developmentally disabled persons, and other relevant factors described in paragraph (3).”

“(C) LIMITATIONS.—

(1) PROVISION FROM ADMINISTRATIVE FUNDS.—The funds provided under this paragraph by each one-stop partner shall be provided only from funds available for the costs of administration under the program administered by such partner, and shall be subject to the limitations with respect to the portion of funds under such programs that may be used for administration.

(2) FEDERAL DIRECT SPENDING PROGRAMS.—Programs that are Federal direct spending programs under section 2001 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(6)) shall not, for purposes of this paragraph, be required to provide an amount in accordance with section 134(c)(4) that is equivalent to the proportionate use of the one-stop centers by such programs in the State.

(iii) NATIVE AMERICAN PROGRAMS.—Native American programs under section 166 shall not be subject to the provisions of this subsection.

(iv) Allocation by Governor.—From the funds provided under paragraph (1), the Governor shall allocate funds to local areas in accordance with the formula established under paragraph (3) for the purposes of paying the costs of the infrastructure of One-stop centers certified under subsection (g).

(v) ALLOCATION FORMULA.—The formula for determining the appropriate portion of funds to be provided by such Native American programs to pay for the costs of infrastructure of a one-stop center that is certified under subsection (g) shall be determined as part of the development of the memorandum of understanding under subsection (c) for the one-stop center and shall be stated in the memorandum.

(b) P ROVISION OF SERVICES.—Subtitle B of title I of the Social Security Act (42 U.S.C. 451 et seq.) (relating to the Small Business Administration; section 134(c)(4)(G) shall not be subject to the provisions of this subsection.

(C) LIMITATIONS.—

(ii) Native American programs to pay for the costs of infrastructure of a one-stop center certified under subsection (g) shall be determined as part of the development of the memorandum of understanding under subsection (c) for the one-stop center and shall be stated in the memorandum.

(v) ALLOCATION BY GOVERNOR.—From the funds provided under paragraph (1), the Governor shall allocate funds to local areas in accordance with the formula established under paragraph (3) for the purposes of paying the costs of the infrastructure of One-stop centers certified under subsection (g).

(2) ALLOCATION FORMULA.—The State board shall develop criteria and procedures regarding the eligibility of providers of training services described in subsection (b)(1) and participating additional partner programs described in subsection (b)(2) for a fiscal year shall be provided to the Governor by such programs to carry out this subsection.

(3) LIMITATIONS.—

(1) COSTS.—

(2) DETERMINATION AND GUIDANCE.—The method for determining the appropriate amount of funds and noncash resources to be provided by each program under paragraph (1) shall be determined as part of the memorandum of understanding under subsection (c). The State board shall provide guidance to facilitate the determination of appropriate allocation of the funds and noncash resources described in subsection (b)(2).

SEC. 110. ELIGIBLE PROVIDERS OF TRAINING SERVICES.

Section 122 (29 U.S.C. 2412) is amended as follows:

(a) IN GENERAL.—The Governor shall establish criteria and procedures regarding the eligibility of providers of training services described in section 134(c)(4) to receive funds provided under section 133(b) for the provision of such training services.

(b) CRITERIA.—

(1) IN GENERAL.—The criteria established pursuant to subsection (a) shall take into account the performance of providers of training services with respect to the factors described in section 136 or other appropriate indicators (taking into consideration the characteristics of the population served (economic conditions), and such other factors as the Governor determines to ensure the quality of services, the accountability of providers, how the centers ensure that such providers meet the needs of local employers and participants, whether providers of training allow participants to attain a certification, certification in literacy and numeracy, and the informed choice of participants under chapter 5. Such criteria shall require that the provider submit appropriate, accurate and timely information to the State for purposes of carrying out subsection (d). The criteria shall also provide for periodic review and renewal of eligibility under this section for providers of training services. The Governor may authorize local areas in the State to establish additional criteria or to modify the criteria established by the Governor under this section for purposes of determining the eligibility of providers of training services to provide such services in the local area.

(2) LIMITATION.—In carrying out the requirements of this section, no personally identifiable information, including Social Security number, student identification number, or other identifier, may be disclosed without the prior written consent of the parent or legal guardian of any eligible student described in section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

(c) PROCEDURES.—The procedures established under subsection (a) shall include the application process for a provider of training services to become eligible to receive funds under section 133(b) for the provision of training services. The procedures shall identify the respective roles of the State and local areas in receiving and reviewing applications and in making determinations of eligibility based on the criteria established under this section. The procedures shall also establish a process for a provider of training services to appeal a denial or termination of eligibility under this section that includes an opportunity for a hearing and prescribes appropriate time limits to ensure prompt resolution of the appeal.

(d) INFORMATION TO ASSIST PARTICIPANTS IN CHOOSING PROVIDERS.—

(1) IN GENERAL.—In order to facilitate and assist participants under chapter 5 in choosing providers of training services, the Governor shall ensure that an appropriate list of providers determined eligible under this section in the State, accompanied by such information
as the Governor determines is appropriate, is provided to the local boards in the State to be made available to such participants and to members of the public through the one-stop delivery system in the State.

“(2) SPECIAL RULE.—An entity that carries out programs under the Act of August 16, 1937 (commonly known as the ‘National Apprenticeship Act’, 29 U.S.C. 601 et seq.) shall be included on the list of eligible providers described in paragraph (1) for so long as such entity remains certified by the Department of Labor as a National Apprenticeship intermediary for the State

“(e) AGREEMENTS WITH OTHER STATES.—States may enter into agreements, on a reciprocal basis, to permit eligible providers of training services to carry out individual training accounts provided in another State.

“(f) RECOMMENDATIONS.—In developing the criteria, procedures, and information required under this section, the Governor shall solicit and take into consideration the recommendations of local boards and providers of training services within the State.

“(g) OPPORTUNITY TO SUBMIT COMMENTS.—During the development of the criteria, procedures, and information required under this section, the Governor shall provide an opportunity for interested spokespeople, including representatives of business and labor organizations, to submit comments regarding such criteria, procedures, and information.

“(h) ON-THE-JOB TRAINING OR CUSTOMIZED TRAINING EXCEPTION.—

“(1) In general.—Providers of on-the-job training or customized training shall not be subject to the requirements of subsections (a) through (g).

“(2) Collection and dissemination of information.—A one-stop operator in a local area shall collect such performance information from on-the-job training and customized training providers as the Governor may require, determine whether such providers meet the performance criteria as the Governor may require, and disseminate information identifying providers that meet the criteria as eligible providers, and the performance information, through the one-stop delivery system. Providers determined to meet the criteria shall be considered to be identified as eligible providers of training services.

SEC. 110. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

(a) ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.—Section 123(a)(1)(C) (29 U.S.C. 285(a)) is amended to read as follows:

“SEC. 123. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

“(a) In general.—From the funds allocated under section 128(b) to a local area, the local board for such area shall award grants or contracts on a competitive basis to providers of youth activities identified based on the criteria in the State plan and shall conduct oversight with respect to such providers.

“(b) EXCEPTIONS.—A local board may award grants or contracts on a sole-source basis if such board determines there are an insufficient number of eligible providers of training services in the local area involved (such as rural areas) for grants or contracts awarded under section 128(b) on a competitive basis under subsection (a).

“(b) CERCLICAL AMENDMENT.—The table of contents in section 1(b) is amended by adding the item relating to this section to read as follows: ‘‘Sec. 123. Eligible providers of youth activities.’’.}

SEC. 111. YOUTH ACTIVITIES.

(a) STATE ALLOCATIONS.—

“(1) IN GENERAL.—Of the amount appropriated under section 137(a) for each fiscal year, the Secretary shall reserve 25 percent to provide youth challenge grants under section 169.

“(ii) LIMITATION.—Notwithstanding clause (i), if the amount available for reserve under section 137(a) for a fiscal year exceeds $1,000,000,000, the Secretary shall reserve $250,000,000 to provide youth challenge grants under section 169.

“(ii) OUTLIER AREAS AND NATIVE AMERICANS.—

“(1) In general.—After determining the amount to be reserved under subparagraph (A), the remainder of the amount appropriated under section 137(a) for each fiscal year the Secretary shall—

“(i) reserve not more than ½ of one percent of such amount to provide assistance to the outlying areas to carry out youth activities and statewide workforce investment activities; and

“(ii) reserve not more than 1 and 5⁄8 percent of such amount to provide youth activities under section 166 (relating to Native Americans).

“(iii) RESTRICTION.—The Department of Labor shall cease to be eligible to receive funding under this subparagraph until a period of not less than two years has elapsed since the most recent period in which the Secretary made a determination that such grant funds are no longer necessary for the purpose of section 166 (relating to Native Americans).

“(b) AGREEMENTS WITH OTHER STATES.—

“(1) In general.—Of the remainder of the amount appropriated under section 137(a) for a fiscal year that is available after determining the amounts to be reserved under subparagraphs (A) and (B), the Secretary shall—

“(i) reserve the amount of the remainder that is less than or equal to the total amount that was allotted to States for fiscal year 2005 under section 127(b)(1)(C) of this Act (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) in accordance with the requirements of such section 127(b)(1)(C); and

“(ii) reserve the amount of the remainder, if any, in excess of the amount referred to in clause (i) in accordance with clause (ii)—

“(ii) FORMULAS FOR EXCESS FUNDS.—Subject to clauses (iii) and (iv), of the amounts described in clause (i)—

“(I) 33 ½ percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16–18 in each State, compared to the total number of disadvantaged youth who are ages 16–19 in all States;

“(II) 33 ½ percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States; and

“(III) 33 ½ percent shall be allotted on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each State, compared to the total number of disadvantaged youth who are ages 16 through 21 in all States.

“(c) MINIMUM ALLOTMENT.—

“(1) IN GENERAL.—The Secretary shall ensure that no State shall receive an allotment for a fiscal year that is less than 90 percent or greater than 130 percent of the allotment percentage of that State for the preceding fiscal year.

“(2) SMALL STATE MINIMUM ALLOTMENT.—Subject to clause (i), the Secretary shall ensure that no State shall receive an allotment under this paragraph that is less than 5½ of 1 percent of the amount available under subparagraph (A).

“(d) DEFINITIONS.—For the purposes of paragraph (1), the following definitions apply:

“(A) ALLOTMENT PERCENTAGE.—The term ‘allotment percentage’ means the percentage of the relative number of disadvantaged youth, as described by the Governor to local areas in accordance with paragraph (2), and—

“(ii) for purposes of paragraph (2), the term ‘State’ includes the District of Columbia and the Commonwealth of Puerto Rico.

“(B) TERMS.—The term ‘disadvantaged youth’ means an individual who—

“(i) is age 16 through 21 and does not have an amount available for reallocation under this section, an eligible supplemental grant funds available to the State under this section during such prior program year (including amounts allotted to the State in all prior program years that remained available) and the expenditures of the State involved for fiscal year 2005;

“(ii) by striking ‘for the prior program year’ and inserting ‘for the program year in which the determination is made’; and

“(iii) by striking such prior program year’ and inserting such program year’;

“(iii) by amending paragraph (4) to read as follows:

“(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State which does not receive an amount for reallocation under paragraph (2) for purposes of this paragraph, made available to any State involved for the program year for which the determination under paragraph (2) is made; and

“(ii) in paragraph (5), by striking ‘obligation’ and inserting ‘accrued expenditure’.

“(b) WITHIN STATE ALLOCATIONS.—

“(1) RESERVATION FOR STATEWIDE ACTIVITIES.—Section 123(b)(1)(A) is amended to read as follows:

“(a) RESERVATION FOR STATEWIDE ACTIVITIES.—

“(1) IN GENERAL.—The Governor of a State shall reserve not more than 10 percent of the amount allotted to the State under section 127(a)(1)(C) for a fiscal year for statewide activities.

“(2) USE OF FUNDS.—Regardless of whether the amounts are allotted under section 127(a)(1)(C) and reserved under paragraph (1) or allotted under section 123 and reserved under section 133(a), the Governor may use the reserved amounts to carry out statewide youth activities under section 128(b) or statewide employment and training activities under section 123.

“(b) WITHIN STATE ALLOCATIONS.—Section 128(b) is amended to read as follows:

“(b) WITHIN STATE ALLOCATIONS.—

“(1) IN GENERAL.—Of the amounts allotted to the State under section 127(a)(1)(C) and not reserved under paragraph (a) as follows:

“(I) 80 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

“(II) the remaining amount shall be allocated by the Governor to local areas in accordance with paragraph (3).

“March 2, 2005
"(C) ESTABLISHED FORMULA.—

"(A) IN GENERAL.—Of the amounts described in paragraph (1)(A) the Governor shall allocate—

"(i) 33 1/3 percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16-19 in each local area, compared to the total number of individuals in the civilian labor force who are ages 16-19 in all local areas in the State;

"(ii) 33 1/3 percent shall be allotted on the basis of the relative number of unemployed individuals in a local area, compared to the total number of unemployed individuals in all local areas in the State; and

"(iii) 33 1/3 percent shall be allotted on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each local area, compared to the total number of disadvantaged youth who are ages 16 through 21 in all local areas in the State.

"(B) MINIMUM AND MAXIMUM PERCENTAGES.—
The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year, means the percentage of the amount described in paragraph (1)(A) that is subsequent fiscal year, means a percentage of the amount allocated to the local area in prior fiscal years that remain available to the local area under this section during the prior program year, (including amounts allotted to the local area in prior program years that remain available).

"(C) by subparagraph (A) the first two places it appears and inserting “subsection (b)(3);”

"(i) by striking “subsection (b)(3);”

"(ii) by striking “prior program year” and inserting “the program year in which the determination is made;”

"(iii) by striking “such prior program year” and inserting “prior program year;”

"(iv) by striking the last sentence; and

"(D) by amending paragraph (4) to read as follows:

"(A) the total amount of funds available to the local area under this section during the program year prior to the program year for which the determination is made (including amounts allocated to the prior program years that remained available); and

"(B) the accrued expenditures during such prior program year.

"(C) by subparagraph (A) the first two places it appears and inserting “subsection (b)(3);”

"(i) by striking “subsection (b)(3);”

"(ii) by striking “prior program year” and inserting “the program year in which the determination is made;”

"(iii) by striking “such prior program year” and inserting “prior program year;”

"(iv) by striking the last sentence; and

"(D) by amending paragraph (4) to read as follows:

"(A) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local area which does not have an amount available for allocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.

"(B) YOUTH PARTICIPANT ELIGIBILITY.—Section 129(a)(29 U.S.C. 2854(a)) is amended to read as follows:

"(A) YOUTH PARTICIPANT ELIGIBILITY.—

"(1) IN GENERAL.—The individuals participating in activities under this chapter by a local area during any program year shall be individuals who, at the time the eligibility determination is made, are—

"(i) not younger than age 16 or older than age 24; and

"(B) one or more of the following:

"(i) school dropouts;

"(ii) recipients of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities) who are deficient in basic skills and not attending any school;

"(iii) court-involved youth attending an alternative school;

"(iv) youth in foster care or who have been in foster care;

"(v) in school youth who are low-income individuals and one or more of the following:

"(B) NON-SCHOOL HOURS REQUIRED.

"(1) PRIORITY FOR SCHOOL DROPOUTS.—A priority in the provision of services under this chapter shall be given to individuals who are school dropouts.

"(2) LIMITATIONS ON ACTIVITIES FOR IN-SCHOOL YOUTH.

"(A) PERCENTAGE OF FUNDS.—For any program year, not more than 30 percent of the funds available for statewide activities under subsection (b) and not more than 30 percent of the funds available for local areas under subsection (c), may be used to provide activities for in-school youth meeting the requirements of paragraph (1)(B)(v).

"(B) IN-CLASSROOM HOURS REQUIRED.—

"(1) IN GENERAL.—Except as provided in clause (ii), activities carried out under this chapter by a local area shall only be carried out in non-school hours or periods when school is not in session (such as before and after school or during school breaks).

"(2) EXCEPTION.—The requirements of clause (i) shall not apply to activities carried out for in-school youth meeting the requirements of paragraph (1)(B)(v) that are part of a program that has demonstrated effectiveness in high school youth attaining diplomas.

"(C) STATEWIDE YOUTH ACTIVITIES.—Section 129(b)(29 U.S.C. 2854(b)) is amended to read as follows:

"(A) STATEWIDE ACTIVITIES.—

"(1) IN GENERAL.—Funds reserved by a Governor for a State as described in sections 128(a) and 131(a)(1) may be used for statewide activities.

"(A) additional assistance to local areas that have high concentrations of eligible youth;

"(B) supporting the provision of core services described in section 131(c)(2) in the one-stop delivery system;

"(C) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 3 in coordination with evaluations carried out by the Secretary under section 172, research, and demonstration projects;

"(D) supporting the provision of core services to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

"(E) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

"(F) operating a fiscal and management accountability system and process for the State; and

"(G) carrying out monitoring and oversight of activities under this chapter and chapter 5.

"(2) LIMITATION.—Not more than 5 percent of the funds allocated to a local area during such program year shall be used by the State for administrative activities carried out under this subsection and section 136(a).

"(3) PROHIBITION.—No funds described in this subsection or in section 136(a) may be used to develop or implement education curricula for school systems in the State.

"(A) LOCAL ELEMENTS AND REQUIREMENTS.—

"(1) PROGRAM DESIGN.—Section 129(c)(1)(29 U.S.C. 2854(c)(1)) is amended—

"(A) in the matter preceding subparagraph (A), by striking “paragraph (2)A(1) or (3), as appropriate, a”; and

"(B) in subparagraph (B), by inserting “are directly linked to one or more of the performance outcomes relating to this chapter under section 136, and that” after “for each participant that”;

"(C) in subparagraph (C)—

"(i) by redesignating clauses (i) through (iv) as clauses (ii) through (v), respectively;

"(ii) by inserting before clause (ii) (as so redesignated) the following:

"(i) activities leading to the attainment of a secondary school diploma, General Educational Development credential (GED), or other State-recognized equivalent (including recognized alternative standards for individuals with disabilities);"

"(iii) in clause (ii) (as so redesignated), by inserting “and advanced training” after “opportunities”;

"(iv) in clause (iii) (as so redesignated), by inserting “that lead to the attainment of recognized credentials” after “for training”;

"(v) by amending clause (v) (as redesignated by this subparagraph) to read as follows:

"(vi) effective connections to employers in sectors of the local labor market experiencing high growth in employment opportunities.”;

"(2) PROGRAM ELEMENTS.—Section 129(c)(2)(29 U.S.C. 2854(c)(2)) is amended—

"(A) in subparagraph (A), by striking “secondary school, including dropout prevention strategies” and inserting “secondary school dropout prevention strategies”;

"(B) in subparagraph (B), by striking “secondary school dropout prevention strategies” and inserting “secondary school dropout prevention strategies”;

"(C) by amending paragraph (2) to read as follows:
(C) in subparagraph (J), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

“(K) on-the-job training opportunities; and

“(L) job counseling and employment assistance;”.

(3) ADDITIONAL REQUIREMENTS.—Section 128(c)(3)(A) (29 U.S.C. 2854(c)(3)(A)) is amended in the matter preceding clause (i) by striking “or applicant” and in such redesignated paragraph (4) and (5) by striking “youth councils” and inserting “fiscal boards”; and

(D) by redesignating paragraph (6) as paragraph (4);

(b) General Authorization.—Section 131 (29 U.S.C. 2853) is amended—

(1) by striking “paragraphs (1)(B) and (2)(B) of”;

(2) by striking “and dislocated workers”;

(c) Allocation.—

(1) IN GENERAL.—Section 128(a) (29 U.S.C. 2852(a)) is amended to read as follows:

“CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS.”

(2) CLERICAL AMENDMENT.—The table of contents in section 1(b) is amended by inserting the item related to the heading for chapter 5 to read as follows:

“CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS.”

(b) General Authorization.—Section 131 (29 U.S.C. 2853) is amended—

(1) by striking “paragraphs (1)(B) and (2)(B) of”;

(2) by striking “and dislocated workers”;

(c) Allocation.—

(1) IN GENERAL.—The Secretary shall—

(A) reserve 20 percent of the amount appropriated under section 137(b) for a fiscal year, of which—

(i) not less than 75 percent shall be used for national dislocated worker grants under section 173, of which up to $125,000,000 may be used to carry out section 171(d);

(ii) not more than 20 percent may be used for demonstration programs under section 171; and

(iii) not more than 5 percent may be used to provide technical assistance under section 170; and

(B) make allotments from 90 percent of the amount appropriated under section 137(b) for a fiscal year in accordance with subsection (b).

(2) ALLOTMENT AMONG STATES.—Section 132(b) (29 U.S.C. 2862(b)) is amended to read as follows:

“(b) ALLOTMENT AMONG STATES FOR ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—

“(1) RESERVATION FOR OUTLYING AREAS.—

“(A) IN GENERAL.—From the amount made available under subsection (a)(2) for a fiscal year, the Secretary shall reserve not more than ¼ of 1 percent to provide assistance to outlying areas to carry out employment and training activities for adults and statewide workforce investment activities.

“(B) RESTRICTION.—The Republic of Palau shall cease to be eligible to receive funding under this paragraph upon entering into an agreement for extension of United States educational assistance under the Compact of Free Association (approved by the Compact of Free Association Amendments Act of 2003 (Public Law 108-196)) after the date of enactment of the Job Training Improvement Act of 2005.

“(2) STATES.—Subject to paragraph (5), of the remainder of the amount referred to under subsection (a)(2), the Secretary shall, after determining the amount to be reserved under paragraph (1), the Secretary shall—

(A) 25 percent in accordance with paragraph (2); and

(B) 74 percent in accordance with paragraph (4).

“(2) ALLOTMENT PERCENTAGE.—The term ‘allotment percentage’, used with respect to fiscal year 2006 or a subsequent fiscal year, means a percentage of the amounts available for allotment under paragraph (2)(B) that is received by the State involved for fiscal year 2006 or a subsequent fiscal year.

“(3) EXCESS AMOUNT.—If the amount referred to in paragraph (2)(A) for fiscal year 2006 or any fiscal year thereafter exceeds the amount that was available for allotment under this paragraph for the preceding fiscal year, the Secretary shall—

(A) adjust the amount to be available for allotment under this paragraph for the following fiscal year, which shall be equal to the amount that was available for allotment under this paragraph for the preceding fiscal year plus the excess amount.

(B) adjust the allotment amount for any fiscal year by the amount that is the difference between the allotment amount for such fiscal year and the allotment amount for the preceding fiscal year.

“(C) CONSOLIDATED FORMULA.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), of the amount referred to in paragraph (2)(B)—

(i) 60 percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States;

(ii) 25 percent shall be allotted on the basis of the relative number of disadvantaged adults in each State, compared to the total number of disadvantaged adults in all States;

(iii) 15 percent shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than ½% of one percent of such excess amount.

(iii) SUBTRACTION.—If the amount referred to in paragraph (2)(A) for fiscal year 2006 or any fiscal year thereafter exceeds the amount that was available for allotment under this paragraph for the preceding fiscal year, the Secretary shall—

(A) adjust the amount to be available for allotment under this paragraph for the following fiscal year, which shall be equal to the amount that was available for allotment under this paragraph for the preceding fiscal year plus the excess amount.

(B) adjust the allotment amount for any fiscal year by the amount that is the difference between the allotment amount for such fiscal year and the allotment amount for the preceding fiscal year.

(C) CONSOLIDATED FORMULA.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), of the amount referred to in paragraph (2)(B)—

(i) 60 percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States;

(ii) 25 percent shall be allotted on the basis of the relative number of disadvantaged adults in each State, compared to the total number of disadvantaged adults in all States;

(iii) 15 percent shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than ½% of one percent of such excess amount.

“(D) DEFINITIONS.—For purposes of this paragraph:

(i) ALLOTMENT PERCENTAGE.—The term ‘allotment percentage’, used with respect to fiscal year 2006 or a subsequent fiscal year, means a percentage of the amounts available for allotment under paragraph (2)(B) that is received by the State involved for fiscal year 2006 or a subsequent fiscal year.

(ii) EXCESS AMOUNT.—If the amount referred to in paragraph (2)(A) for fiscal year 2006 or any fiscal year thereafter exceeds the amount that was available for allotment under this paragraph for the preceding fiscal year, the Secretary shall—

(A) adjust the amount to be available for allotment under this paragraph for the following fiscal year, which shall be equal to the amount that was available for allotment under this paragraph for the preceding fiscal year plus the excess amount.

(B) adjust the allotment amount for any fiscal year by the amount that is the difference between the allotment amount for such fiscal year and the allotment amount for the preceding fiscal year.

“(E) ALLOTMENT AMONG STATES FOR ADULTS.”

(3) AMOUNTS AVAILABLE FOR ALLOTMENT.—The term ‘disadvantaged adult’ means an individual who is age 22 through 72 who received an income, or is a member of a family that received a total family income that, in relation to family size, does not exceed the poverty line.

“(4) ADJUSTMENTS IN ALLOTMENTS BASED ON DIFFERENCES WITH UNCONSOLIDATED FORMULAS.—

(A) IN GENERAL.—The Secretary shall ensure that for any fiscal year no State has an allotment difference, as defined in subparagraph (C), that is less than zero. The Secretary shall adjust the amounts allotted to the States under this subsection in accordance with subparagraph (B) if necessary to carry out this paragraph.

(B) ADJUSTMENTS IN ALLOTMENTS BASED ON DIFFERENCES WITH UNCONSOLIDATED FORMULAS.—

(A) IN GENERAL.—If necessary to carry out subparagraph (A), the Secretary shall reduce the amounts allotted to States that have an allotment difference, as defined in clause (ii), by the amount of such excess, and use such amounts to increase the allotments to States that have an allotment difference less than zero.

(B) EXCESS AMOUNT.—For purposes of subparagraph (A), the term ‘excess amount’ means an allotment difference for a State that is—

(aa) in excess of 3 percent of the amount described in subparagraph (A), or

(bb) in excess of a percentage established by the Secretary that is greater than 3 percent of the amount described in subparagraph (A).

(C) EXCESS AMOUNT.—For purposes of subparagraph (A), the term ‘excess amount’ means an allotment difference for a State that is—

(aa) in excess of 3 percent of the amount described in subparagraph (A), or

(bb) in excess of a percentage established by the Secretary that is greater than 3 percent of the amount described in subparagraph (A).
(ii) UNCONSOLIDATED FORMULAS.—For purposes of clause (i), the unconsolidated formulas are:

(i) The requirements for the allotment of funds to the States contained in section 132(b)(1)(B) of this Act (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) that were applicable to the allotment of funds under such section for fiscal year 2005. 

(ii) The requirements for the allotment of funds to the States contained in section 132(b)(2)(B) of this Act (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) that were applicable to the allotment of funds under such Act for fiscal year 2005. 

(iii) The requirements for the allotment of funds to the States that were contained in section 6 of the Wagner-Peyser Act (as in effect on the day before the date of enactment of the Job Training Improvement Act of 2005) that were applicable to the allotment of funds under such Act for fiscal year 2005. 

(iv) The requirements for the allotment of funds to the States that were established by the Secretary for Reemployment Services Grants that were applicable to the allotment of funds for such grants for fiscal year 2005. 

(iii) PROPORTIONATE APPLICATION OF UNCONSOLIDATED FORMULAS BASED ON FISCAL YEAR 2005.—In calculating the amount under clause (i)(III), each of the unconsolidated formulas identified in clause (ii) shall be applied, respectively, on the amount that is the difference between the total amount of funds available for allotment under subsection (b)(2) for a fiscal year that is equal to the proportionate share to which each of the boards such formulas applied with respect to the total amount of funds allotted to the States under all of the unconsolidated formulas in fiscal year 2005. 

(V) RULE OF CONSTRUCTION.—The amounts used to adjust the allotments to a State under subparagraph (B) for a fiscal year shall not be included in the calculation of the amounts under clause (i) for a subsequent fiscal year, including the calculation of allocation percentages for a preceding fiscal year applicable to paragraphs (3) and (4) and to the unconsolidated formulas described in clause (ii). 

(3) REALLOCATION.—Section 132(c) (29 U.S.C. 2863(c)) is amended—

(A) by amending paragraph (2) to read as follows:

(2) AMOUNT.—The amount available for reallocation during the fiscal year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount allotted to the State under section 132 for a fiscal year to carry the statewide activities described in section 134(c). 

(B) ALLOCATIONS TO LOCAL AREAS.—

(1) IN GENERAL.—Of the amounts allotted to the State under section 132(b)(2) and not reserved under subsection (a), 

(A) 85 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and 

(B) 15 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

(2) ESTABLISHED FORMULA.—

(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

(i) 60 percent on the basis of the relative number of disadvantaged adults in each local area, compared to the total number of unemployed individuals in all local areas in the State; 

(ii) 25 percent on the basis of the relative excess number of unemployed individuals in each local area, compared to the total excess number of unemployed individuals in all local areas in the State; and 

(iii) 15 percent shall be allotted on the basis of the relative number of disadvantaged adults in each local area, compared to the total number of disadvantaged adults in all local areas in the State.

(B) MINIMUM AND MAXIMUM PERCENTAGES.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

(C) DEFINITIONS.—

(i) ALLOCATION PERCENTAGE.—The term ‘‘allocation percentage,’’ used with respect to fiscal year 2005, means a percentage of the amount described in paragraph (1)(A) that is received through an allocation made under this paragraph for the fiscal year 2005. 

(ii) COVERED PERIOD.—The term ‘‘covered period’’ with respect to such allocation means the period beginning on the date of enactment of the Job Training Improvement Act of 2005 and ending on the date of enactment of the Job Training Improvement Act of 2006.

(iii) LOCAL AREA.—The term ‘‘local area’’ means a local area, as defined under section 132(b)(1) of this Act. 

(iv) DISTRICT.—The term ‘‘district’’ means the territory of a State that includes one or more local areas.

(v) DETERMINATION YEAR.—The term ‘‘determination year’’ means fiscal year 2006 or a subsequent fiscal year, in each of which a determination is made for the distribution of funds under this paragraph for a program year.

(vi) PROGRAM YEAR.—The term ‘‘program year’’ means fiscal year 2006 or a subsequent fiscal year, in each of which a determination is made for the distribution of funds under this paragraph for a program year.

(C) ALLOCATIONS TO LOCAL AREAS. 

(1) IN GENERAL.—Of the amounts allotted to the State under section 132(b)(2), only to the proportionate share of the identified in clause (ii) shall be applied, respectively, to the proportionate share of the State under subsection (b)(2) for a fiscal year that is equal to the proportionate share to which each of the boards such formulas applied with respect to the total amount of funds allotted to the States under all of the unconsolidated formulas in fiscal year 2005.

(VI) THE REQUIREMENTS FOR THE ALLOTMENT OF FUNDS TO THE STATES THAT WERE ESTABLISHED BY THE SECRETARY FOR REEMPLOYMENT SERVICES GRANTS THAT WERE APPLICABLE TO THE ALLOTMENT OF FUNDS UNDER SUCH ACT FOR FISCAL YEAR 2005. 


(V) RULE OF CONSTRUCTION.—The amounts used to adjust the allotments to a State under subparagraph (B) for a fiscal year shall not be included in the calculation of the amounts under clause (i) for a subsequent fiscal year, including the calculation of allocation percentages for a preceding fiscal year applicable to paragraphs (3) and (4) and to the unconsolidated formulas described in clause (ii). 

(3) REALLOCATION.—Section 132(c) (29 U.S.C. 2863(c)) is amended—

(A) by amending paragraph (2) to read as follows:

(2) AMOUNT.—The amount available for reallocation during the fiscal year is equal to the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the local area under this section during such prior program year (including amounts allotted to the local area in prior program years that remain available). For purposes of this paragraph, the unexpended balance is the amount by which the unexpended balance at the end of the program year prior to the program year for which the determination is made exceeds 30 percent of the total amount of funds available to the local area under this section during such prior program year (including amounts allotted to the local area in prior program years that remain available); and 

(B) the accrued expenditures during such prior program year; 

(C) by amending paragraph (3) to read as follows:

(3) DISCRETIONARY ALLOCATION. 

(A) IN GENERAL.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

(B) MINIMUM AND MAXIMUM PERCENTAGES.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

(C) DEFINITIONS.—

(i) ALLOCATION PERCENTAGE.—The term ‘‘allocation percentage,’’ used with respect to fiscal year 2005, means a percentage of the amount described in paragraph (1)(A) that is received through an allocation made under this paragraph for the fiscal year 2005. 

(ii) COVERED PERIOD.—The term ‘‘covered period’’ with respect to such allocation means the period beginning on the date of enactment of the Job Training Improvement Act of 2005 and ending on the date of enactment of the Job Training Improvement Act of 2006.

(iii) LOCAL AREA.—The term ‘‘local area’’ means a local area, as defined under section 132(b)(1) of this Act. 

(iv) DISTRICT.—The term ‘‘district’’ means the territory of a State that includes one or more local areas.

(v) DETERMINATION YEAR.—The term ‘‘determination year’’ means fiscal year 2006 or a subsequent fiscal year, in each of which a determination is made for the distribution of funds under this paragraph for a program year.

(vi) PROGRAM YEAR.—The term ‘‘program year’’ means fiscal year 2006 or a subsequent fiscal year, in each of which a determination is made for the distribution of funds under this paragraph for a program year.

(C) OTHER USE OF FUNDS.—Funds reserved by a Governor for a State—
“(i) under section 133(a) and not used under subparagraph (A), may be used for statewide activities described in paragraph (2); and

(ii) under section 133(a) and not used under subparagraph (A), may be used to carry out any of the statewide employment and training activities described in paragraph (3).”

(B) STATEWIDE RAPID RESPONSE ACTIVITIES.—Section 134(a)(2) (29 U.S.C. 2864(a)(2)) is amended to read as follows:

“(2) STATEWIDE RAPID RESPONSE ACTIVITIES.—

(A) funds reserved by a Governor for a State as described in sections 133(a) and 128(a) may be used for statewide rapid response activities, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected official in the local area; and

(B) by striking “under paragraph (2)(A)” and inserting “under section 133(b);” and

(B) in paragraphs (1) and (2), by striking “or dislocated workers, respectively.”

(2) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(b) (29 U.S.C. 2864(b)) is amended—

(A) by striking “under paragraph (2)(A)” and all that follows through “section 133(b)”; and

(B) in paragraphs (1) and (2), by striking “or dislocated workers, respectively.”

(3) TECHNICAL AMENDMENT.—Section 134 is further amended by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(4) REQUIRED LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) ALLOCATED FUNDS.—Section 134(c)(1) (29 U.S.C. 2864(c)(1)) (as redesignated by paragraph (3)) is amended to read as follows:

“(1) IN GENERAL.—Funds allocated to a local area for adults under section 133(b) shall be used—

(A) to establish a one-stop delivery system as described in section 121(e);

(B) to provide the core services described in paragraph (4) to adults in the one-stop delivery system; and

(C) to provide the intensive services described in paragraph (3) to adults in the one-stop delivery system.

(B) CORE SERVICES.—Section 134(c)(2) (29 U.S.C. 2864(c)(2)) (as redesignated by paragraph (3)) is amended—

(A) by striking clause (vi) and inserting after clause (v) the following:

“(vi) Out-of-area job search assistance and relocation assistance.”

(ii) DETERMINATIONS.—The Governor shall define the term ‘suitable employment’ for purposes of this subparagraph.

(iii) in subparagraph (B)(i), by striking “Exempt” and inserting “Notwithstanding section 479B of the Higher Education Act of 1965 (20 U.S.C. 1087w) and except”;

(iv) in subparagraph (D)(i), by amending clause (iv) to read as follows:

“(iv) entrepreneurial training, including providing information about obtaining microcredit loans for the purpose of starting a business, including contact information of microcredit lenders operating within the local area;”;

(v) in clause (vii) by inserting “(including English as a Second Language)” after “activities”;

and

(iii) by redesignating clause (ix) as clause (x) and inserting after clause (ix) the following:

“(x) training that integrates occupational skills training and English language acquisition;”

(ii) by amending subparagraph (E) to read as follows:

“(E) PRIORITY.—

“(1) IN GENERAL.—A priority shall be given to unemployed individuals for the provision of intensive and training services under this subsection.

“(2) ADDITIONAL PRIORITY.—If the funds in the local area under section 133(b) are not used under subsection (3), for serving recipients of public assistance and other low-income individuals, including single parents, displaced homemaker, and pregnant single women, is limited, the priority for the provision of intensive and training services under this subsection shall include such recipients and individuals.

“(3) DETERMINATIONS.—The Governor and the appropriate local board shall direct the one-stop operators in the local area with regard to making determinations with respect to the priority of service under this paragraph.

(v) in subparagraph (F), by adding the following clause after clause (iii):
“(iv) ENHANCED INDIVIDUAL TRAINING ACCOUNTS.—Each local board may, through one-stop centers, assist individuals receiving individual training accounts through the establishment of such accounts that include, in addition to the funds provided under this paragraph, funds from other programs and sources that will assist the individual in obtaining training services.

(v) In subparagraph (G)(iv), by redesignating subclause (IV) as subclause (V) and inserting after subclause (III) the following:

“(IV) Indicators with disabilities;”

and (vi) by adding at the end following:

“(H) COMPUTER TECHNOLOGY.—In providing training services under subparagraph (G), funds allocated under this title may be used to purchase computer technology for use by an individual who is eligible pursuant to subsection (A), only if:

(i) such purchase is part of an ongoing training program; and

(ii) such purchase is necessary to ensure the individual can participate in such training program.

Any purchase of computer technology under this subparagraph shall remain the property of the one-stop operator.”.

(5) PERMISSIBLE ACTIVITIES.—Section 124(d) (as redesignated by paragraph (3)) is amended—

(A) by amending paragraph (1) to read as follows:

“Discretionary One-Stop Delivery Activities.—

(A) In general.—Funds allocated to a local area under section 133(b) may be used to provide, through the one-stop delivery system—

(i) customized screening and referral of qualified participants in training services to employers;

(ii) customized employment-related services to employers on a fee-for-service basis;

(iii) customer support to navigate multiple services and activities for special participants; and to face multiple barriers to employment, including individuals with disabilities;

(iv) employment and training assistance provided in coordination with child support enforcement activities of the State agency carrying out subtitle D of title IV of the Social Security Act;

(v) activities to improve services to local employers, including small employers in the local area, and increase linkages between the local workforce investment system and employers; and

(vi) activities to facilitate remote access to services provided through a one-stop delivery system, including facilitating access through the use of technology.

(B) Work Support Activities for Low-Wage Workers.—

(i) In general.—Funds allocated to a local area under section 133(b) may be used to provide, through the one-stop delivery system and in collaboration with the appropriate programs and resources of the one-stop partners, work support activities for low-wage workers in retaining and enhancing employment.

(ii) Activities.—The activities described in clause (i) may include assistance in accessing financial supports for which such workers may be eligible and the provision of activities available through the one-stop delivery system in a manner that enhances the opportunities of such workers to participate, such as the provision of employment and training activities during non-traditional hours and the provision of on-site child care while such activities are being provided.

(B) by adding after paragraph (3) the following new paragraph:

“Incumbent Worker Training Programs.—

(A) In general.—The local board may use up to 10 percent of the funds allocated to a local area under section 133(b) to carry out incumbent worker training programs in accordance with this paragraph.

(B) Training Activities.—The training programs for incumbent workers under this paragraph shall be carried out by the local area in conjunction with the employers of such workers for the purpose of assisting such workers in obtaining the skills and knowledge necessary to retain employment and avert layoffs.

(C) Employer Match Required.—

(i) In general.—Any individual participating in programs under this paragraph shall be required to pay a proportion of the costs of providing the training to the incumbent workers. The Governor shall establish (or, if the local area is the chief elected official, and the Governor shall establish) the required portion of such costs, which shall not be less than:

(I) 10 percent of the costs, for employers with 50 or fewer employees;

(II) 25 percent of the costs, for employers with more than 50 employees but fewer than 100 employees; and

(III) 50 percent of the costs, for employers with 100 or more employees.

(ii) Calculation of Match.—The wages paid by an employer to a worker while they are attending training may be included as part of the requirement payment of the employer;”.

SEC. 113. PERFORMANCE ACCOUNTABILITY SYSTEM.

(A) State Performance Measures.—

(I) In general.—Section 136(b)(1) (29 U.S.C. 2871(b)(1)) is amended—

(A) in subparagraph (A)(i), by striking “and the customer satisfaction indicator of performance described in paragraph (2)(B)”;

(B) in subparagraph (A)(ii) by striking “paragraph (2)(C)” and inserting “paragraph (2)(B)”;

(II) Indicators of Performance.—Section 136(b)(2) (29 U.S.C. 2871(b)(2)) is amended—

(A) in subparagraph (A)(i), by striking “(except for self-service and information activities)” and (for participants who are eligible youth age 19 through 21) for youth activities authorized under section 129; and

(B) in subparagraph (A)(ii)(I), by inserting “and” after the semicolon;

(C) in subparagraph (A)(ii)(III), by striking “,” and inserting a period; and

(D) by striking subparagraph (A)(iv).

(E) In subparagraph (A)(ii), by amending paragraph (2) to read as follows:

(ii) Core Indicators for Eligible Youth.—The core indicators of performance for youth activities authorized under section 129 shall consist of—

(I) entry into employment, education or advanced training, or military service;

(II) attainment of secondary school diploma, General Educational Development credential (GED), or other equivalent recognized equivalent (including recognized alternative standards for individuals with disabilities); and

(III) literacy or numeracy gains;”.

(F) by striking subparagraph (B); and

(G) by redesignating subparagraph (C) as subparagraph (B), and by adding at the end of such subparagraph (as so redesignated) the following new sentence. “Such indicators may include customer satisfaction of employers and participants with services received from the workforce investment activities authorized under this subtitle.”.

(3) Levels of Performance.—Section 136(b)(3)(A) (29 U.S.C. 2871(b)(3)(A)) is amended—

(A) in clause (i), by striking “the customer satisfaction indicator described in paragraph (2)(B);”;

(B) in clause (ii), by striking “and the customer satisfaction indicator of performance, for the first 3” and inserting “for the 2;”

(C) in clause (iii), (i) by striking “and the customer satisfaction indicator of performance, for the first 3” and inserting “the 2;” for the 2;”

(D) in clause (iv),—

(i) by striking subclause (I);

(ii) by redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively; and

(iii) by striking “taking into account” and inserting “which shall be adjusted based on:”;

(iv) by striking “or (B)” and inserting “and (B);”;

(v) by striking “employment rates and job losses or gains in particular industries” after “economic conditions”;

and (vi) by redesigning the program to receive the number of veterans with disabilities, and welfare dependency after “program.”

(E) by striking clause (v); and

(F) by redesigning clause (vi) as clause (v).

(4) Additional Funds.—Section 136(b)(3)(B) is amended by striking “paragraph (2)(C)” and inserting “paragraph (2)(B)”.

(b) Local Performance Measures.—Section 136(c) (29 U.S.C. 2871(c)) is amended—

(1) in paragraph (1)(A)(ii), by striking “,” and the customer satisfaction indicator of performance described in subsection (b)(2)(B);”;

(2) in paragraph (1)(A)(iii), by striking “paragraph (2)(C)” and inserting “paragraph (2)(B)”; and

(3) by amending paragraph (3) to read as follows:

“(2) Determinations.—In determining such local levels of performance, the local board, the chief elected official, and the Governor shall ensure such levels are adjusted based on the specific economic characteristics (such as unemployment rates and job losses or gains in particular industries), demographic characteristics, or other characteristics of the population to be served in the local area, such as poor work history, lack of work experience, low levels of literacy or English proficiency, disability status, including the number of veterans with disabilities, and welfare dependency.”.

(c) Report.—Section 136(d) (29 U.S.C. 2871(d)) is amended—

(1) in paragraph (1), by striking “and the customer satisfaction indicator” in both places that it appears;

(2) in paragraph (2)—

(A) in subparagraph (E), by striking “(excluding participants who received only self-service and informational activities)” and inserting “a semicolon;

(B) in subparagraph (F), by striking the period and inserting “;” and

(C) by adding at the end the following:

“(G) the number of participants served and the cost per participant;” and

(3) by adding at the end following:

“(3) Data Validation.—In preparing the reports described in this subsection, the States shall establish procedures, consistent with guidelines issued by the Secretary, to ensure the information contained in the report is valid and reliable.”.

(d) Sanctions for State.—Section 136(g) (29 U.S.C. 2871(g)) is amended—

(1) in paragraph (1), by striking “or”;

(2) by striking “paragraph (3)(B)” and inserting “paragraph (3)(A)”.

(e) Sanctions for Local Areas.—Section 136(b) (29 U.S.C. 2871(h)) is amended—

(1) in paragraph (1), by striking “or”;

(2) by striking “paragraph (3)(B)” and inserting “paragraph (3)(A)”.

(f) Incentive Grants for States and Local Areas.—
“(1) INCENTIVE GRANTS FOR STATES.—

“(A) IN GENERAL.—From funds appropriated under section 174, the Secretary may award grants to States for exemplary performance in carrying out programs under chapters 4 and 5 of this title. Such awards may be based on States meeting or exceeding the performance measures established under this section, on the performance of the Secretary in carrying out special programs, including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines is appropriate.

“(B) USE OF FUNDS.—Such funds awarded under this section shall be applied to carry out any activities authorized under chapters 4 and 5 of this title, including demonstrations and innovative programs for special populations.

“(2) INCENTIVE GRANTS FOR LOCAL AREAS.—

“(A) IN GENERAL.—From funds reserved under sections 128(a) and 131(a), the Governor may award incentive grants to local areas for exemplary performance with respect to the measures established under this section and with the performance of the local area in serving special populations, including the levels of service and the performance outcomes.

“(B) USE OF FUNDS.—The funds awarded to a local area may be used to carry out activities authorized under chapters 4 and 5 of this title, such demonstration or other innovative programs to serve special populations as may be selected by the Governor.

“(g) USE OF CORE INDICATORS FOR OTHER PROGRAMS.—Section 136 (29 U.S.C. 2871) is further amended by adding at the end the following subsection:

“(1) USE OF CORE INDICATORS FOR OTHER PROGRAMS.—In addition to the programs carried out under chapters 4 and 5, and consistent with the requirements of applicable laws, the Secretary may use the core indicators of performance described in subsection (b)(2)(A) to assess the effectiveness of the programs described under section 121(b)(1)(B) that are carried out by the Secretary.

(h) REPEAL OF DEFINITIONS.—Sections 502 and 503 (and the items related to such sections in the table of contents) are repealed.

SEC. 114. AUTHORIZATION OF APPROPRIATIONS.

(a) YOUTH ACTIVITIES.—Section 137(a) (29 U.S.C. 2872(a)) is amended by striking “such sums as may be necessary for each of fiscal years 1999 through 2003” and inserting “$1,250,000,000 for fiscal year 2006 and such sums as may be necessary for each of fiscal years 2007 through 2011”.

(b) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137(b) (29 U.S.C. 2872(b)) is amended by striking “such sums as may be necessary for each of fiscal years 1999 through 2003” and inserting “such sums as may be necessary for each of fiscal years 1999 through 2011”.

(c) DILUCED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137 is further amended by striking subsection (c).

SEC. 115. JOB CORPS.

(a) INDUSTRY COUNCILS.—Section 154(b) (29 U.S.C. 2894(b)) is amended—

(1) in paragraph (1)(A), by striking “local and distant employment” and inserting “local, distant, and secondary education, apprenticeships, and career-technical education”;

(2) by adding after paragraph (2) the following paragraph (2a):—

“(2a) EMPLOYEES OUTSIDE OF LOCAL AREAS.—The industry council may include, or otherwise provide for consultation with, employers from outside the local area who are likely to hire a significant number of enrollees from the Job Corps center.”.

(b) INDICATORS OF PERFORMANCE AND ADDITIONAL INFORMATION.—Section 159(c) (29 U.S.C. 2895(c)) is amended—

(1) by amending paragraph (1) to read as follows:

“(1) CORE INDICATORS.—The Secretary shall annually establish expected levels of performance for Job Corps centers and the Job Corps program relating to each of the core indicators for youth identified in section 136(b)(3)(A)(ii).”;

and

(2) in paragraph (2), by striking “measures” each place it appears and inserting “indicators”.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 161 (29 U.S.C. 2901) is amended by striking “1999 through 2003” and inserting “2006 through 2011”.

SEC. 116. NATIVE AMERICAN PROGRAMS.

(a) ADVISORY COUNCIL.—Section 166(h)(4)(C) (29 U.S.C. 2911(h)(4)(C)) is amended to read as follows:

“(C) DUTIES.—The Council shall advise the Secretary on the operation and administration of the programs assisted under this section.”.

(b) ASSISTANCE TO AMERICAN SAMOANS IN HAWAII.—Section 166 (29 U.S.C. 2911) is further amended by striking subsection (i).

SEC. 117. MIGRANT AND SEASONAL FARMWORKER PROGRAMS.

Section 167(d) is amended by inserting “(including permanent housing)” after “housing”.

SEC. 118. VETERANS’ WORKFORCE INVESTMENT PROGRAMS.

Section 168(a)(3)(C) (29 U.S.C. 2912(a)(3)(C)) is amended to read as follows:

“(C) activities designed to assist special youth populations, including activities such as training and internships for out-of-school youth, to prepare for entry into school or the labor market.”.

SEC. 119. YOUTH CHALLENGE GRANTS.

(a) IN GENERAL.—Section 169 (29 U.S.C. 2914) is amended by striking “(a)(1)” and inserting “section 134(c)”.

(b) COMPETITIVE GRANTS TO STATES AND LOCAL AREAS.

“(1) ESTABLISHMENT.—From the funds described in subsection (a)(1), the Secretary shall award competitive grants to eligible entities to carry out activities authorized under this section. Each award shall be conditioned on an agreement between the Secretary and the entity to which the grant is made to carry out any activities authorized under this section for a period of 1 year.

“(2) ELIGIBLE ENTITIES.—Eligible entities may be States, local governments, or other public or private entities. Eligible entities shall have demonstrated effectiveness on which the provision of activities for youth is based on proven strategies or the extent to which the project will expand the knowledge base on activities for youth, and the additional State, local or private resources that will be provided.

“(3) GRANT PERIOD.—The Secretary may make a grant under this subsection for a period of 1 year and may renew the grants for each of the 4 succeeding years.

“(4) AUTHORITY TO REQUIRE MATCH.—The Secretary may require that grantees under this subsection provide a non-Federal share of the cost of activities carried out under a grant awarded under this subsection.

“(5) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 21 are eligible to participate in activities provided under this subsection.

“(6) USE OF FUNDS.—Funds under this subsection may be used to provide assistance to disadvantaged youth in acquiring the skills, credentials and employment experience that are necessary to succeed in the labor market, including the activities described in section 132. The activities may include activities such as—

“(A) training and internships for out-of-school youth in sectors of the economy experiencing labor shortages or preparing for an emerging growth industry;

“(B) after-school dropout prevention activities for in-school youth; and

“(C) activities designed to assist special youth populations, such as court-involved youth and youth with disabilities; and

“(D) activities combining remediation of academic skills, work readiness training, and work experience, and including linkages to postsecondary education, apprenticeships, and career-technical education.

“(7) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

“(A) a description of the activities the eligible entity will provide to eligible youth under this subsection;

“(B) a description of the programs of demonstration effectiveness, and the provision of the activities under subparagraph (A) are based, and a description of how such activities will expand the base of knowledge relating to the provision of activities for youth;

“(C) a description of the private and public, and local and State resources that will be leveraged to provide the activities described under subparagraph (A) in addition to the funds provided under this subsection; and

“(D) the levels of performance the eligible entity expects to achieve with respect to the indicators of performance for youth specified in section 136(b)(2)(A)(ii).

“(8) FACTORS FOR AWARD.—In awarding grants under this subsection, the Secretary may consider the quality of the proposed project, the goals to be achieved, the likelihood of successful implementation, the extent to which the project is based on proven strategies or the extent to which the project will expand the knowledge base on activities for youth, and the additional State, local or private resources that will be provided.

“(9) EVALUATION.—The Secretary may reserve up to 5 percent of the funds described in subsection (a)(1) to provide technical assistance to, and conduct evaluations of, projects funded under this subsection (using appropriate techniques as described in section 172(c)).

“(C) DISCRETIONARY GRANTS FOR YOUTH ACTIVITIES.

“(1) IN GENERAL.—From the funds described in subsection (a)(2), the Secretary may award discretionary grants to eligible entities to provide activities that will assist youth in preparing for, and entering and retaining, employment.

“(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to States, local governments, or other public or private entities that the Secretary determines would effectively carry out activities relating to youth under this subsection.

“(3) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 at the time the eligibility determination is made may be eligible to participate in activities under this subsection.

“(4) USE OF FUNDS.—Funds provided under this subsection may be used for activities that will assist youth in preparing for, and entering and retaining, employment, including the activities described in section 129 for out-of-school youth, activities designed to assist in-school youth to stay in school and gain work experience, and such other activities that the Secretary determines would effectively carry out activities relating to youth under this subsection.

“(5) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(6) ADDITIONAL REQUIREMENTS.—The Secretary may require that a non-Federal share for projects funded under this subsection and may require participation of grantees in evaluations of such projects, including evaluations using the techniques as described in section 172(c).

“(b) CLERICAL AMENDMENT.—The table of content in section 1(b) is amended by adding the items related to sections 167 and 169 as follows:

“(1) Sec. 169. Youth challenge grants.”.

SEC. 120. TECHNICAL ASSISTANCE.

Section 170 (29 U.S.C. 2915) is amended—

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SEC. 121. DEMONSTRATION, PILOT, MULTISERVICE, RESEARCH AND MULTI-
STATE PROJECTS.

(a) DEMONSTRATION AND PILOT PROJECTS.—Section 171(b) (29 U.S.C. 2916(b)) is amended—

(1) in paragraph (1), by striking subsections (a)(2)(B) and (a)(3), respectively; and

(2) by striking paragraph (2) and inserting the following:

(G) projects that provide retention grants to employers to encourage the retention or rehiring of individuals who receive skills training under the grant; and

(H) projects that provide retention grants to employers to encourage the retention or rehiring of individuals who receive skills training under the grant.

(b) MULTISERVICE PROJECTS.—Section 171(c)(2)(B) (29 U.S.C. 2916(c)(2)(B)) is amended to read as follows:

(B) NET IMPACT STUDIES AND REPORTS.—The Secretary shall conduct studies to determine the net impacts, including labor shortages, and activities conducted under this title. The Secretary shall prepare and disseminate to Congress and the public reports containing the results of such studies.

SEC. 122. COMMUNITY-BASED JOB TRAINING.

Section 171(d) of the Workforce Investment Act of 1998 is amended to read as follows:

(d) COMMUNITY-BASED JOB TRAINING.—

(1) DEMONSTRATION PROJECTS.—In addition to the demonstration projects under subsection (b), the Secretary may establish and implement a national demonstration project designed to develop local solutions to the workforce challenges facing high-growth, high-skill industries with labor shortages, and increase opportunities for workers to gain access to employment in high-growth, high-demand occupations by promoting the establishment of partnerships among education entities, the workforce investment system, and businesses in high-growth, high-skill industries.

(2) GRANTS.—In carrying out the demonstration project under this subsection, the Secretary shall award competitive grants, in accordance with generally applicable Federal requirements, to eligible entities to carry out activities authorized under this subsection.

(3) DEFINITIONS.—

(A) ELIGIBLE ENTITY.—In this subsection, the term ‘eligible entity’ means a community college or consortium of community colleges that shall work in conjunction with—

(i) the local workforce investment system; and

(ii) business or businesses in a qualified industry or an industry association in a qualified industry.

(B) QUALIFIED INDUSTRY.—In this subsection, the term ‘qualified industry’ means an industry or economic sector that is projected to experience significant growth, such as an industry and economic sector that—

(i) is projected to add substantial numbers of new jobs to the local area;

(ii) has significant impact on the economy;

(iii) impacts the growth of other industries and economic sectors;

(iv) is being transformed by technology and innovation requiring new knowledge or skill sets for workers;

(v) is a new or emerging industry or economic sector that is projected to grow; or

(vi) has high-skilled occupations and significant labor shortages in the local area.

(C) COMMUNITY COLLEGE.—As used in this subsection, the term ‘community college’ means an institution of higher education, as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001), that provides less than a 2-year program that is acceptable for full credit toward a bachelor’s degree, or is a traditionally controlled college or university.

(D) AUTHORITY TO REQUIRE NON-FEDERAL SHARE.—In awarding grants under this subsection, the Secretary may require that recipients of grants under this subsection provide a non-Federal share, from either cash or in-kind resources, of the costs of activities carried out under the grant.

(E) USE OF FUNDS.—Grants awarded under this subsection may be used for—

(A) the development, by a community college, of a curriculum that is modeled on an industry or economic sector that is projected to experience significant growth and is being transformed by technology and innovation requiring new knowledge or skill sets for workers, including advanced manufacturing; and

(B) training of adults and dislocated workers in the skills and competencies needed to obtain or upgrade employment in a qualified industry identified in the eligible entity’s application;

(C) disseminating to adults and dislocated workers, through the one-stop delivery system, information on high-growth, high-demand occupations in qualified industries;

(D) placing, through the one-stop delivery system, trained individuals into employment in qualified industries; or

(E) increasing the integration of community colleges with activities of businesses and the one-stop delivery system to meet the training needs of qualified industries.

(F) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

(A) a description of the community college that will offer training under the grant;

(B) an economic analysis of the local labor market to identify high-growth, high-demand industries and identify the workforce issues faced by those industries;

(C) a description of the qualified industry for which training will occur and the availability of companies on which to base the training;

(D) an assurance that the application was developed in consultation with the local board or boards in the area or areas where the proposed grant will be used;

(E) performance outcomes for the grant, including expected number of individuals to be trained in a qualified industry, the employment and retention rates of such individuals in a qualified industry, and earnings increases for such individuals;

(F) a description of how the activities funded by the proposed grant will be coordinated with activities provided through the one-stop delivery system in the local area or areas; and

(G) the description of appropriate resources that will support the activities carried out under this subsection and allow the entity to carry out and expand such activities after the expiration of the grant.

(3) FACTORS FOR AWARD OF GRANT.—

(A) IN GENERAL.—In awarding grants under this subsection the Secretary shall consider—

(i) the extent of public and private collaboration, including existing partnerships among industries, community colleges, and the public workforce investment system;

(ii) the extent to which the grant will provide job seekers with employment opportunities in high-growth, high-demand occupations;

(iii) the extent to which the grant will expand the local one-stop delivery system’s capacity to be demand-driven and responsive to local economic needs;

(iv) the extent to which local businesses commit to hire and retain individuals who receive training through the grant; and

(v) the extent to which the eligible entity commits to make any newly developed products, such as curricula and training curriculum, available for distribution nationally.

(B) LEVERAGING OF RESOURCES.—In awarding grants under this subsection, the Secretary shall consider—

(i) the extent to which local or private resources, in addition to the funds provided under this subsection, will be made available to support the activities carried out under this subsection; and

(ii) the ability of an eligible entity to continue to carry out and expand such activities after the expiration of the grant.

(C) DISTRIBUTION OF GRANTS.—In awarding grants under this subsection the Secretary shall award such grants on the basis of such grants across geographically diverse areas.

(D) PERFORMANCE ACCOUNTABILITY AND EVALUATION.—

(1) PERFORMANCE ACCOUNTABILITY.—The Secretary shall require an eligible entity that receives a grant under this subsection to report to...
the Secretary on the employment outcomes obtained by individuals receiving training under this subsection using the indicators of performance identified in the eligible entity’s grant application.

“(B) EVALUATION.—The Secretary may require that an eligible entity that receives a grant under this subsection participate in an evaluation of activities carried out under this subsection, including an evaluation using the techniques described in section 172(c).”

SEC. 123. PERSONAL REEMPLOYMENT ACCOUNTS.

Section 171 of the Workforce Investment Act of 1998 is further amended by adding at the end the following:

“(e) PERSONAL REEMPLOYMENT ACCOUNTS.—

“(1) DEFINITION.—In this subsection, the term ‘State’ means the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

“(2) DEMONSTRATION PROJECT.—In addition to the demonstration projects under subsection (b), the Secretary may establish and implement a national demonstration project designed to analyze and provide data on workforce training programs that accelerate the reemployment of unemployed individuals, promote the retention in employment of such individuals, and provide such individuals with enhanced flexibility, choice, and control in obtaining intensive reemployment, training, and supportive services.

“(3) GRANTS.—

“(A) IN GENERAL.—In carrying out the demonstration project, the Secretary shall make grants, on a competitive basis, to eligible entities to provide personal reemployment accounts to eligible individuals. In awarding grants under this subsection the Secretary shall take into consideration awarding grants to eligible entities from diverse geographic areas, including rural areas.

“(B) DURATION.—The Secretary shall make the grants for periods of not less than 2 years and may renew the grant for each of the succeeding 3 years.

“(4) ELIGIBLE ENTITY.—In this subsection, the term ‘eligible entity’ means—

“(A) a State; or

“(B) a local board or consortium of local boards.

“(5) USE OF FUNDS.—

“(A) IN GENERAL.—An eligible entity that receives a grant under this subsection shall use the grant funds to provide, through a local area or areas, eligible individuals with personal reemployment accounts.

“(B) GEOGRAPHIC AREA AND AMOUNT.—An eligible entity shall establish the amount of a personal reemployment account for each eligible individual participating, which shall be uniform throughout the area represented by the eligible entity, and shall not exceed $3,000.

“(ii) OPTION FOR STATES.—If the eligible entity is a State, the eligible entity may choose to use the grant if practicable, or only in specified local areas within a State.

“(C) ELIGIBLE INDIVIDUALS.—

“(i) IN GENERAL.—Each eligible entity shall establish criteria for individuals for personal reemployment accounts in accordance with this subparagraph.

“(ii) ELIGIBILITY CRITERIA REQUIREMENTS.—

“(I) IN GENERAL.—Subject to clause (II), an individual shall be eligible to receive a personal reemployment account under a grant awarded under this subsection if, beginning after the date of enactment of this subsection, the individual—

“(aa) is identified by the State pursuant to section 303(h)(1) of the Social Security Act (42 U.S.C. 503(h)(1)) as likely to exhaust regular unemployment compensation; or

“(BB) is separated from employment in an industry or occupation that has experienced in the 2-year period ending on the date of the determination of eligibility of the individual under this subsection.

“(ii) NO INDIVIDUAL ENTITLEMENT.—Nothing in this subsection shall be construed to entitle any individual to receive a personal reemployment account.

“(D) LIMITATIONS.—

“(i) INFORMATION AND ATTESTATION.—Prior to the establishment of a personal reemployment account for an eligible individual, the eligible entity receiving a grant, through the one-stop delivery system in the participating local area or areas, shall ensure that the individual—

“(II) meets such additional requirements applicable to the personal reemployment account, including—

“(aa) are described in the one-stop delivery system.

“(bb) are described in the one-stop delivery system.

“(BB) an assurance that the eligible entity will coordinate the activities carried out under this subsection with the employment and training activities carried out under section 134 and other activities carried out by local boards through the one-stop delivery system in the State or local area.

“(ii) Intensive services, including those type of services described in section 134(d)(3)(C).

“(III) Supportive services, except for needs related payments.
“(ii) DELIVERY OF SERVICES.—The following requirements relating to delivery of services shall apply to the grants under this subsection:—

(I) Recipients may use funds from the personal reemployment account to purchase services described in clause (i) through the one-stop delivery system on a fee-for-service basis, or through other providers, consistent with the safeguards described in section 124(d)(4)(F)(ii). Information available to the one-stop system on providers of the intensive and supportive services described in clause (i), and information relating to occupations in demand in the local area, may be provided to recipients in such a manner as the Secretary may require. The application to the Secretary at such time and in such manner as the Secretary may require. The Secretary, pursuant to the authority provided under section 172, shall, directly or through grants, contracts, or cooperative agreements, and in the future to project new market opportunities in particular industries;”
“(D) develop rigorous training and education programs related to employment in high-growth, high-wage industries;

“(E) develop skill standards and industry-certified training programs for preparing workers for employment in such industries;

“(F) train adults and dislocated workers in the skills and competencies needed to obtain or upgrade employment in such industries;

“(G) disseminate information on high-growth, high-wage occupations;

“(H) place trained individuals into employment in high-growth, high-wage industries;

“(I) increase integration between training providers, businesses, and the one-stop delivery system to meet the training needs of particular industry groups.

“(4) REPORTS.—The Secretary shall track and annually report to the chairman and ranking minority members of the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, on the industries receiving grants under this subsection, the performance results of each such grant, and the percentage and amount of grants awarded to eligible entities for programs serving each of the following populations: incumbent workers, dislocated workers, adults, and youth.”.

SEC. 126. NATIONAL DISLOCATED WORKER GRANTS.—

(a) IN GENERAL.—Section 173 (29 U.S.C. 2916) is amended—

(1) by amending the designation and heading to read as follows:

“SEC. 173. NATIONAL DISLOCATED WORKER GRANTS.”

and

(b) in subsection (a)—

(A) by striking “national emergency grants” in the matter preceding paragraph (1) and inserting “national dislocated worker grants”; and

(B) in paragraph (1), by striking subsection (c) and inserting the following:

“and

(c) ELIGIBLE ENTITIES.—Section 173b(1)(B) (29 U.S.C. 2916b(1)(B)) (as redesignated by subsection (d) of section 133) is amended by striking “, and other entities” and all that follows and inserting a period.

(d) PARTICIPANT ELIGIBILITY FOR MILITARY SPOUSES.—Section 173b(2)(A) (29 U.S.C. 2916b(2)(A)) (as redesignated by subsection (b)(1) of this section) is amended—

(1) in clause (iii), by striking “;” or “” and inserting a semicolon;

(2) in clause (i)(IV) by striking the period and inserting “;”;

and

(3) by inserting at the end the following:

“(v) is the spouse of a member of the Armed Forces who is on active duty or full-time National Guard duty, or who was recently separated from such duties, and such spouse is in need of transitional training assistance to obtain or retain employment.”.

(e) CONFORMING AMENDMENT.—The table of contents in section 1(b) is amended by adding the items relating to section 173 to read as follows:

“Sec. 173. National dislocated worker grants.”

SEC. 127. AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL PROVISIONS.—

(a) IN GENERAL.—Section 174(a)(1) (29 U.S.C. 2917(a)(1)) is amended by striking “1999 through 2003” and inserting “2006 through 2011”.

(b) RESERVATIONS.—Section 174(b) is amended to read as follows:

“(b) DEMONSTRATION AND PILOT PROJECTS; EVALUATIONS; INCENTIVE GRANTS.—

“(1) DEMONSTRATION AND PILOT PROJECTS.—

“(a) IN GENERAL.—There are authorized to be appropriated to carry out section 171, $211,000,000 for fiscal year 2006 and such sums as may be necessary for fiscal years 2007 through 2011.

“(b) RESERVATION FOR COMMUNITY-BASED JOB TRAINING.—Of the amount appropriated pursuant to subparagraph (a), the Secretary shall reserve up to $125,000,000 for carrying out section 171d.

“(2) TECHNICAL ASSISTANCE, EVALUATIONS.—There are authorized to be appropriated to carry out section 170, section 172, and section 136 such sums as may be necessary for each of fiscal years 2006 through 2011.

SEC. 132. REPORTS AND RESTRICTIONS.—

(a) IN GENERAL.—Section 181c(2)(A) (29 U.S.C. 2931(c)(2)(A)) is amended in the matter preceding clause (i) by striking “shall” and inserting “may”.

(b) LIMITATIONS.—Section 181(e) (29 U.S.C. 2931(c)) is amended by striking “training for” and inserting “the entry into employment, re- tention in employment, or increases in earnings of”.

(c) REPORTS TO CONGRESS.—Section 185(e)(2) (29 U.S.C. 2935(e)(2)) is amended by inserting “and the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate,” after “and”.

SEC. 129. NONDISCRIMINATION.—

Section 188a(2) (29 U.S.C. 2931a(2)) is amended to read as follows:

“(2) PROHIBITION OF DISCRIMINATION REGARDING PARTICIPATION, BENEFITS, AND EMPLOYMENT.—

“(a) IN GENERAL.—Except as provided in subparagraph (B), no individual shall be excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in the administration of any such program or activity because of race, color, religion, sex (except as otherwise permitted under title IX of the Education Amendments of 1972), national origin, age, disability, or political affiliation or belief.

“(b) EXEMPTION FOR RELIGIOUS ORGANIZATIONS.—Subparagraph (A) shall not apply to a recipient of financial assistance under this title that is an institution of higher education, association, educational institution, or society, with respect to the employment of individuals of a particular religion to perform work connected with the carrying on of such association, educational institution, or society of its activities. Such recipients shall comply with the other requirements contained in subparagraph (A).”.

SEC. 130. ADMINISTRATIVE PROVISIONS.—

(a) PROGRAM YEAR.—Section 189(g)(1) (29 U.S.C. 2939(g)(1)) is amended to read as follows:

“(1) IN GENERAL.—Appropriations for any fiscal year for programs carried out under this title shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.”

(b) AVAILABLE FUNDS.—Section 189(g)(2) (29 U.S.C. 2939(g)(2)) is amended by striking “each State” and inserting “each recipient.”

(c) GENERAL WAIVERS.—Section 189(i)(4) (29 U.S.C. 2939(i)(4)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i), by inserting “, or in accordance with subparagraph (D)” after “subpara- graph (B)”;

and

(2) by adding the following subparagraph:

“(D) EXPEDITED PROCESS FOR EXTENDING APPROPRIATIONS.—IN ADDITION TO THE PROVISIONS OF SUBPARAGRAPHS (B) AND (C), the Secretary may establish an expedited procedure for the purpose of extending to individuals or governmental entities or their successors or assigns existing or newly approved statutory or regulatory requirements that have been approved for a State pursuant to a request under sub- paragraph (B). Such procedure shall ensure that the extension of such waivers to additional States are accompanied by appropriate conditions relating the implementation of such waivers.”

SEC. 131. GENERAL PROGRAM REQUIREMENTS.—

Section 195 (29 U.S.C. 2945) is amended by adding at the end the following new paragraph:

“(14) Funds provided under this title shall not be used to establish or operate stand-alone fee-for-service enterprises that compete with private sector employment agencies within the meaning of section 501(c) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(c)). For purposes of this paragra- ph, such an enterprise does not include one- stop operating systems.

“(15) Any report required to be submitted to Congress, or to a Committee of Congress, under this title shall be submitted to both the chairman and ranking minority members of the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.”

TITLE II—ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION

SEC. 201. TABLE OF CONTENTS.—

The table of contents in section 1(b) is amended by adding the items relating to title II to read as follows:

“TITLE II—ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION

“Sec. 201. Short title.


“Sec. 203. Definitions.

“Sec. 204. Home schools.

“Sec. 205. Authorization of appropriations.

“CHAPTER 1—FEDERAL PROVISIONS

“Sec. 211. Reservation of funds; grants to eligible agencies; allotments.

“Sec. 212. Performance accountability systems.

“Sec. 213. Incentive grants for States.

“CHAPTER 2—STATE PROVISIONS

“Sec. 221. State administration.

“Sec. 222. State distribution of funds; matching requirements.

“Sec. 223. State leadership activities.

“Sec. 224. State plans.

“Sec. 225. Programs for corrections edu- cation and other institutionlized persons.

“CHAPTER 3—LOCAL PROVISIONS

“Sec. 231. Grants and contracts for eligible providers.

“Sec. 232. Local application.

“Sec. 233. Local administrative cost limits.

“CHAPTER 4—GENERAL PROVISIONS

“Sec. 241. Administrative provisions.


“Sec. 243. National leadership activities.”

SEC. 202. AMENDMENT.—

Title II (29 U.S.C. 2901 et seq.) is amended by adding at the end the following:

“TITLE II—ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION

“Sec. 201. SHORT TITLE.

“Title this title may be cited as the “Adult Education, Basic Skills, and Family Literacy Education Act.”

“Sec. 202. PURPOSE.

“It is the purpose of this title to provide in- structional opportunities for adults seeking to improve their literacy skills, including their basic reading, writing, speaking, and math skills, and support States and local communities in providing, on a voluntary basis, adult edu- cation, basic skills, and family literacy edu- cation programs, in order to—
“(1) increase the literacy of adults, including the basic reading, writing, speaking, and math skills, to a level of proficiency necessary for adults to obtain employment and self-sufficiency and to successfully advance in the workforce;”

“(2) assist adults in the completion of a secondary school education (or its equivalent) and the transition to a postsecondary educational institution;”

“(3) assist adults who are parents to enable them to support the educational development of their children and make informed choices regarding their children’s education including, through instruction in basic reading, writing, speaking, and math skills; and

“(4) assist immigrants who are not proficient in English in learning their reading, writing, speaking, and math skills and acquiring an understanding of the American free enterprise system, individual freedom, and the responsibilities of citizenship.”

“SEC. 203. DEFINITIONS.

“In this title:

“(1) ADULT EDUCATION, BASIC SKILLS, AND FAMILY LITERACY EDUCATION PROGRAMS.—The term ‘adult education, basic skills, and family literacy education programs’ means a sequence of academic instruction and educational services below the postsecondary level that increase an individual’s knowledge and skills in reading, writing, and math skills to enable the individuals to function effectively in society.

“(ii) do not have a secondary school diploma, General Educational Development credential (GED) or High School Equivalency (HSE) and have not achieved an equivalent level of education; or

“(iii) are unable to read, write, or speak the English language.

“(2) ELIGIBLE AGENCY.—The term ‘eligible agency’—

“(A) means the primary entity or agency in a State that is responsible for administering or supervising policy for adult education, basic skills, and family literacy education programs in the State or outlying area, respectively, under the law of the State or outlying area, respectively; and

“(B) may be the State educational agency, the State agency responsible for administering workforce investment activities, or the State agency responsible for administering community or technical colleges.

“(3) ELIGIBLE PROVIDER.—The term ‘eligible provider’—

“(A) a local educational agency;

“(B) a community-based or faith-based organization of demonstrated effectiveness;

“(C) an adult or basic skills literacy organization of demonstrated effectiveness;

“(D) an institution of higher education;

“(E) a public or private educational agency;

“(F) a library;

“(G) a public housing authority;

“(H) an institution that is not described in any of subparagraphs (A) through (G) and has the authority to provide adult education, basic skills, and family literacy education programs to adults and families; or

“(I) a consortium of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H).

“(4) ENGLISH LANGUAGE ACQUISITION PROGRAM.—The term ‘English language acquisition program’ means a program of instruction designed to help individuals with limited English proficiency achieve competence in reading, writing, and speaking the English language.

“(5) ESSENTIAL COMPONENTS OF READING INSTRUCTION.—The term ‘essential components of reading instruction’ has the meaning given to that term in section 2108 of the Elementary and Secondary Education Act of 1965.

“(6) FAMILY LITERACY EDUCATION PROGRAM.—The term ‘family literacy education program’ means an educational program that—

“(A) assists parents and students, on a voluntary basis, in achieving the purposes of this title as described in section 2102; and

“(B) is of sufficient intensity in terms of hours and of sufficient duration to make sustainable changes in the adult English proficiency rates based on scientifically based principles, and, for the purpose of substantially increasing the ability of parents and children to read, write, and speak English, integrates—

“(i) interactive literacy activities between parents and their children;

“(ii) training for parents regarding how to be the primary teacher for their children and full partners in the education of their children; and

“(iii) parent literacy training that leads to economic self-sufficiency; and

“(iv) an apprenticeship in education to prepare children for success in school and life experiences.

“(7) GOVERNOR.—The term ‘Governor’ means the chief executive officer of a State or outlying area.

“(8) INDIVIDUAL WITH A DISABILITY.—

“(A) in general.—The term ‘individual with a disability’ means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990).

“(B) INDIVIDUALS WITH DISABILITIES.—The term ‘individuals with disabilities’ means more than one individual with a disability.

“(9) INDIVIDUAL WITH LIMITED ENGLISH PROFICIENCY.—The term ‘individual with limited English proficiency’ means an adult or out-of-school youth who has limited ability in reading, writing, speaking, or understanding the English language, and—

“(A) whose native language is a language other than English; or

“(B) who lives in a family or community environment where a language other than English is the dominant language.

“(10) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given to that term in section 101 of the Higher Education Act of 1965.

“(11) LITERACY.—The term ‘literacy’ means an individual’s ability to read, write, and speak in English, comprehend, and solve problems at a level of proficiency necessary to obtain employment and to successfully make the transition to post-secondary education.

“(12) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

“(13) POSTSECONDARY EDUCATIONAL INSTITUTION.—The term ‘postsecondary educational institution’ means—

“(A) an institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor’s degree;

“(B) a tribally controlled college or university;

“(C) a nonprofit educational institution offering certificate or apprenticeship programs at the postsecondary level.

“(14) READING.—The term ‘reading’ has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965.

“(15) SCIENTIFICALLY BASED RESEARCH.—The term ‘scientifically based research’ has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965.

“(16) QUALIFYING ADULT.—For the purpose of subsection (C), the term ‘qualifying adult’ means an adult who—

“(1) is at least 16 years of age;
(2) is beyond the age of compulsory school attendance under the law of the State or outlying area;

(3) does not have a secondary school diploma or General Educational Development (GED), or other State-recognized equivalent; and

(4) is not enrolled in secondary school.

(e) ELIGIBLE AGENCY—

(1) IN GENERAL.—From amounts made available under subsection (c) for the Republic of Palau, the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or the Republic of Palau to carry out activities described in this title in accordance with the provisions of this title and the Secretary.

(2) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of Palau becomes effective.

(f) ADMINISTRATIVE COSTS.—The Secretary may provide not more than 5 percent of the funds made available for grants under this subsection to pay the administrative costs of the Pacific Regional Educational Laboratory regarding activities assisted under this subsection.

(1) HOLD-HARMLESS PROVISIONS.—

(a) IN GENERAL.—Notwithstanding subsection (c), and subject to paragraphs (2) and (3), for fiscal year 2006 and each succeeding fiscal year, no eligible agency shall receive an allotment under this title that is less than 90 percent of the allotment the eligible agency received for the preceding fiscal year under this title.

(b) EXCEPTION.—An eligible agency that receives for the preceding fiscal year only an initial allotment under section 224, expected levels of performance for each of the core indicators of performance described in paragraph (2)(A) for adult education, basic skills, and family literacy education programs funded under this title, and an eligible agency adjusted level of performance for purposes of this subparagraph shall, at a minimum, (I) be expressed in an objective, quantifiable, and measurable form; and

(II)kö show the progress of the eligible agency toward continuously and significantly improving the agency’s performance outcomes in an objective, quantifiable, and measurable form.

(2) IDENTIFICATION IN STATE PLAN.—Each eligible agency shall identify, in the State plan submitted under section 224, expected levels of performance for each of the core indicators of performance for the first 3 program years covered by the State plan.

(3) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS.

(SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.

(a) PURPOSE.—The purpose of this section is to establish a comprehensive performance accountability system, composed of the activities described in this section, to assess the effectiveness of eligible agencies in achieving continuous improvement of adult education, basic skills, and family literacy education programs funded under this title, in order to optimize the return on investment of Federal funds in adult education, basic skills, and family literacy education programs.

(b) ELIGIBLE AGENCY PERFORMANCE MEASURES.

(1) IN GENERAL.—For each eligible agency, the eligible agency performance measures shall consist of—

(A) the core indicators of performance described in paragraph (2)(A); and

(B) an eligible agency adjusted level of performance for each indicator described in subparagraph (A).

(2) INDICATORS OF PERFORMANCE.

(A) CORE INDICATORS OF PERFORMANCE.—The core indicators of performance shall include the following:

(i) Measurable improvements in literacy, including basic skills, in reading, writing, and speaking the English language and basic math, leading to proficiency in each skill.

(ii) Receipt of a secondary school diploma, General Educational Development (GED), or other State-recognized equivalent.

(iii) Placement in postsecondary education or other training.

(B) LEVELS OF PERFORMANCE.

(1) ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS.

(I) IN GENERAL.—For each eligible agency submitting a State plan, there shall be established, in accordance with this subparagraph, levels of performance for each of the core indicators of performance described in paragraph (2)(A) for adult education, basic skills, and family literacy education programs funded under this title. The levels of performance established under this subparagraph shall, at a minimum, (I) show the progress of the eligible agency toward continuously and significantly improving the agency’s performance outcomes in an objective, quantifiable, and measurable form.

(II) IDENTIFICATION IN STATE PLAN.—Each eligible agency shall identify, in the State plan submitted under section 224, expected levels of performance for each of the core indicators of performance for the first 3 program years covered by the State plan.

(III) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS.

(SEC. 213. INCENTIVE GRANTS FOR STATES.

(a) IN GENERAL.—From funds appropriated under section 211(a)(1), the Secretary may award grants to States for exemplary performance in carrying out programs under this title. Such awards shall be based on (I) the core indicators of performance established under section 212(b)(2)(A) and may be based on the performance of the State in serving populations, such as those described in section 224(b)(10), including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines appropriate.

(b) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under this title, including demonstrations and innovative programs for hard-to-serve populations.

(SEC. 221. STATE ADMINISTRATION.

(a) ELIGIBLE AGENCY.—Each eligible agency shall be responsible for the following activities under this title:

(I) The development, submission, implementation, and monitoring of the State plan.

(II) Consultation with other appropriate agencies, groups, and individuals that are involved in, or interested in, the development and implementation of activities assisted under this title.

(III) Coordination and avoidance of duplication with other Federal and State education, training, corrections, public housing, and social service programs.

(SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING REQUIREMENT.

(a) STATE DISTRIBUTION OF FUNDS.—Each eligible agency receiving a grant under this title for a fiscal year shall use an amount not less than 82.5 percent of the grant funds as award grants and contracts under section 221(b) and to carry out section 225, of which not more than 10 percent of
such amount shall be available to carry out section 225;

"(2) shall use not more than 12.5 percent of the grant funds to carry out State leadership activities; and

"(3) shall use not more than 5 percent of the grant funds, or $75,000, whichever is greater, for the administrative expenses of the eligible agency.

"(b) MATCHING REQUIREMENT.—

"(1) IN GENERAL.—In order to receive a grant from the Secretary under section 211(b), each eligible agency shall provide, for the costs to be incurred by the eligible agency in carrying out the adult education, basic skills, and family literacy education programs for which the grant is awarded, a non-Federal contribution in an amount at least equal to—

"(A) in the case of an eligible agency serving an outlying area, 2 percent of the total amount of funds expended for adult education, basic skills, and family literacy education programs in the outlying area, except that the Secretary may decrease the amount of funds required under this subparagraph for an eligible agency; and

"(B) in the case of an eligible agency serving a State, 25 percent of the total amount of funds expended for adult education, basic skills, and family literacy education programs in the State or outlying area, except that the Secretary may decrease the amount of funds required under the authority of this subsection for an eligible agency.

"(2) NON-FEDERAL CONTRIBUTION.—An eligible agency’s non-Federal contribution required under paragraph (1) may be provided in cash or in kind. The amount of the non-Federal contribution shall include non-Federal funds that are used for adult education, basic skills, and family literacy education programs in the State or outlying area.

"(a) IN GENERAL.—Each eligible agency may use funds made available under section 222(a)(2) for one or more of the following purposes:

"(1) The establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities required under section 231(b), including instruction incorporating the essential components of reading instruction and instruction provided by volunteers or by personnel of a State or outlying area.

"(2) The provision of technical assistance to eligible providers of adult education, basic skills, and family literacy education programs, including for the development and dissemination of scientifically based research instructional practices in reading, writing, speaking, math, and English language acquisition programs.

"(3) The provision of assistance to eligible providers in developing, implementing, and reporting measurable progress in achieving the objectives of this title.

"(4) The provision of technology assistance, including staff training, to eligible providers of adult education, basic skills, and family literacy education programs, including distance learning activities, to enable the eligible providers to improve the quality of such activities.

"(5) Development and implementation of technology applications or distance learning, including professional development to support the use of instructional technology.

"(6) Coordination with other public programs, including welfare-to-work, workforce development, and job training programs.

"(7) Coordination with existing support services, such as transportation, child care, and other assistance designed to increase rates of enrollment in, and successful completion of, adult education, basic skills, and family literacy education programs, for adults enrolled in such activities.

"(8) The development and implementation of a system to assist in the transition from adult basic education programs to secondary or postsecondary education programs for adults.

"(9) Activities to promote workplace literacy programs.

"(10) Activities to promote and complement local outreach initiatives described in section 243(d).

"(11) Other activities of statewide significance that will enable eligible providers in achieving progress in improving the skill levels of adults who participate in programs under this title.

"(12) Integration of literacy, instructional, and occupational skill training and promotion of linkages with employers.

"(b) COORDINATION.—In carrying out this section, eligible agencies shall coordinate where possible, and avoid duplicating efforts, in order to maximize the impact of the activities described in subsection (a).

"(c) STATE-IMPOSED REQUIREMENTS.—Whenever a State or outlying area implements any rule or policy relating to the administration or operation of a program authorized under this title that has the effect of imposing a requirement that is not imposed under Federal law (including any rule or policy based on a State or outlying area interpretation of a Federal statute, regulation, or guideline), the State or outlying area shall identify, to eligible providers, the rule or policy as being imposed by the State or outlying area.

"SEC. 224. STATE PLAN.

"(a) 6-YEAR PLANS.—

"(1) IN GENERAL.—Each eligible agency desiring a grant for any fiscal year shall submit to, or have on file with, the Secretary a 6-year State plan.

"(2) COMPREHENSIVE PLAN OR APPLICATION.—The eligible agency shall submit the State plan as part of a comprehensive plan or application for Federal education assistance.

"(b) PLAN CONTENTS.—The eligible agency shall include in the State plan or any revisions to the State plan—

"(1) an objective assessment of the needs of individuals in the State or outlying area for adult education, basic skills, and family literacy education programs, including individuals most in need or hardest to serve;

"(2) a description of the adult education, basic skills, and family literacy education programs that will be carried out with funds received under this title;

"(3) a description of how the eligible agency will evaluate and measure annually the effectiveness and improvement of the adult education, basic skills, and family literacy education programs that will be carried out with funds received under this title;

"(4) a description of how the eligible agency will use technical assistance, sanctions, and rewards (including allocation of grant funds based on performance and termination of grant funds based on nonperformance);

"(5) a description of how the eligible agency will use funds made available under section 222(a)(2) for one or more of the following purposes:

"(vi) adult education programs that will be carried out with funds received under this title;

"(vii) programs to improve the quality of such programs.

"(6) an assurance that the eligible agency will use the funds under this title only in a manner consistent with fiscal requirements in section 241;

"(7) a description of the process that will be used for public participation and comment with respect to the State plan, which process—

"(A) shall include consultation with the State workforce investment board, the State board responsible for administering community or technical colleges, the Governor, the State educational agency, the State board or agency responsible for administering block grants for temporary assistance to needy families under title IV of the Social Security Act, the State council on disabilities, the State vocational rehabilitation agency, other State agencies that promote the improvement of adult education, basic skills, and family literacy education programs, and direct providers of such programs; and

"(B) shall include consultation with the State agency on higher education, institutions responsible for professional development of adult education, basic skills, and family literacy education programs, and representatives of business and industry, refugee assistance programs, and faith-based organizations;

"(8) a description of the eligible agency’s strategies for serving populations that include, at a minimum—

"(A) low-income individuals;

"(B) individuals with disabilities;

"(C) the unemployed;

"(D) the underemployed; and

"(E) individuals with multiple barriers to educational enhancement, including individuals with limited English proficiency;

"(9) a description of how the adult education, basic skills, and family literacy education programs that will be carried out with funds received under this title will be integrated with other adult education, career development, and employment and training activities in the State or outlying area served by the eligible agency;

"(10) a description of the steps the eligible agency will take to ensure direct and equitable access, as required in section 231(c)(1), including—

"(A) how the State will build the capacity of community-based and faith-based organizations to provide adult education, basic skills, and family literacy education programs; and

"(B) how the State will increase the participation of business and industry in adult education, basic skills, and family literacy education programs;

"(11) an assessment of the adequacy of the state plan or 6-year State plan to ensure teacher quality and a description of how the State or outlying area will use funds received under this subtitle to improve teacher quality, including professional development on the use of scientifically based research to improve instruction; and

"(12) a description of how the eligible agency will consult with any State agency responsible for postsecondary education to develop adult education that prepares students to enter postsecondary education without the need for remedial or developmental courses.

"(c) PLAN REVISIONS.—When changes in conditions or other factors require substantial revision of the 6-year State plan or 6-year State plan, the eligible agency shall submit the revisions of the State plan to the Secretary.
"(d) Consultation.—The eligible agency shall—

(1) submit the State plan, and any revisions to the State plan, to the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, or outlying area for review and comment; and

(2) ensure that any comments regarding the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

"(e) Plan Approval.—A State plan submitted to the Secretary shall be approved by the Secretary only if the plan is consistent with the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

"(f) Program Authorization.—From funds made available under section 222(a)(1) for a fiscal year, each eligible agency shall carry out corrections education and education for other institutionalized individuals.

"(g) Uses of Funds.—The funds described in subsection (a) shall be used for the cost of education, training, and other services for criminal offenders in correctional institutions and for other institutionalized individuals, including academic programs for—

(1) basic skills education;

(2) special education programs as determined by the eligible agency;

(3) scholarships, fellowships, grants, and academic awards;

(4) secondary school credit or diploma programs or their recognized equivalent.

(1) Correctional Institution.—The term "correctional institution" means any—

(A) prison;

(B) jail;

(C) reformatory;

(D) work farm;

(E) detention center; or

(F) community-based re habilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders.

(2) Criminal Offender.—The term "criminal offender" means any individual who is charged with, or convicted of, any criminal offense.

"CHAPTER 3—LOCAL PROGRAMS

"(a) Grants and Contracts for Eligi ble Providers.—

(1) Grants and Contracts.—From grant funds made available under section 221(b), each eligible agency shall award multiyear grants or contracts, on a competitive basis, to eligible providers within the State or outlying area that meet the standards and requirements of this title to enable the eligible providers to develop, implement, and improve adult education, basic skills, and family literacy education programs within the State.

(2) Local Activities.—The eligible agency shall award multiyear grants or contracts to eligible providers receiving a grant or contract under subsection (a) to establish or operate one or more programs of instruction that provide services or instruction in one or more of the following categories:

(A) Adult education, basic skills, and family literacy education programs (including proficiency in reading, writing, speaking, and math);

(B) Workplace literacy programs;

(C) English language acquisition programs.

(3) Family literacy education programs.

(4) Direct and Equitable Access; Same Process.—Each eligible agency receiving funds under this title shall ensure that—

(1) all eligible providers have direct and equitable access to apply for grants or contracts under this section; and

(2) the same contract announcement process and application process is used for all eligible providers in the State or outlying area.

(5) Measurable Goals.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to demonstrate—

(1) the eligible provider's measurable goals for participant outcomes to be achieved annually on the core indicators of performance and employment performance indicators described in section 222(b)(3) allowing for the following:—

(a) the program—

(1) is of sufficient intensity and duration for participants to achieve substantial learning gains; and

(2) uses instructional practices that include the essential components of reading instruction;

(3) instructional practices are based on scientifically based research;

(4) the program effectively employs advances in technology, as appropriate, including the use of computers;

(5) the program is instruction in real-life contexts, when appropriate, to ensure that an individual has the skills needed to compete in the workplace and exercise the rights and responsibilities of citizenship;

(6) the activities are staffed by well-trained instructors, counselors, and administrators;

(7) the activities are coordinated with other available resources in the community, such as through strong links with elementary schools and secondary schools, postsecondary educational institutions, one-stop centers, job training programs, social services, family literacy education programs, and, if appropriate, with other agencies.

(b) the remaining agencies, including the eligible provider, have the capability to monitor program performance against the performance measures established by the eligible agency;

(2) the local communities have a demonstrated need; and

(3) the eligible provider is providing services to individuals with disabilities or other special needs, to attend and complete programs.

(6) Special Rule.—Eligible providers may use grant funds under this title to serve children participating in family literacy programs assisted under this part, provided that other sources of funds available to provide similar services for such children are used first.

"(b) SEC. 222. LOCAL ADMINISTRATIVE COST LIMITS.

(1) In General.—Subject to subsection (b), of the amount that is made available under this title to an eligible provider—

(i) at least 95 percent shall be expended for carrying out adult education, basic skills, and family literacy education programs; and

(ii) the remaining amount shall be used for planning, administration, personnel and professional development, and interagency coordination, the eligible provider may negotiate with the eligible agency in order to determine an adequate level of funds to be used for non-instructional purposes.

(2) Financial Assistance.—The eligible agency may receive funds under this title for any fiscal year for carrying out the activities described in paragraphs (1) and (2) of subsection (a) that the fiscal effort or aggregate expenditures under paragraph (1) that the fiscal effort or aggregate expenditures for the preceding program year were less than 10 percent of the fiscal effort or aggregate expenditures for the preceding fiscal year.

(3) Program Reporting.—In computing the fiscal effort and aggregate expenditures under this section for a fiscal year, the eligible agency shall—

(i) report the amount and quality of learning and lead to measurable learning gains within specified time periods; and

(ii) shall decrease the payment made under this title to the eligible agency for the fiscal year in proportion to the difference between the fiscal effort and aggregate expenditures for the preceding fiscal year and the fiscal effort and aggregate expenditures for the current fiscal year.

"CHAPTER 4—GENERAL PROVISIONS

"(a) Annual Report.—The Secretary shall annually report to Congress on the implementation and activities of this title.

(1) In General.—Subject to paragraphs (2) and (3), for any fiscal year with respect to which the Secretary determines under paragraph (2) that the fiscal effort or aggregate expenditures for the preceding year were less than the fiscal effort or aggregate expenditures for the preceding fiscal year, the Secretary—

(i) shall determine the percentage decreases in such effort or in such expenditures; and

(ii) shall decrease the payment made under this title for such fiscal year to the extent necessary to bring the fiscal effort or aggregate expenditures for the fiscal year under such percentage decreases.

(2) In General.—In computing the fiscal effort and aggregate expenditures for the current fiscal year, the Secretary shall—

(i) exclude expenditures for the following items—

(A) the payment for a fiscal year of grants to the eligible agency for the implementation and activities of this title; and

(B) special rule—In cases where the costs described in subsection (a) are too restrictive to allow for adequate planning, administration, personnel development, and interagency coordination, the eligible provider may negotiate with the eligible agency in order to determine an adequate level of funds to be used for non-instructional purposes.

"(b) Grants and Contracts for Eligi ble Providers.—

(1) Grants and Contracts.—From grant funds made available under section 221(b), each eligible agency shall award multiyear grants or contracts, on a competitive basis, to eligible providers within the State or outlying area that meet the standards and requirements of this title to enable the eligible providers to develop, implement, and improve adult education, basic skills, and family literacy education programs within the State.

(2) Local Activities.—The eligible agency shall award multiyear grants or contracts to eligible providers receiving a grant or contract under subsection (a) to establish or operate one or more programs of instruction that provide services or instruction in one or more of the following categories:

(A) Adult education, basic skills, and family literacy education programs (including proficiency in reading, writing, speaking, and math);

(B) Workplace literacy programs;

(C) English language acquisition programs.

"(d) Consultation.—The eligible agency shall—

(1) submit the State plan, and any revisions to the State plan, to the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, or outlying area for review and comment; and

(2) ensure that any comments regarding the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

"(e) Plan Approval.—A State plan submitted to the Secretary shall be approved by the Secretary only if the plan is consistent with the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

"(f) Program Authorization.—From funds made available under section 222(a)(1) for a fiscal year, each eligible agency shall carry out corrections education and education for other institutionalized individuals.

"(g) Uses of Funds.—The funds described in subsection (a) shall be used for the cost of education, training, and other services for criminal offenders in correctional institutions and for other institutionalized individuals, including academic programs for—

(1) basic skills education;

(2) special education programs as determined by the eligible agency;

(3) scholarships, fellowships, grants, and academic awards;

(4) secondary school credit or diploma programs or their recognized equivalent.

(1) Correctional Institution.—The term "correctional institution" means any—

(A) prison;

(B) jail;

(C) reformatory;

(D) work farm;

(E) detention center; or

(F) community-based re habilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders.

(2) Criminal Offender.—The term "criminal offender" means any individual who is charged with, or convicted of, any criminal offense.
than the amount made available for adult education, basic skills, and family literacy education programs under this title for the preceding fiscal year, then the fiscal effort per student actually expended for the eligible agency required in order to avoid a reduction under paragraph (1)(B) shall be decreased by the same percentage as the percentage decrease in the amount so made available.

"(4) WAIVER.—The Secretary may waive the requirements of this subsection for not more than 1 fiscal year, if the Secretary determines that a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or an unforeseen and precipitous decline in the financial resources of the State or outlying area of the eligible agency. If the Secretary grants a waiver under the preceding sentence for a fiscal year, the level of effort required under paragraph (1) shall not be reduced in the subsequent fiscal year because of the waiver.

**SEC. 242. NATIONAL INSTITUTE FOR LITERACY.**

"(a) IN GENERAL.—The purpose of the National Institute for Literacy is to promote the improvement of literacy, including skills in reading, writing, and English language acquisition for children, youth, and adults; to disseminate information on scientifically based research programs in reading, writing, and English language acquisition for children, youth, and adults; to make recommendations concerning the appointment of the Director of the Institute; (b) provide independent advice on the operation of the Institute; (c) receive reports from the Interagency Group and the Director; and (d) review the biennial report to the Congress under subsection (b).

"(2) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided, the Board shall be subject to the provisions of the Federal Advisory Committee Act.

"(4) APPOINTMENTS.—

"(A) IN GENERAL.—Each member of the Board shall serve for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation in which one-third of the members are selected each year. Any such member may be appointed for not more than 2 consecutive terms.

"(B) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term of the member whose term has expired shall serve only for the remainder of that term.

"(5) QUORUM.—A majority of the members of the Board shall constitute a quorum, but a lesser number may hold hearings. A recommendation of the Board must be passed only by a majority of the Board’s members present at a meeting for which there is a quorum.

"(6) COLLECTION OF OFFICE.—The Chairperson and Vice Chairperson of the Board shall be elected by the members of the Board. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

"(7) MEETINGS.—The Board shall meet at the call of the Chairperson or a majority of the members of the Board.

"(8) EXPERTS, REQUESTS, AND DEVIATIONS.

"(A) IN GENERAL.—The Institute may accept, administer, and use gifts or donations of services, money, or property, whether real or personal, tangible or intangible.

"(B) RULES.—The Board shall establish written rules setting forth the criteria to be used by the Institute in determining whether the acceptance of contributions of services, money, or property whether real or personal, tangible or intangible, would reflect unfavorably upon the Institute or any employee to carry out the responsibilities of the Institute; or official duties, in a fair or objective manner, or would compromise the integrity, or property whether real or personal, tangible or intangible, would reflect unfavorably upon the Institute or any employee to carry out the responsibilities of the Institute; or official duties, in a fair or objective manner, or would compromise the integrity, or would compromise the integrity, or property whether real or personal, tangible or intangible, would reflect unfavorably upon the Institute or any employee to carry out the responsibilities of the Institute; or official duties, in a fair or objective manner, or would compromise the integrity, or would compromise the integrity, or property whether real or personal, tangible or intangible, would reflect unfavorably upon the Institute or any employee to carry out the responsibilities of the Institute; or official duties, in a fair or objective manner, or would compromise the integrity, or would compromise the integrity, or

"(C) APPLICABILITY OF CERTAIN CIVIL SERVICE LAW.—The Directors and staff of the Institute may be appointed without regard to the provisions of titles 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter 3 of chapter 53 of title 5, United States Code.
of the Institute.

years will facilitate achievement of the purpose and English language acquisition for children, youth, Federal adults for the period covered by the report; and

(B) a description of how plans for the operation of the Institute for the succeeding 2 fiscal years will facilitate achievement of the purpose of the Institute.

(2) FIRST REPORT.—The Institute shall submit its first report under this subsection to the Congress not later than 1 year after the date of the enactment of the Job Training Improvement Act of 2005.

(1) ADDITIONAL FUNDING.—In addition to the funds authorized under section 206 and reserved for the Institute under section 211, the Secretary of Labor, and Pensions of the Senate. Each report

TITLe III—AMENDMENTS TO THE WAGNER-PeYSER ACT

SEC. 201. AMENDMENTS TO THE WAGNER-PeYSER ACT.

The Wagner-Peyser Act (29 U.S.C. 49 et. seq.) is amended—

(1) by striking sections 1 through 13;

(2) in section 14 by inserting “of Labor” after “Secretary”; and

(3) by amending section 15 to read as follows:

SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.

(a) SYSTEM CONTENT.—

(1) IN GENERAL.—The Secretary of Labor, in accordance with this section, shall develop, maintain, and improve employment statistics for the workforce and labor market information system that includes—

(A) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems that, taken together, enumerate, estimate, and project employment opportunities and conditions at national, State, and local levels in a timely manner, including statistics on—

(i) employment and unemployment status of national, State, and local populations, including self-employed, part-time, and seasonal workers;

(ii) industrial distribution of occupations, as well as current and projected employment opportunities, wages, benefits (where data is available), and skill trends by occupation and industry, with particular attention paid to State and local conditions;

(iii) the incidence of, and geographical location of, and number of workers displaced by, permanent layoffs and plant closings; and

(iv) employment and earnings information maintained in a longitudinal manner to be used for research and evaluation;

(B) information on State and local employment opportunities, and other appropriate statistical data related to labor market dynamics, which—

(i) shall be current and comprehensive;

(ii) shall meet the needs identified through the consultations described in subparagraphs (A) and (B) of subsection (c)(2); and

(iii) shall meet the needs for the information identified in section 133(d);

(C) technical assistance (which the Secretary shall publish annually) for data and information described in subparagraphs (A) and (B) that, at a minimum, meet the criteria of chapter 35 of title 44, United States Code;

(D) procedures to ensure compatibility and additivity of the data and information described in subparagraphs (A) and (B) from national, State, and local levels;

(E) procedures to support standardization and aggregation of data from administrative reporting systems described in subparagraph (A) of this section;

(F) analysis of data and information described in subparagraphs (A) and (B) for use such as—

(i) national, State, and local policymaking;

(ii) implementation of Federal policies (including allocation formulas);

(iii) program planning and evaluation; and

(iv) researching labor market dynamics;

(G) wide dissemination of such data, information, and analysis in a user-friendly manner and in accordance with Federal technical standards for dissemination mechanisms; and

(H) programs of—

(i) training for effective data dissemination;

(ii) research and development; and

(iii) programs and technical assistance.

(2) INFORMATION TO BE CONFIDENTIAL.—

(A) IN GENERAL.—No officer or employee of any Federal department or agency, or contractor (including an employee of a contractor) of such department or agency, shall examine an individual submission described in clause (i), without the consent of the individual, agency, or other person who is the subject of the submission, or provide that submission.

(B) IMMUNITY FROM LEGAL PROCESS.—Any submission (including any data derived from the submissions) that is collected and retained by a Federal department or agency, or an officer, employee, agent, or contractor of such a department or agency, for exclusively statistical purposes under this section shall be immune from the legal process and shall not be subject to the consent of the individual, agency, or other person who is the subject of the submission or provides that submission, he admitted as evidence or used for any purpose other than the purposes described in clause (i).

(C) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide immunity from the legal process for such submission (including any data derived from the submission) if the submission is in the possession of any person, agency, or entity other than the Federal Government or a contractor or subcontractor of the Federal Government, or if the submission is independently collected, retained, or produced for purposes other than the purposes described in this Act.

(D) SYSTEM RESPONSIBILITIES.—

(1) IN GENERAL.—The workforce and labor market information system described in subsection (a) shall be planned, administered, and maintained, systemization of national mechanisms; and

and voluntary technical standards for dissemination mechanisms involving the Federal Government and States.

(2) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of labor market statistics for the system, shall carry out the following duties:

(A) Assign responsibility within the Department of Labor for elements of the workforce and labor market information system described in subsection (a) to ensure that all statistical and administrative data collected is consistent with appropriate Bureau of Labor Statistics standards and definitions.

(B) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities.

(C) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority.

In consultation with the Bureau of Labor Statistics and States, develop and maintain the elements of the workforce and labor
market information system described in subsection (a), including the development of consistent procedures and definitions for use by the States in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1).

(2) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the ability of a Governor to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this section.

(3) NONDUPlication REQUIREMENT.—None of the functions and activities carried out pursuant to this section shall duplicate the functions and activities carried out under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2006 through 2011.

(5) DEFINITION.—In this section, the term ‘local area’ means the smallest geographical area for which data can be produced with statistical reliability.

TITLE IV—AMENDMENTS TO THE REHABILITATION ACT OF 1973

SEC. 401. FINDINGS.

Section 2(a) of the Rehabilitation Act of 1973 (29 U.S.C. 701(a)) is amended—

(1) in paragraph (5), by striking ‘‘and’’ at the end;

(2) in paragraph (6), by striking the period and inserting ‘‘;’’; and

(3) by inserting after paragraph (6) the following:

‘‘(7) there is a substantial need to improve and expand services for students with disabilities under this Act.’’

SEC. 402. REHABILITATION SERVICES ADMINISTRATION.

Section 3(a) of the Rehabilitation Act of 1973 (29 U.S.C. 702(a)) is amended—

(1) by striking ‘‘the Secretary’’ and inserting ‘‘Department of Education’’;

(2) by striking ‘‘President by and with the advice and consent of the Senate’’ and inserting ‘‘Secretary, except that the Commissioner appointed under the authority existing on the day prior to the date of enactment of the Job Training Improvement Act of 2005 may continue to serve in the former capacity;’’; and

(3) by striking ‘‘, and the Commissioner shall be the principal officer,’’.

SEC. 403. DIRECTOR.

(a) In General.—The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended—

(1) by striking ‘‘Commissioner’’ each place it appears, except in sections 3(a) (as amended by section 2(a)), and inserting ‘‘Director’’;

(2) in section 101(d)(2)(B), by striking ‘‘COMMISSIONER’’ and inserting ‘‘DIRECTOR’’;

(3) in section 706, by striking ‘‘COMMISSIONER’’ and inserting ‘‘DIRECTOR’’; and

(4) in section 722(a)(3), by striking ‘‘COMMISSIONER’’ and inserting ‘‘DIRECTOR’’.

(b) EXCEPTION.—Section 21 of the Rehabilitation Act of 1973 (29 U.S.C. 718) is amended—

(1) in subsection (b)(1), by—

(A) by striking ‘‘Commissioner’’ the first place it appears and inserting ‘‘Director of the Rehabilitation Services Administration’’; and

(B) by striking ‘‘referred to in this subsection as the ‘Director’’’; and

(2) by striking ‘‘Commissioner and the Director’’ each place it appears and inserting ‘‘both such Directors’’.

SEC. 404. DEFINITIONS.

Section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 705) is amended—

(1) by redesignating paragraphs (35) through (39) as paragraphs (36), (37), (38), and (40), respectively;

(2) in paragraph (38) (as redesignated as paragraph (36)), by striking ‘‘paragraph (38)(C)’’; and

(3) by inserting after paragraph (34) the following:

‘‘(35)(A) The term ‘student with a disability’ means an individual with a disability who—

(i) is not younger than 16 and not older than 21;

(ii) has been determined to be eligible under section 302(a) for assistance under this title; and

(iii) is eligible for, and is receiving, special education under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.);

(II) is an individual with a disability, for purposes of section 504.

(B) The term ‘students with disabilities’ means more than 1 student with a disability; and

(4) by inserting after paragraph (38) (as redesignated by paragraph (1)) the following:

‘‘(39) The term ‘transition services expansion year’ means—

(A) the first fiscal year for which the amount appropriated under section 100(b) exceeds the amount appropriated under section 100(b) for fiscal year 2004 by not less than $100,000,000; and

(B) each fiscal year subsequent to that first fiscal year.’’.

SEC. 405. STATE PLAN.

(a) COORDINATION WITH EDUCATION OFFICIALS AND ASSISTIVE TECHNOLOGY PROGRAMS.—Section 101(a)(11) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(11)) is amended—

(1) in subparagraph (D)(i) by inserting ‘‘, which may be provided using alternative means such as video conferencing and conference calls’’ before the semicolon; and

(2) by adding at the end the following:

‘‘(IV) in coordination with assistive technology programs. The State plan shall include an assurance that the designated State unit and the lead agency responsible for carrying out duties under the Assistive Technology Act of 1998 (29 U.S.C. 3001), as amended, have developed working relationships and coordinate their activities.’’.

(b) ASSESSMENT AND STRATEGIES.—Section 101(a)(15) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(15)) is amended—

(1) in subparagraph (A) (i) and (ii), by adding ‘‘at the end’’;

(2) in subparagraph (B), by striking ‘‘and’’ at the end; and

(3) in each place it appears and inserting ‘‘, and’’.

(c) SERVICES FOR STUDENTS WITH DISABILITIES.—In coordination with assistive technology programs, the methods to be used to improve and expand vocational rehabilitation services for students with disabilities, including the coordination of services designed to facilitate the transition of such students from the receipt of educational services in school to the receipt of vocational rehabilitation services under this title or to postsecondary education or training.

(d) SERVICES FOR STUDENTS WITH DISABILITIES.—Section 101(a) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is further amended by adding at the end the following:

‘‘(25) STUDIES AND SURVEYS.—The State plan for a transition services expansion year means—

(A) the first fiscal year for which the amount appropriated under section 100(b) exceeds the amount appropriated under section 100(b) for fiscal year 2004 by not less than $100,000,000; and

(B) each fiscal year subsequent to that first fiscal year.’’.

SEC. 406. COMMISSIONER.

Section 101 of the Rehabilitation Act of 1973 (29 U.S.C. 701) is amended by adding at the end the following:

‘‘(m) The Secretary shall—

(1) by redesignating paragraphs (35) through (39) as paragraphs (36), (37), (38), and (40), respectively;

(2) in paragraph (38) (as redesignated as paragraph (36)), by striking ‘‘paragraph (38)(C)’’; and

(3) by inserting after paragraph (34) the following:

‘‘(35)(A) The term ‘student with a disability’ means an individual with a disability who—

(i) is not younger than 16 and not older than 21;

(ii) has been determined to be eligible under section 302(a) for assistance under this title; and

(iii) is eligible for, and is receiving, special education under part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.);

(II) is an individual with a disability, for purposes of section 504.

(B) The term ‘students with disabilities’ means more than 1 student with a disability;’’; and

(4) by inserting after paragraph (38) (as redesignated by paragraph (1)) the following:

‘‘(39) The term ‘transition services expansion year’ means—

(A) the first fiscal year for which the amount appropriated under section 100(b) exceeds the amount appropriated under section 100(b) for fiscal year 2004 by not less than $100,000,000; and

(B) each fiscal year subsequent to that first fiscal year.’’.
expansion year shall provide an assurance satisfactory to the Secretary that the State—

“(A) has developed and implemented strategies to address the needs identified in the assessment required in paragraph (15), and achieve the goals and priorities identified by the State, to improve and expand vocational rehabilitation services for students with disabilities on a statewide basis in accordance with paragraph (15); and

“(B) from funds reserved under section 110A, shall fund programs or activities designed to improve and expand vocational rehabilitation services for students with disabilities that—

“(i) facilitate the transition of the students with disabilities from school to post-school educational and employment activities, including employment.

“(ii) improve the achievement of post-school goals of students with disabilities, that facilitate the achievement of the employment outcome identified in the individualized plan for employment, including, in a transition services expansion year, services described in clauses (i) through (iii) of section 110(a)(25)(B); and

“(iii) support outreach activities to students with disabilities who are eligible for, and need, services.

SEC. 406. SCOPE OF SERVICES.

Section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723) is amended—

(1) by striking paragraph (15) and inserting the following:

“(15) transition services for students with disabilities that facilitate the achievement of the employment outcome identified in the individualized plan for employment, including, in a transition services expansion year, services described in clauses (i) through (iii) of section 110(a)(25)(B); and

(2) in subsection (b), by striking paragraph (6) and inserting the following:

“(6) Consultation and technical assistance services to assist State and local educational agencies in planning for the transition of students with disabilities from school to post-school activities including employment.

“(ii) In a transition services expansion year, training and technical assistance described in section 110(a)(25)(B)(ii).

“(B) In a transition services expansion year, services for groups of individuals with disabilities who meet the requirements of clauses (i) and (ii) of section 7(35)(A), including services described in clauses (i), (ii), (iii), and (iv) of section 110(a)(25)(B), to assist in the transition from school to post-school activities, shall no longer be provided to individuals with disabilities unless it is determined that there shall be such services.

“(C) Include measures of the program’s performance with respect to the transition to post-school vocational activities, and achievement of post-school activities, the post-school activities of students with disabilities served under the program.”.

SEC. 408. RESERVATION FOR EXPANDED TRANSITION SERVICES.

The Rehabilitation Act of 1973 is amended by inserting after section 110 (29 U.S.C. 730) the following:

“SEC. 110A. RESERVATION FOR EXPANDED TRANSITION SERVICES.

“(a) Reservation.—From the State allotment under section 110 in a transition services expansion year, each State shall reserve an amount calculated by the Director under subsection (b) to carry out programs and activities under sections 110(a)(25)(B) and 110(b)(6).

“(b) Calculation.—The Director shall calculate the amount to be reserved for such programs and activities for a fiscal year by each State by multiplying $50,000,000 by the percentage determined under paragraph (1) (the amount allotted to that State under section 110 for the prior fiscal year, by multiplying $50,000,000 by the percentage determined in clause (1) of section 110 for all States under section 110 for that prior fiscal year).

SEC. 409. CLIENT ASSISTANCE PROGRAM.

Section 112(e)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 732(e)(1)) is amended by redesignating subparagraph (D) as subparagraph (E) and inserting after subparagraph (C) the following:

“(D) The Secretary shall make grants to the protection and advocacy system serving the American Indian Consortium to provide services in accordance with this section. The amount of such grants shall be the same as provided to territories under this subsection.”.

SEC. 410. PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS.

Section 506(c)(2) of the Rehabilitation Act of 1973 (29 U.S.C. 796(c)(2)) is amended by striking “was paid” and inserting “was paid, except that program income generated from such amounts shall be available to such system for one additional fiscal year”.

SEC. 411. CHAIRPERSON.

Section 766(b)(3) of the Rehabilitation Act of 1973 (29 U.S.C. 796(b)(3)) is amended to read as follows:

“(3) CHAIRPERSON.—The Council shall select a chairperson from among the voting membership of the Council.

SEC. 412. AUTHORIZATIONS OF APPROPRIATIONS.

The Rehabilitation Act of 1973 is further amended—

“(1) in section 100(b)(1) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(2) in section 100(b)(2) by striking “fiscal year 2003” and inserting “fiscal year 2011”;

“(3) in section 110(c) by amending paragraph (2) to read as follows:

“(2) The sum referred to in paragraph (1) shall be, as determined by the Secretary, not less than 1 percent and not more than 1.5 percent of the amount referred to in paragraph (1) for each of fiscal years 2003 through 2011;

“(4) in section 112(h) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(5) in section 201(a) by striking “fiscal years 1999 through 2003” each place it appears and inserting “fiscal years 2006 through 2011”;

“(6) in section 201(b) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(7) in section 203(c) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(8) in section 204(b) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(9) in section 205(b) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(10) in section 205(d) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(11) in section 302(j) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(12) in section 506(l) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(13) in section 625 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(14) in section 714 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(15) in section 727 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”;

“(16) in section 625 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2006 through 2011”.

TITLES V THROUGH EIGHT EFFECTIVE DATE.

SEC. 501. TRANSITION PROVISIONS.

The Secretary of Labor shall take such actions as the Secretary determines to be appropriate to provide for the orderly implementation of this Act.

SEC. 502. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act, shall take effect on the date of enactment of this Act.

The CHAIRMAN. No amendment to this limited amendment is in order except those printed in House Report 109-11. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered 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.

It is now in order to consider amendment No. 1 printed in House report 109-11.

AMENDMENT OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Chairman, I offer an amendment as a designee of the gentleman from Massachusetts (Mr. Tierney), the proponent.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:
Amendment No. 1 offered by Mr. KILDEE: Strike sections 111 and 119.

In section 101(1), strike “paragraphs (13) and (21)” and redesignate succeeding paragraphs (1) through (20) as paragraphs (1) through (20)’.

In section 102, strike “; and” and insert a period.

Strike paragraph (9) of section 101.

In the table of contents in section 2 of the bill, strike the items related to section 111 and redesignate succeeding items accordingly.

In the table of contents in section 2 of the bill, strike the item related to section 119 and redesignate succeeding items accordingly.

The CHAIRMAN. Pursuant to House Resolution 126, the gentleman from Michigan (Mr. KILDEE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Michigan (Mr. KILDEE).

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

Mr. Chairman, current law requires that services be provided to both in-school youth and out-of-school youth. Nothing in the Act prevents States from spending all of youth funds on out-of-school youths. In fact, as many as 17 States spend more than 30 percent on out-of-school programs. The majority of States are challenged by current out-of-school requirements.

Eliminating services for in-school youth cuts funding for programs designed to keep youths in school, to develop workforce skills, to prepare for post-secondary education, and provide after school and summer opportunities.

H.R. 27 limits the business community’s ability to work with schools and prepare emerging workforces. In many communities, you have that cooperation between the business community and the schools.

H.R. 27 restricts services for rural youths. Many rural in-school programs provide workforce development and on-school support service for students who are at-risk for dropping out. I think it is very, very important that we maintain the in-school youth program, and that is the purpose for me offering this amendment.

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

Mr. BOEHNER. Mr. Chairman, I rise in opposition to the gentleman’s amendment and yield myself such time as I may consume.

Mr. Chairman, the amendment that is being offered by my friend, the gentleman from Michigan (Mr. KILDEE), would strike all of the positive reforms for youth training and education, and provide after school and summer opportunities. Under current law, funds for the WIA youth program are spread too thinly, as they fund programs that both serve in-school and out-of-school youth.

In the White House, the Disadvantaged Youth Task Force has proposed targeting Federal funding to assist the most in need and to reduce the duplication of services amongst Federal programs. There are a large number of programs today designed to deal with in-school, at-risk children, and there is really only one program in WIA that is targeted at out-of-school youth.

What we tried to do in this bill was to strike a balance by requiring that 70 percent of the youth program funds go to out-of-school youth, a population that is by and large ignored and that I think these funds ought to be targeted to. We do allow the local workforce boards to use up to 30 percent of their programs for in-school youth; but there are other programs, a half a dozen other programs, targeted at these at-risk children who are in school.

So as a way of trying to bring more synergy to an effort to help out-of-school youth, I think the language we have in the bill strikes the right balance.

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

Mr. KILDEE. Mr. Chairman, I yield the balance of my time to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise to oppose the Tierney amendment, and I thank the distinguished gentleman from Michigan (Mr. KILDEE) for yielding me this time and also for his leadership. I also want to thank the gentleman from Massachusetts (Mr. TIEMEY) for his leadership. I know he was very thoughtful in this amendment.

Particularly when we talk about these programs, what comes to mind, and I heard the gentleman from Michigan (Mr. KILDEE) be so eloquent in the Committee on Rules about the effectiveness and the importance of a training program, number one, for the new jobs of the 21st century. I am reminded of the fact that I spent a good part of my career in the workforce investment boards in Texas, and I have several programs that are critical to their work, but you are literally undermining the opportunities for inner-city and rural youth to move to the next level of opportunity. You are extinguishing the right and the exposure that they have for career preparation. You go into these youth training programs and you look at the smiles on the faces of individuals who have come from experiences where there was no work, where their families are unemployed, and there is no hope and opportunity.

I am very disappointed, in addition, to the cut in youth programs, and the fact that we are now getting rid of the veterans’ preference for job training, actually what an outrage. With a million people having served in Afghanistan and Iraq, with the devastation of the impact of those returning veterans, with their emotional problems and injuries, and now we have this option that they are not worthy of a job preference.

Let me also say that when you block-grant these dollars, you block-grant job training away. That is what this program does; and in particular, it sends away this opportunity.

My last point is that I might beg to differ with the chairman of this particular distinguished committee. There is no discrimination in this bill. And, frankly, I think he should follow the Kildee model, who said that he knew a priest in Detroit who had a job training program who made sure that there was no discrimination, whether someone is a Muslim, whether they are Jewish or Protestant. A program that is based upon religion and allows someone to deny you the opportunity for a job or a training position under the auspices of being a particular faith and being in charge of that particular program is discrimination under title VII in the 1964 Civil Rights Bill or under any discrimination law that has been passed in America and that exists today.

Frankly, I believe this bill, even in its presence on the floor of the House, should go no further than this House; and I ask my colleagues to support the Tierney amendment, but to oppose the underlying bill.

Mr. BOEHNER. Mr. Chairman, I yield myself such time as I may consume just to correct the record.

The gentlewoman who just spoke says that we eliminated a preference for veterans in this bill. The fact is that there is a preference for veterans written into the law. That has not changed at all.

Secondly, the gentlewoman said there are block grants in the underlying bill. There are no block grants. As a matter of fact, the targeting of funds to the local workforce boards in this bill is more structured than it is today under current law, so that at least 75 percent of the funds available back to the States must go to the local workforce investment boards.

Lastly, the gentlewoman said that we have discrimination in this bill. I would just remind the gentlewoman that when our predecessors wrote the 1964 Civil Rights Act, they recognized in title VII that religious organizations ought to be protected in their hiring so that they would not be required to hire anybody that shows up, but could, if they wanted to, only hire those people within their faith.

Now, if people want to disagree with title VII of the 1964 Civil Rights Act, they certainly have that right. They may go to the Committee on the Judiciary and change that law, but let us not try to do it in this bill.

Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Georgia (Mr. PRICE), a member of the committee.

Mr. PRICE of Georgia. Mr. Chairman, I appreciate the opportunity to speak again on this, and I am astounded, frankly, at the level of misinformation that is coming from the other side.

I think it is important to look at the bill specifically as it defines youth. The definition of youth has changed.
The age for when an individual is considered a youth has changed. Currently it is 14 to 21 years. In the bill, it would change it from 16 to 24 years. What that means is that we have more individuals out of school, out of school, who are assistance. And that is one of the reasons the provision is in the bill to change it, so that more individuals out of school will have greater opportunity to access those monies.

It is also important to appreciate this is a Department of Labor program. The Department of Education has a phenomenal number of programs eligible for in-school youth that really dwarfs the amount of money for the out-of-school individuals, 15 to 1 by my count. Some of those programs are title I grants to improve education for the disadvantaged, neglected and delinquent grants to local educational agencies, 21st Century Learning Centers, Safe and Drug-Free Schools and communities, Billings Educational Instructional Services, Dropout Prevention Grants, and on and on and on, Striving Readers Grant and Vocational Technical Education.

In summary, no one, no one is doing what they are meant to do, and that is one of the reasons the provision is in the bill to change it, so that more individuals out of school will have greater opportunity to access those monies.

Mr. TIERNEY. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan (Mr. KILDEE), the author of the amendment.

Mr. TIERNEY. Mr. Chairman, I thank the chairman very much. This is an example of the collegiality of our Committee on Education and the Workforce. We do not agree often, but we at least have a good collegial time doing it.

I just want to stress the points that I made. And the fact of the matter is that having a mandate that every State put all their money toward out-of-school youth does not help those States that have an in-school youth issue. It also deprives a lot of programs that are working with our business community and in-school youth to get them better equipped to not only support themselves but their families to have them more self-sufficient when they get out of school. Those programs would be slashed in many States if H.R. 27 were to go into law as it is.

We have a great need for these in many States; programs like Girls Inc., Action Inc. and others work that way. I respect the chairman giving me this time to make that point, that this H.R. 27 change is a solution that does not have a problem.

The Acting CHAIRMAN (Mr. BASS). All time having expired, the question is on the amendment offered by the gentleman from Michigan (Mr. KILDEE).

The question was taken, and the Acting Chairman announced that the noes appeared to have it.

Mr. TIERNEY. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. The Clerk will report the vote taken. The Acting Chairman. It is now in order to consider amendment No. 2 printed in House Report 109-11.

AMENDMENT NO. 2 OFFERED BY MS. VELAZQUEZ

Ms. VELAZQUEZ. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Ms. VELAZQUEZ.

In subsection (e)(7)(a)(i) of the matter proposed to be inserted by section 123, add at the end the following:

"(IV) Borrower guarantee fees for loans made pursuant to section 7(a) of the Small Business Act (15 U.S.C. 636(a))."

The Acting CHAIRMAN. Pursuant to House Resolution 126, the gentlewoman from New York (Ms. VELAZQUEZ) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from New York (Ms. VELAZQUEZ).

Ms. VELAZQUEZ. Mr. Chairman, I yield myself such time as I may consume.

(Ms. VELAZQUEZ asked and was given permission to revise and extend her remarks.

Ms. VELAZQUEZ. Mr. Chairman, for many unemployed workers, starting a small company provides opportunities for career growth and financial success. But the lack of access to capital prevents many entrepreneurs from starting their own businesses. The Small Business Administration's 7(a) loan program is a critical source of capital for small businesses, providing 30 percent of all long-term loans to U.S. entrepreneurs.

Despite the success of the 7(a) loan program, the Bush administration has repeatedly underfunded it, implementing a series of caps, imposed burdensome restrictions, and shut down the program with no funds. That attack on October 1, the President doubled the fees that small businesses must pay to receive a 7(a) loan.

These new up-front fees are limiting the number of small businesses that can afford 7(a) loans. For a loan of $150,000, an entrepreneur must now pay nearly $3,000 in up-front fees, a significant cost for someone trying to start a company. These higher costs have significantly reduced small business use of the 7(a) program, as loan volume has decreased by 50 percent since the new fees were implemented. The impact has been so great that this January the SBA made fewer loans than when the administration shut down the entire program last January.

President Bush was wrong when he increased the burden entrepreneurs face in accessing capital. This amendment acknowledges the shortsightedness of that decision. It states that new fees on 7(a) loans are hurting small businesses and demonstrates congressional support for using Federal funding to cover the cost of these fees.

A vote for this amendment is a vote against the Bush administration's policy raising the fees on 7(a) loans. It is a vote for our Nation's up-and-coming small business owners.

I have serious reservations about personal Reemployment Accounts, as they will place severe limits on the amount of training an unemployed worker can receive. However, if Congress is going to establish Personal Reemployment Accounts, then we should provide these entrepreneurs with the opportunity to use these resources to secure the capital needed to start small businesses. Unemployed workers should be allowed to use these funds in their accounts to pay for the cost of the 7(a) loans, and that is exactly what my amendment will do.

Given President Bush's commitment to creating an ownership society, I am surprised there are not more provisions in this bill to help unemployed workers start their own small businesses. The goal here is help reduce high unemployment, create a strong workforce, and boost our economy. This cannot be achieved without
a stronger commitment to our Nation’s entrepreneurs. After all, it was laid-off managers launching their own small businesses that turned our economy around during the last recession.

We need a revival of entrepreneurship in this country that will spur more job creation and our economy. To do this, we must take advantage of every opportunity to ensure that capital is accessible and affordable for all start-up small business owners, and we must make it clear that President Bush is falling short of our entrepreneurs. This amendment is one of those opportunities, and I urge my colleagues to support it.

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

Mr. McKEON. Mr. Chairman, although I do not oppose the amendment, I ask unanimous consent to claim the time in opposition.

The Acting CHAIRMAN (Mr. Bass). Without objection, the gentleman from California is recognized for 5 minutes.

There was no objection.

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

As I prepared to accept this amendment, or to support this amendment, the gentleman’s rhetoric almost decided me not to.

But as I read the amendment, it says the amendment would allow unemployed workers to use personal re-employment accounts to cover the borrower guaranty costs associated with small business claims. If we can keep the focus on that, instead of the rhetoric against President Bush, I see no reason to oppose this amendment.

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

Ms. VELAZQUEZ. Mr. Chairman, I yield myself the balance of my time.

On October 1, the Bush administration effectively implemented a tax on U.S. entrepreneurship. By doubling the fees on 7-A loans, the Bush administration has severely limited access to critical source of capital for our Nation’s small businesses.

I want to be on record, and I want every Member in this House to be on record about the fact that last July, an amendment to the CJS appropriation that would have protected the 7-A program was approved with strong support. However, the House was on record then, and we should continue to be on record for the small business community.

This amendment sends a message that Congress is not willing to accept the recent policy decisions of the Bush administration to fail our entrepreneurs. They are our job creators. They drive our economy and they deserve our support.

Our goal is to fully repeal the freeze on the 7-A loans. While this amendment will not offer the full relief it will help entrepreneurs afford this vital source of capital. So I therefore urge my colleagues to support this amendment.

Mrs. CHRISTENSEN. Mr. Chairman, I rise in support of the Velázquez amendment to H.R. 27 but in strong opposition to the underlying bill. H.R. 27 is a fundamentally flawed and partisan job training bill, which does nothing to address the root causes of why little actual job training services are provided under the Workforce Investment Act.

The Velázquez amendment would compensate for the harm in the Bush administration’s policy of raising the fees on 7(a) loans and its proposal to undermine existing job-training programs and all untested job-training voucher program. It addresses these two critical issues by offering a solution that would benefit entrepreneurs by providing them the opportunity to use funds from personal reinvestment accounts to secure the capital needed to start small businesses.

Mr. Chairman, with our high employment rate and the administration’s failure to create the number of jobs it promised, entrepreneurship is a viable alternative to unemployment.

The Velázquez amendment allows unemployed workers to use their personal reinvestment accounts to defray the costs of the administration’s recent fee increases for the 7(a) loan program. This fee increase on the 7(a) program puts the program out of reach for newly unemployed workers. This amendment would help to defray the cost of the 7(a) loan program for potential borrowers.

Access to capital is the biggest obstacle that entrepreneurs face in starting small businesses. A vote for this amendment is a vote to give unemployed workers resources to invest in their future by securing capital to start small businesses. Not only would this amendment help our Nation’s unemployed, it will also boost job creation. After all, small businesses account for approximately 75 percent of the net new jobs added to the economy.

I would like to commend Ranking Member Velázquez on her amendment and continued commitment to our Nation’s small businesses. I urge my colleagues to support the Velázquez amendment.

Ms. VELAZQUEZ. Mr. Chairman, I yield back the balance of my time.

Mr. McKEON. Mr. Chairman, I ask unanimous consent to reclaim the balance of my time.

The Acting CHAIRMAN. Mr. Chairman, I object.

The Acting CHAIRMAN. Objection is heard.

The question is on the amendment offered by the gentlewoman from New York (Ms. VELAZQUEZ).

The Acting CHAIRMAN. Mr. Chairman, I object.

The question is on the amendment offered by the gentlewoman from New York (Ms. VELAZQUEZ). The Acting Chairman announced that the ayes have it.

Ms. VELAZQUEZ. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from New York (Ms. VELAZQUEZ) will be postponed.

It is now in order to consider Amendment No. 3 printed in House report 109–11.

AMENDMENT NO. 3 OFFERED BY MR. SCOTT OF VIRGINIA.

Mr. SCOTT of Virginia. Mr. Chairman, I offer an amendment.

The Acting CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. Scott of Virginia:

Strike section 129.

In the table of contents in section 2 of the bill, strike the item relating to section 129, and redesignate succeeding sections accordingly.

The Acting CHAIRMAN. Pursuant to House Resolution 126, the gentleman from Virginia (Mr. SCOTT) and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT of Virginia. Mr. Chairman, I yield myself 1 minute and 15 seconds.

Mr. Chairman, I made a previous statement on this amendment during the consideration of the rule, so let me just say that this amendment is offered along with my colleagues, the gentlewoman from California (Ms. WOOLSEY), the gentleman from Maryland (Mr. VAN HOLLEN), the gentleman from Massachusetts (Mr. FRANK), the gentleman from Florida (Mr. ENRICO FLANDRAU) and the gentleman from New York (Mr. NADLER) in order to preserve and maintain civil rights protections as they currently appear in job training law.

Current law prohibits sponsors of job training programs from discriminating in hiring based on race or religion. This amendment will keep the law the way it has been since 1965. We have heard some comments about title VII. Title VII gives the religious organization an exemption to discriminate with its own money. It was never intended to apply to Federal money.

In any event, there has been no discrimination in job training programs with Federal money, whether it is faith-based sponsored or otherwise since 1965.

Speakers have suggested that religious organizations have barriers to participation. They do not say what the barrier is. The barrier is that you cannot discriminate in employment with the Federal money. Any program that can get funded under this new language in the bill could be funded anyway under the traditional funding, no discrimination, if the sponsor would agree not to discriminate in employment. That has been the rule since 1965.

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

Mr. BOEHNER. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Virginia.

The Acting CHAIRMAN. The gentleman from Ohio (Mr. BOEHNER) is recognized for 30 minutes.

Mr. BOEHNER. Mr. Chairman, I yield myself such time as I may consume. The amendment by my friend from Virginia would actually work against the neediest citizens in our local communities. Faith-based organizations such as churches, synagogues and other
faith-based charities are a central part of the fabric of local communities across America. Many of these faith-based institutions provide assistance to the hardest-to-serve individuals because they often go where others will not and serve those others prefer to be served and go out of the way to meet people where they are rather than where we would want them to be.

President Bush noted yesterday at a speech that one of the key reasons why many faith-based groups are so effective is that they serve is grounded in the shared values and religious identity of their volunteers and their employees. In other words, effectiveness happens because people who share faith show up to help a particular organization based on that faith to succeed.

I agree with President Bush that many faith-based organizations can make a vital contribution to Federal assistance programs. Yet this amendment rights faith-based institutions their rights, under the historic 1964 Civil Rights Act. Considering the proven track record of faith-based providers in meeting the needs of our citizens, why would we want to deny them the opportunity to help in Federal job training efforts?

Unfortunately, in some Federal laws, these faith-based organizations have been stripped of their hiring rights and must relinquish their civil liberties if they choose to participate in Federal service initiatives.

The landmark 1964 Civil Rights Act explicitly protects the rights of religious organizations to take religion into account into their hiring practices. In fact, the Civil Rights Act made clear that when faith-based organizations hire employees on a religious basis, it is an exercise of the organization’s civil rights and not discrimination under Federal law.

Those organizations willing to serve their communities by participating in Federal programs should not be forced to compromise their religious liberties in order to serve those in need. The U.S. Supreme Court in 1987 upheld the rights of faith-based institutions and held that it was constitutional for these groups to take religion into account when making hiring decisions.

Former Democrat President Bill Clinton himself signed four laws explicitly allowing faith-based groups to staff on a religious basis when they receive Federal funds. Those laws are the 1996 Welfare Reform Law, the 1998 Community Services Block Grant Act, the 2000 Community Renewal Tax Relief Act, and the 2000 Substance Abuse and Mental Health Services Administration Act.

President Bush has worked tirelessly to remove the barriers that needlessly discourage faith-based groups from bringing their talents and compassion to Federal initiatives that help Americans in need. And just yesterday, again, he called on Congress to send him the same language protecting religious hiring that President Clinton signed on four other occasions. The underlying bill answers the President’s call and takes advantage of the positive role that faith-based institutions play in our communities in serving the needy. We should not be denying faith-based providers the opportunity to serve the neediest of our citizens. And I urge my colleagues to vote no on the Scott amendment.

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

Mr. SCOTT of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from California (Ms. WOOLSEY), a cosponsor of the amendment.

Ms. WOOLSEY. Mr. Chairman, I will begin by correcting two misunderstandings about this amendment. First, it would not keep faith-based organizations from hiring members of their own religion with their own funds in the exercise of their faith.

Second, it would not keep faith-based organizations from participating in job training programs under this bill. What this amendment does is to make sure that a faith-based organization accepts Federal funds for job training, then in delivering job training, it cannot engage in religious discrimination.

Yesterday President Bush called on Congress, and let me quote, “to judge faith-based groups by results, not by their religion.”

Well, current law does judge faith-based organizations by results, not by their religion. But sadly, the Supreme Court held in 1987 that faith-based organizations could refuse to hire the best qualified workers because they are not the right religion. That is wrong, it is unconstitutional, and it is bad policy.

Under H.R. 27, a faith-based grantee could refuse to hire the best qualified person for the grant or even fire its best worker because they are not the right religion. That is wrong, it is unconstitutional, and it is bad policy.

The Civil Rights Act of 1964 does not say in any way that religious organizations can take taxpayer dollars and then discriminate in their hiring based on religion when they are providing services based on those dollars. The issue is very simple. Taxes are paid by Christians, by Jews, by Muslims, by people of all denominations. We are now using those resources to provide to faith-based organizations, and what the House bill of course allows is to say to somebody who is coming to apply for a job to provide job training services, you know what, we know you are qualified, we know you have a great education, know you can do a good job in providing job training services, but you are the wrong religion. We do not want you because you are Christian, we do not want you because you are Jewish, we do not want you because you are Muslim. That is a terrible message to send to people throughout this country. In fact, it is a great irony that in a bill that is designed to provide job training to help
I urge my colleagues to stick with the current law, because what the underlying bill does is eliminate current law and give a green light that allows people to discriminate based on religion, a terrible message to send. Let us not do it.

Mr. BOEHNER. Mr. Chairman, I yield myself 30 seconds. Title VII of the 1964 Civil Rights Act explicitly says that religions in the United States that, in fact the interpretation in the Presiding Bishop v. Amos, the Supreme Court unanimously upheld the language permitting religious organizations to staff on a religious basis in matters concerning employment when they receive Federal funds, in a unanimous decision. Finding that the exemption did not violate the establishment clause, the Supreme Court has made it clear that it is “a permissible legislative purpose to alleviate significant governmental interference with the ability of religious organizations to define and carry out their religious missions.”

Everywhere preserving the content of their activities is secular, in the sense that activities do not include religious teaching, proselytizing, or worship, and it is very important for everybody to understand, we all agree you cannot have prayer, you cannot proselytize, you cannot use government funds for anything but a secular purpose in job training. Justice Brennan, hardly a conservative, said that even if a religious organization is providing job training, which would be a secular thing, it is likely to be infused with a religious purpose. In other words, the motivation of the individuals probably is religious.

He also recognized that churches and other religious entities “often regard the provision of such services as a means of fulfilling religious duty and of providing an example of the way of life a church seeks to foster.” He is perhaps one of the greatest liberal justices of all time. And then he recognized that religious organizations engage in social services is a necessary element of religious freedom.

This attempt to redefine the Supreme Court in today’s debate is unfortunate. It is, in my opinion, bigotry against many religious people in the United States who would like to provide assistance to the poor, who would like to leverage their funds, their volunteers, and their energies, but are being told that even though they accept everybody in, even though they cannot proselytize with it, that they are not welcome to participate, they are going to have their liberties taken away.

For example, a case we often hear, they can set up a 501(c)3 or not have that reach, but Catholic Charities, an organization that historically has taken funds and it is often held up, the California Supreme Court just said that because Catholic Charities offers secular services to clients and does not directly preach Catholic values, it is therefore not a religious organization. Therefore, the court ruled that Catholic Charities must provide secular services contrary to their religious principles.

Furthermore, as we take the logical extension of this which we are dealing with in whether we provide buses and computers to private schools and which would certain the education bills in front of our committee, one of the questions is, if those funds run through the bishop’s office, does in fact the reach of the funds that go for buses and for computers, which the court has ruled a religious institution, proselytizing, the software does the proselytizing, will this reach back in because the governance of Catholic Charities ultimately comes back to the bishop’s office?

Court rulings are increasingly tilting that direction because we have falsely interpreted what is religious liberty in the United States and that we have to make it clear in these bills which, as the chairman has pointed out, have passed multiple times, the President of the United States in many of these was not President Bush pushing a faith-based initiative, but President Clinton. And as the Member from Maryland has pointed out, he did not enthusiastically say this was going to be upheld; but the fact is over the objections of many on his side, he supported it.

Former Vice President Gore has said specifically that religious organizations must prove their religious character in order to participate. What does religious character mean? It means that if you are an Orthodox Jewish group and you are going to serve everybody in your community, that you get to be an Orthodox Jewish group, if you are an evangelical group that believes in the resurrection of Jesus Christ, that people who represent your organization should share that belief; if you are a Muslim group, that people who represent that group should share that belief.

The fundamental question here is, and through my Subcommittee on Criminal Justice and Human Services, we held eight hearings across the United States and we had a great debate in every region of the country, but many organizations came forth, whether they were Catholic, Jewish, or Christian, in some form, and said, we cannot compromise the nature of our faith if we are going to make us change our hiring practices.

So what we are saying, by trying to take away their religious liberty, if they want to provide secular services, they need to discriminate against people and changing policy contrary to what President Clinton has supported, contrary to what President Bush has supported, contrary to the different nominees of both parties; and it will be a sad day if this Congress after bipartisan efforts for the last 5 to 8 years to push this type of legislation to allow these faith-based groups at the table would go backwards and say, you are no longer welcome, you are not invited to help anymore, you are off the table.

I believe that the Members and I know one argument is that we had these debates in the middle of the night, I believe Members actually looked at those bills and they knew what they were voting for, and I hope they were not flip-flop but stay what they believed.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts (Mr. Frank), a cosponsor of the amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, the history of the Courts have been on both sides. The principle is what is involved. We are told that if we adopt this amendment, we are denying the liberty to religious organizations. The liberty that is being asked, frankly I am disappointed to hear this asserted, and I think the greatest denigration of religious organizations coming forward here are those who are saying this: there are religious groups in this country who are not helping people, they get Federal tax dollars to help people in need and they are forced to associate with heathens and unbelievers and infidels, then they will be driven away.

What is so terrible about saying to the Orthodox Jews in Brooklyn who were cited, you want to help the people in Brooklyn, the people you want to help will be black and Hispanic, they will be white and poor and Jewish and Christian. If you really want to help peoples to help people, they get Federal taxes to help people in need and they are forced to associate with heathens and unbelievers and infidels, then they will be driven away.

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black people in Brooklyn. And if in fact you have a policy that says all the money is going to go in these areas to the religious groups, then what about people who are not religious? The Constitution says you should not discriminate against them. You may not think much of the way, but you should not be discriminating against them, but they cannot ever get a job.

And you talk about message. I love this message. What we are going to be saying if you win here in the House of Representatives in attention all the time, the organizations, do not hire Sunnis. That is your principle. Apparently, we are going to be encouraging the people in Iraq with Israeli Government money or American Government money, a lot of it is going to Iraq, do you really think you want to send that message to the gentleman that when they try to rebuild their country they should not hire Sunnis?

And what are you saying? That there is something somehow so corrosive about associating with someone of a different religion that it disables you from doing good? What kind of motivation do you impute to these people? You want to do good, but you should not have to associate with one of those people, even if you acknowledge that the people being served have to be of all religions. So this religious purity that apparently is so essential has already been dissolved.

But here is the point: we are being asked to say, yes, Americans, yes, you will pay taxes for this; but the taxes you pay, you are not eligible for a job because you believe in the wrong God. Or you believe in God in the wrong way. You believe in the wrong denomination. Or you do not believe. Again, what are you saying? Is it really the case that religious organizations, that they are somehow so angry towards outsiders, that they feel so unclean that they cannot help people in need if they have to associate with people who are different? It means we should not believe in the mission of this entity, but they do not share the same religion?

I hope we will not so characterize religious people as being so narrow and so biased towards people not of their own religion that they cannot even work with them in this common cause to which they say you are committed.

Mr. SOUDER. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania (Mr. PITTS). Mr. PITTS.

Mr. PITTS. Mr. Chairman, I rise in opposition to this amendment. The 1964 Civil Rights Act explicitly protects the rights of religious organizations to take religion into account in their hiring practices. In fact, the Civil Rights Act made clear that when faith-based organizations hire employees on a religious basis, it is an exercise of the organization's civil liberties and does not constitute discrimination under Federal law.

The writers of that legislation understood that a church, a synagogue, a mosque all operate as distinctly religious organizations. They are, therefore, protected under the first amendment's right to the free exercise of religion.

Why are we being asked today, then, to approve an amendment that revokes the constitutional right of faith-based communities to practice their religions freely? This amendment would revoke the constitutionally protected right of faith-based groups to maintain their religious nature and character through those they hire. By denying the rights of religious organizations to hire according to their principles, this amendment declares war between the government and faith-based organizations, it cuts services for people in need, it eliminates the role of faith-based organizations in our government efforts to help.

I doubt that the gentleman from Virginia would support an amendment forcing him to hire staff who oppose his values and priorities as a legislator. Why then are we being asked to call it discriminatory when a Christian or Muslim charity wants to consider the beliefs of potential employees before hiring them? Such practices have been upheld by the United States Supreme Court. If you do not like this amendment, we might as well revisit the Civil Rights Act itself, since we would be rewriting it today.

Faith-based providers cannot be expected to sustain their religious mission in accordance with religious practices of their faith. The success of any organization is having everyone on board with its essential principles and vision. The Civil Rights Act secures that right, the Supreme Court protected it, and we should follow suit.

This amendment should be defeated.

Mr. SCOTT of Virginia. Mr. Chairman, we are revisiting the civil rights laws. There has been no discrimination since 1965, and that is exactly what we are revisiting.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. GEORGE MILLER), the ranking member of the Committee on Education and the Workforce.

Mr. GEORGE MILLER of California. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong support of his amendment, and I find it specifically disturbing that religious discrimination becomes the core of religious organizations, for those of us who have spent almost 40 years working with faith-based organizations in our communities involved in all kinds of public service endeavors, all kinds of deliver of services to people in need, to help members of our community in almost everything, from education to child care to job training to substance abuse to a whole range of activities that are absolutely essential to binding our communities together.

Nobody said that discrimination was not a fundamental part of this operation all through the sixties and seventies, the eighties or the nineties. None of these organizations ever said they were unable to deliver these services, unwilling to deliver these services, unwilling to help these people whom they have chosen to extend the services of their organization to; whereas they took Federal money and they could not do this because they needed to discriminate. But all of a sudden now the suggestion is that the basic tenet is that you must be able to discriminate. You must be able to discriminate or you will not deliver these services.

What does it also say about the use of the taxpayers' dollars? If the best person to provide the substance abuse counseling, if the best person to provide the child development, if the best person to provide the job training is not of the same religion, is the taxpayer getting a fair shake when they hire somebody else that does not have those qualifications? Should we not be looking for the best person to provide these services? You cannot maintain your religious character, you cannot maintain the religious character of your organization unless you can discriminate in hiring?

Organizations, again, have never suggested that they have been diminished because they ran a child development center. They have never said they have been diminished because they ran an afterschool program because they could not discriminate. What is this hypocrisy? To discriminate against somebody else using Federal dollars? This is absolutely unacceptable.

Mr. PRICE of Georgia. Mr. Chairman, I appreciate the opportunity once again to speak on this and urge my colleagues to oppose this amendment. The misunderstandings and confusion and frankly the hyperbole is phenomenal coming out of the other side. No one, no one, is encouraging faith-based institutions to discriminate with the language in this bill.

Sometimes I think it is helpful to go back to the original language. We have had a lot of reference to title VII of the Civil Rights Acts of 1964. What it says is: “discrimination is absolutely illegal. This chapter shall not apply to an employer with respect to the employment of.” et cetera. It does not say anything about the source of the money. Nothing. There is no mention of the source.

There has been some discussion about previous language that many Members on the other side of the aisle have adopted in previous bills, four pieces of legislation under the Clinton administration. President Clinton himself said that no discrimination with respect to the employment of those who were adopted, and we have heard about them, the welfare reform, the community renewal tax relief, Community
Services Block Grant, substance abuse. The gentleman from Virginia (Mr. SCOTT) himself said that there has been no discrimination since 1965.

Well, the exact identical language in this amendment. If there is not, is not a serious occurrence that is happening out there with this remarkable discrimination, where are the examples under those bills? Where are the examples of discrimination under those bills that have exactly the same language as this bill that we are promoting here?

I urge my colleagues to oppose this and to be certain, there is not, is not a single Member of this House who has cosponsored the amendment.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. NADLER), a cosponsor of the amendment.

Mr. NADLER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, since the presidency of Franklin Roosevelt, our Nation has moved inexorably toward the elimination of discrimination in government contracting and in the private sector. This bill rolls back that commitment that would enshrine the principle of religious discrimination in one of our most important job training programs at a time when many Americans are losing their jobs and need the help that the programs offer.

Members on the other side of the aisle say that this would roll back the abilities of organizations and the potential to discriminate on the basis of religion now. Nonsense. They can discriminate. No one tells the Catholic Church they have to hire women priests. No one tells the Catholic Church or any other church or synagogue they have to hire a janitor of a different religion. Nor would this amendment. What this says is that with Federal funds, they cannot discriminate. With their own funds they can.

President Reagan, who signed the original version of this legislation 23 years ago, did not think it was necessary to allow employment discrimination with Federal funds. One should ever be told that they cannot hold a job simply because they profess the wrong faith. And why is this necessary? Are religiously affiliated charities unable to participate in federally funded social services programs? Is there a single Member of this House who has not held secure government funds for such programs? For Catholic Charities? The Federation of Protestant Welfare Agencies? The Jewish Federation, and countless others? We all get these funds. That is no secret.

The only thing required of these organizations is that they play by the same rules as everyone else. They cannot make professing religious faith a precondition of receiving social services paid for with the taxpayers' dollars, and they cannot discriminate in employment when those jobs are paid for with taxpayers' dollars.

We have all heard about the bad old days when signs hung in windows: 'No Catholics need apply.' 'No Jews need apply. Fill in one's favorite denomination. That is wrong. People of every faith pay their taxes, and we have no right to deny them employment paid for by those taxes.

It is wrong. UnAmerican. It is immoral. It is unnecessary, and it is unprecedented.

These are the armies of compassion. Religious discrimination with taxpayers' dollars is not compassionate. I urge support for the amendment.

Mr. BOEHRNER. Mr. Chairman, I yield 3 minutes to the gentleman from Puerto Rico (Mr. FORTUÑO).

Mr. FORTUÑO. Mr. Chairman, the discussion today is really about protecting the mission of those religious organizations that some of the Members here are proposing that we regulate even further in spite of the wonderful job they are doing to work with our social ills. It is also about preserving the strength and integrity of religious organizations that engage in this type of social work. It is not a license were we impose particular religious beliefs, but a guarantee to protect the administrative integrity that is part of each religious group that engages in this type of work.

Faith-based and community-based organizations are far better suited than a government bureaucracy to address these issues and produce results. Key to their success is a unifying roll they often play in their communities, as well as their proximity to individuals and communities in need.

This is especially true, and I must say, of the Hispanic American population. Hispanic Americans traditionally, in following their traditional values and beliefs, often turn to faith-based and community organizations for help. By channelling social services through these organizations, we can avoid losing members of this community in our society.

However, what some today are trying to do here is essentially trying to tell them whom they can hire and whom they cannot. I know of different programs actually as we speak here in Washington, D.C. I have a group of six or seven ministers from the northwestern part of Puerto Rico that are visiting with us today, and they have been doing, for a number of years, a wonderful job in terms of working with our younger population. No one from Washington, I repeat, no one from Washington, has a right to tell them whom they can hire and whom they cannot hire. When a faith-based group hires employees on a religious basis, they are exercising their civil liberties. No one from Washington will take that away from them. If denied the right to hire whom they can hire and whom they cannot hire. When a faith-based group hires employees on a religious basis, they are exercising their civil liberties. No one from Washington will take that away from them. If denied the right to hire whom they can hire and whom they cannot hire.

What is really happening here is there are some people who do not believe that these organizations should be performing the job they are performing.

I ask everyone here to oppose the amendment that has been introduced.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. GRIJALVA).

Mr. GRIJALVA. Mr. Chairman, I rise today in support of the gentleman from Virginia's (Mr. SCOTT) amendment to H.R. 27.

Twenty-three years ago, the Workforce Investment Act was first enacted. It established a commonsense clause prohibiting job discrimination on the basis of religion. H.R. 27 would then be designed to provide funding for secular social services. Clearly, it did not intend to permit government-funded job training programs to engage in religious discrimination when making an employment decision, which is exactly what this bill purports to do.

H.R. 27 would allow faith-based organizations to discriminate not just on the basis of a person's religious affiliation, but also on how closely they follow the tenets of a religion. This would include religious beliefs on medical treatments; procedures; marriage; pregnancy; gender; and yes, even race.

Under this bill, if a woman providing workforce rehabilitation services in a faith-based organization was found to be using birth control, she could be fired, demoted, or not promoted. Or if a faith-based organization frowned upon women working outside the home, they could deny a woman a job just because of her gender or even deny it to her husband for allowing such a breach of faith.

It is simply unAmerican to set the clock back on the safeguards provided to protected classes, including religion, sex, race, ethnicity, and sexual orientation. H.R. 27 would remove these important protections, allowing faith-based organizations to discriminate on the basis of religion, even regarding the secular social services they provide.

This bill contains the first ever major rollback of civil rights protections that were established over 40 years ago, and many of us, including myself, have profited from those protections and from those rights granted to us 40 years ago. This is an unconscionable change of Federal law, and I cannot support a bill with such provisions.

Mr. Chairman, I urge my colleagues to join me in supporting the Scott amendment and voting "no" on the final passage of this bill that endorses a Federal rollback of decades-old civil rights and privacy protections.

Mr. BOEHRNER. Mr. Chairman, I yield 3 minutes to the gentlewoman from North Carolina (Ms. FOXX).

Ms. FOXX. Mr. Chairman, I rise in opposition to the gentleman's amendment, which seeks to strike important protections for religious organizations included in the bill.
I am frankly appalled at the scale of the rhetoric being presented by the minority party on this issue. We know that many religious organizations in our hometowns and across America provide invaluable job training services in our communities. We must help religious organizations, whether they be churches, synagogues, or mosques, maintain their integrity while continuing to provide these vital services to those in need.

This debate is about whether a religious organization should have the ability to select employees who share common values and sense of purpose. This is not saying that they will not hire people of other religions but we will not force them to do so. This is a vital criterion for all organizations, especially religious ones. A secular group, such as Planned Parenthood or the Sierra Club, that receives government money, is currently free to hire based on their ideology and mission but still use Federal funds in accordance with the terms of the program. How can we allow this for groups such as these and not allow it for groups that are religious by nature?

Others who oppose these hiring protections for religious organizations should talk about discrimination. The only discrimination that would take place here is if we do not include these protections. Without them we would be discriminating against religious organizations because they are religious. Religious organizations should be allowed to apply for the same amount of government money for services they provide that nonreligious organizations do. If we deny them these protections, many of them would have to compromise their missions or not apply at all for assistance in implementing these services.

The real question here should be, do we want to be telling religious organizations whom they can hire and cannot hire? Do we want the government to tell them which religion they can hire? Religious organizations should be free to hire people of their choice, of one’s religion. That is the establishment of a religion which is specifically precluded by the first amendment of the Constitution. It would be a travesty to reject the principles of our First Amendment, what might be next? If you extend the logic of the amendment, what might be next might be the Catholic hospitals not being able to accept Medicare patients. What might be next might be the Baptist hospitals not being allowed to participate in our State’s Medicaid program.

We are not asking for special treatment. All we are saying is let us build on a bipartisan precedent, a precedent set in the Civil Rights Act, a precedent reaffirmed under President Clinton under four different bills. Let us build on that bipartisan precedent of opening the doors and allowing faith-based groups to participate as equal partners.

People of faith pay taxes as well in this country. We are not arguing for special treatment; we are just arguing for an equal playing field.

Four different times this Congress saw fit to open those doors to faith-based groups. Four different times President Clinton signed into law four different measures designed to protect the interests and rights of faith-based groups.

Today this bill that we are going to approve later on the floor today simply takes another step forward. It simply says to the faith-based community, we will not discriminate against you. We will not require you to give up your employment rights guaranteed or granted to you by the 1964 Civil Rights Act.

To quote Members from the other side, Senator KERRY and Senator CLINTON, those that have stood before for freedom and plurality, they themselves say, Senator CLINTON in her own words says, “There is no contradiction between support for faith-based initiatives and upholding our constitutional principles.” Senator KERRY says, “I know there are some that say that the first amendment means faith-based organizations can’t help government. I’ve never accepted that. I think they are wrong.

In this instance, I find myself in agreement with both Senator KERRY and Senator CLINTON. The first amendment is not designed to protect government, not designed to protect us from faith; it is rather designed to separate church and State. It is, rather, designed to protect faith from government, not the other way around.

So I think we need to stop closing the door to people of faith. We need to stop discriminating against those groups that are motivated by their religious beliefs to help the weakest in society. I rise in opposition to this amendment.

Mr. SCOTT of Virginia. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS). (Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, next month my family and I will observe my wife’s Jewish tradition and recite the ancient story, the Passover at our family seder. Later this month, I will honor my religious tradition and participate in the adaptation of the crucifixion on Friday; and his resurrection on Easter Sunday. And today I will honor the principles behind the United States Constitution and vote for the gentleman from Virginia’s (Mr. SCOTT) amendment.

The principle here is that when an organization takes Federal money, it takes with it the responsibility not to discriminate. I do not think we should ever have a situation in this country where an organization takes taxpayers’ money collected from everyone and then says if they want to be a job counselor in our agency, they cannot be a Catholic, they cannot be Jewish, they cannot be Jewish, they cannot be Muslim, they cannot be an evangelical. Our religious organizations are free and should remain free to discriminate with their own funds. That is the religious liberty that our friends on the other side refer to correctly. But that liberty does not extend to the power to use someone else’s money to promote one’s religion. That is the establishment of a religion which is specifically precluded by the first amendment of the Constitution.

It would be a travesty to reject the gentleman from Virginia’s (Mr. SCOTT) amendment. It would be wholly consistent with the religious principles of this country to adopt it. I would urge its adoption.

Mr. BOEHNER. Mr. Chairman, I am pleased to yield 3 minutes to the gentleman from Louisiana (Mr. JINDAL).

Mr. JINDAL. Mr. Chairman, I rise in opposition to the offered amendment. It seems to me in our country right now we have an all-out assault on faith-based groups. Just this week, a court in my home State of Louisiana ruled that school boards were prohibited from having voluntary school board member-led prayers to begin their meetings. Now, this very Chamber, the Supreme Court, and many government entities begin their proceedings with a prayer; and along that line of thought and comprehend, nobody here is arguing that we should have an unlevel playing field. Nobody here is arguing for favoritism for faith-based groups. Rather, we are simply saying, let us level the playing field. Let us invite those who are motivated by faith to help us to train displaced workers, to train tomorrow’s workforce.

In my home State of Louisiana, faith-based groups have a wonderful thing. They have provided health care to those who needed it; they have provided education, housing and shelter to those whose need it the most.

What is next? If you extend the logic of this amendment, what might be next might be the Catholic hospitals not being able to accept Medicare patients. What might be next might be the Baptist hospitals not being allowed to participate in our State’s Medicaid program.

We are not asking for special treatment. All we are saying is let us build on a bipartisan precedent, a precedent set in the Civil Rights Act, a precedent reaffirmed under President Clinton under four different bills. Let us build on that bipartisan precedent of opening the doors and allowing faith-based groups to participate as equal partners.

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To quote Members from the other side, Senator KERRY and Senator CLINTON, those that have stood before for freedom and plurality, they themselves say, Senator CLINTON in her own words says, “There is no contradiction between support for faith-based initiatives and upholding our constitutional principles.” Senator KERRY says, “I know there are some that say that the first amendment means faith-based organizations can’t help government. I’ve never accepted that. I think they are wrong.

In this instance, I find myself in agreement with both Senator KERRY and Senator CLINTON. The first amendment is not designed to protect government, not designed to protect us from faith; it is rather designed to separate church and State. It is, rather, designed to protect faith from government, not the other way around.

So I think we need to stop closing the door to people of faith. We need to stop discriminating against those groups that are motivated by their religious beliefs to help the weakest in society. I rise in opposition to this amendment.
Mr. SCOTT of Virginia. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, we keep hearing that we are discriminating against religious organizations in terms of participation in government contracts. That is not true. The fact is that they can participate. When you talk about a barrier, say what the barrier is. The barrier is, there is a level playing field; you cannot discriminate.

We have also heard a lot about the 1964 Civil Rights Act. What has not been said is since 1965 there has been a specific prohibition against discrimination in Federal contracts. You have not been able to discriminate in a job training program since 1965. In fact, for defense contracts, you have not been able to discriminate since 1941.

We also heard, Mr. Chairman, about the hiring for Planned Parenthood, I believe, and what your position is on abortion or gun control or something. In the 1960s, Mr. Chairman, we passed civil rights laws to respond to our sorry history of bigotry, and we designated specific protected classes where you could not discriminate in employment, race, color, creed, national origin and sex; and you cannot discriminate against those protected classes.

There is a difference between telling somebody they cannot get a job because I do not like your position on gun control and we do not hire blacks or Jews. Race and religion are protected classes; positions on gun control and abortion are not, and there is a difference.

Mr. Chairman, I yield 6 minutes to the gentleman from Texas (Mr. Edwards).

Mr. EDWARDS. Mr. Chairman, this debate is about one question that each Member and each American should ask himself or herself. This is the question: Should any American citizen have to pass another American's private religious test to qualify for a tax-funded job? I think the vast majority of Americans would answer that question, absolutely not.

Should the gentleman from Ohio (Mr. BOEHNER), who is the author of this bill, have to come to me if I get a $5 million job training grant from the Federal Government under this bill, should the gentleman from Ohio (Mr. BOEHNER) have to come to me and ask me 20-point religious questions? Should the gentleman from Ohio (Mr. BOEHNER) have to say whether or not he believes in Jesus Christ, whether or not he believes in evolution, whether or not he believes in the literal interpretation of the New Testament?

I do not think the gentleman from Ohio (Mr. BOEHNER) should have to answer those kinds of questions to me as a recipient of a $5 million job training grant. And without the Scott amendment, that is exactly what could happen under this bill.

For those who oppose the Scott amendment, let me say what you are endorsing. You are saying it is okay for a church associated with Bob Jones University, at least based on its past philosophy, it can take a $1 million job training grant and pay for a sign that says, No Jews Or Catholics Need Apply Here For A Federally Funded Job. Do you really think that right?

What the opponents of the Scott amendment are saying is that the members of a white church who received a $1 million job training grant can say to an African American applicant, You cannot belong to our church. Even though you are totally qualified for this federally funded job, we are not going to hire you.

What this bill would say, without the Scott amendment, is that someone could say to a single mom trying to find a job in our religious faith, We do not believe single mothers should work, so we are not going to hire you, even though you are fully qualified for this job.

Religious discrimination is wrong. To subsidize it in the year 2005 I find unbelievable. It is unbelievable that on the very day American soldiers are risking their lives in Iraq, and perhaps some have given their lives today in Iraq to give them religious freedom, we are debating a bill on the floor of this House that would say an American citizen can be denied a federally funded, tax-funded job for simply one reason, the exercise of your religious faith.

Religious freedom is not just any freedom; it is the freedom of conscience. It is the freedom enunciated in the Bill of Rights. It is the freedom upon which all other freedoms we cherish in this country are built.

The Founding Fathers thought so much about that freedom, about religious freedom, they put in the first 16 words of the first amendment these words: Congress shall pass no law respecting an establishment of religion, or prohibiting the free exercise thereof. If saying that someone has to lose a job to support his or her family because they are exercising their own deeply-felt religious faith, if that is not prohibiting the free exercise of religion, what is? If saying we are going to take away your ability to put food on the table for your children and a job that is paid for by taxpayers, to say that you cannot have that job because you exercise your private religious test, if that is not prohibiting the free exercise of religion, what is?

The ninth commandment warns people to not bear false witness against thy neighbor. Yet repeatedly I have heard on this floor those say on this side of the aisle to put partisanship and politics aside. Vote for religious freedom. Vote for the Scott amendment.

Mr. BOEHNER. Mr. Chairman, I reserve the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I yield myself the balance of my time.

The Acting CHAIRMAN (Mr. BASS). The gentleman from Virginia is recognized for 4 minutes.

Mr. SCOTT of Virginia. Mr. Chairman, this amendment does not propose any new initiative. The adoption of this amendment will simply keep the law the way it has been in job training programs since 1965. It has been said about court cases. None of those court cases involved Federal money. They involve church money and what the church can do with its church money; and whether it is religious or secular activities, it is still the church's money, not Federal money.

Since 1965 there has been no discrimination with Federal money, at least until these faith-based initiatives came along. In fact, since 1941 there has been no discrimination in defense contracts, without exception. So if you want to sell the Army some rifles, if you discriminate in employment, the Army will not buy those rifles from you.

Mr. Chairman, a lot has been said about the Clinton administration. Let me say I will be introducing into the RECORD statements made at the signing of those bills outlining the interpretation of the Clinton administration, outlining why there would be no discrimination in employment under the Clinton administration, notwithstanding the language in those various bills.

There has been no discrimination against faith-based organizations. Speakers have suggested that they cannot get contracts. The fact of the matter is that they can get contracts. In fact, anybody that can get funded under the underlying bill could be funded if the organization would simply agree not to discriminate in employment.

In 1964, a gentleman during the debate on the floor said in terms of whether or not you can get the money,
"Stop the discrimination, get the money; continue the discrimination, do not get the money.”

That is what we are talking about here. Telling somebody that they are not qualified for a federal paid-for job because of religion is wrong. Adopt my amendment and we will uphold the law the way it has been since 1965.

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

Mr. BOEHNER. Mr. Chairman, I think it is important that we keep our eye on the target here. The bill before us seeks to help Americans who need job training services or retraining services to help them have an opportunity to participate and succeed in the economy of the 21st century. The question is how best do we deliver those services?

Under the Workforce Investment Act, we set up these one-stop centers all over the country. They have in fact been wildly successful. But we also know that there are pockets of poverty, pockets of people in very dire straits, that are not going to come walking into a one-stop shop. We also know that there are organizations out there that as part of their faith, part of the mission of their faith, go out and help those in need.

Mr. BOEHNER. Mr. Chairman, I have a point of order.

Mr. SCOTT of Virginia. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Virginia, Mr. SCOTT. As written, the underlying bill will make it legal for faith-based organizations that receive federal funds and run job-training programs to discriminate in their hiring practices.

Mr. Chairman, I urge my colleagues to vote against the Scott amendment.

Ms. KILPATRICK of Michigan. Mr. Chairman, I support the work of our religious institutions in sponsoring federal programs and delivering vital social and employment programs to our communities. I first sought elected office by the grace of our God and at the urging of my church. But supporters of this bill contend that it is not their intent to further discrimination wherever it is practiced in our social, cultural, political and economic life. The language contained in this bill goes against that core principle. The president and I have our disagreements, but the one concern we do share is that this movement is gaining the most segregated day of the week. The bill before us today encourages faith-based organizations to practice discrimination within their employment practices with Federal funds during the workday week.

Nothing can be further from the truth. In fact, I would suggest that this movement is reminiscent of the days of school desegregation when many parents withdrew their children from public school so they could attend so-called Christian academies for the purpose learning. Why does the federal government want to encourage that kind of action? This bill does just that.

I urge my colleagues to vote “no.”

Mr. BOEHNER. Mr. Chairman, I yield back the balance of my time.

Mr. SCOTT of Virginia. Mr. Chairman, I demand a recorded vote.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Virginia (Mr. SCOTT) will be postponed.

The Acting CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Virginia (Mr. SCOTT) will be postponed in the following order:

Amendment by the gentleman from Michigan (Mr. KILDEE), amendment by the gentleman from New York (Ms. VELAZQUEZ), amendment by the gentleman from Virginia (Mr. SCOTT).

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

Amendment no. 1 offered by Mr. KILDEE

The Acting CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Michigan (Mr. KILDEE) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

The Acting CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were 200 ayes, 222, not voting 11, as follows:

[A roll No. 44]

AYES—200

Abercrombie
Ackerman
Allen
Andrews
Baca
Bereuter
Berkley
Becerra
Berkley
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Bowser
Boucher
Boyle
Brady (PA)
Brown (OH)
Brown, Corrine
Buckingham
Bubba
Capito
Cardin
Cardona
Carson
Case
Chandler
Chambliss
Cheney
Clyburn
Conyers
Cordero
Costa
Costello
Cramer
Crowley
Cuccinelli
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
Delaney
DeLauro
Dicks
Dingell
Doggett
Dorgan
Edwards
Emanuel
Engel
Eskowitz
Fahy
Farr
Farr
Fink
Ford
Frank (MA)
Frankel
Gekas
Gordon
Gorton
Green, Al
Green, Gene
Griffin
Guadagno
Gutiérrez
Hagans
Hanna
Hartzler
Hastings (FL)
Hastings (NY)
Hemphill
Herb
Higgins
Hinojosa
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jackson (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Johnson, Kaptur
Kennedy (RI)
Kilpatrick
Kind
Kucinich
Langevin
Lantos
Larsen (WA)
Larsen (CT)
Leach
Lee
Levin
Lewis (GA)
Lipsenke
Lofgren, Zoe
Lowey
Lynch
Maloney
Marcy
Marshall
Mack
McCollum (MN)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meehan
Melancon
Menendez
Michaud
Michaud
Miller (NC)
Miller, George
Miller, Lowey
Moore (KS)
Moore (WI)
Nadler
Neal (MA)
Oberstar
Ober
Owens
Paleo
Pallone
Pascrell
Pastor
Paul
Payne
The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Ms. Velázquez) 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 Acting CHAIRMAN. A recorded vote has been demanded. A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 202, noes 221, not voting 11, as follows: [Roll No. 45]

- Ayes—202

- Noes—221

- Not Voting—11

The Acting CHAIRMAN. The recorded vote is complete.

**NOES—221**

[Names of representatives listed]

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The pending business is the demand for a recorded vote on the amendment offered by the gentleman from New York (Ms. Velázquez) 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.

The Acting CHAIRMAN. A recorded vote has been demanded. A recorded vote was ordered.

The Acting CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 202, noes 221, not voting 11, as follows: [Roll No. 45]

- Ayes—202

- Noes—221

- Not Voting—11
Mr. SHAYS changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIRMAN. (Mr. BASS). There being no further amendments, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The Acting CHAIRMAN. Under the rule, the Committee of the Whole House on the State of the Union, reported that Committee, having had under consideration the bill (H.R. 27) to enhance the workforce investment system of the Nation by strengthening one-stop career centers, providing for more effective governance arrangements, promoting access to a more comprehensive array of employment, training, and related services, establishing a targeted approach to serving youth, and improving performance accountability, and for other purposes, pursuant to House Resolution 126, he 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.

The question is on the committee amendment in the nature of a substitute 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.

MOTION TO RECOMMIT OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. KILDEE. Yes, I am, Mr. Speaker, in its current form.

The SPEAKER pro tempore. The motion to recommit. The Clerk will report the motion to recommit.

The Clerk reads as follows:

Mr. Kildee of Michigan moves to recommence the bill H.R. 27 to the Committee on Education and Workforce with instructions to report the same back to the House forthwith with the following amendment:

After section 127, insert the following new sub-section:

(excerpt from the bill...}

Mr. BASS. So the amendment was rejected.

The result of the vote was announced as above recorded.

The Acting CHAIRMAN. (Mr. BASS). There being no further amendments, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The Acting CHAIRMAN. Under the rule, the Committee of the Whole House on the State of the Union, reported that Committee, having had under consideration the bill (H.R. 27) to enhance the workforce investment system of the Nation by strengthening one-stop career centers, providing for more effective governance arrangements, promoting access to a more comprehensive array of employment, training, and related services, establishing a targeted approach to serving youth, and improving performance accountability, and for other purposes, pursuant to House Resolution 126, he 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.

The question is on the committee amendment in the nature of a substitute 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.

MOTION TO RECOMMIT OFFERED BY MR. KILDEE

Mr. KILDEE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. KILDEE. Yes, I am, Mr. Speaker, in its current form.

The SPEAKER pro tempore. The motion to recommit. The Clerk will report the motion to recommit.
and conform the table of contents accordingly:

SEC. 128. ASSISTANCE TO VETERANS RETURNING FROM ACTIVE DUTY AND WORKERS WHO LOSE JOBS DUE TO OFFSHORING.

The Workforce Investment Act of 1998 is amended by adding after section 174 the following new section:

"SEC. 175. ASSISTANCE TO VETERANS RETURNING FROM ACTIVE DUTY AND WORKERS WHO LOSE JOBS DUE TO OFFSHORING.

"(a) INCOME SUPPORT, JOB TRAINING, JOB SEARCH ASSISTANCE, RELOCATION ALLOWANCE.--

"(1) IN GENERAL.—From the amount authorized under subsection (d), the Secretary shall make grants to States to provide income support, job training assistance, job search assistance, and relocation allowances to—

"(A) individuals who have lost employment due to offshoring; and

"(B) a person who is unemployed and, while on active duty in the Armed Forces, was deployed overseas in support of Operation Enduring Freedom or Operation Iraqi Freedom.

"(2) ELIGIBILITY FOR JOB TRAINING.—With respect to job training assistance under this subsection, a person who served on active duty in the Armed Forces and was deployed overseas in support of Operation Enduring Freedom or Operation Iraqi Freedom shall be eligible regardless of whether such person is employed.

"(b) ASSISTANCE.—The benefits provided under this section for such individuals shall be the same as the benefits for such individuals under the Trade Adjustment Assistance program (under subchapter II of the Trade Adjustment Assistance Act of 1962, as amended).

"(c) OFFSHORING OF JOBS.—For purposes of this section, the term "offshoring" means any action taken by an employer to relocate production so that which is to create, shift, or transfer work or facilities outside the United States.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section.

Mr. KILDEE (during the reading).

Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. The gentleman from Michigan?

Mr. KILDEE. Mr. Speaker, this motion to recommit is simple. It provides extra assistance to workers whose jobs have been outsourced and veterans who are returning from conflicts overseas.

Mr. Speaker, half a million jobs have been outsourced over the past 3 years. An additional 830,000 jobs are expected to be outsourced in 2005 and 3.3 million by 2015. Up to 6 million jobs may be sent overseas in the next 10 years. These statistics represent lost jobs for American workers and women who lost their jobs, and for people who are trying to return to the workforce but are finding it very difficult.

Likewise, many veterans returning from the conflicts in Afghanistan and Iraq may need skills and training to obtain or retain their jobs. Reservists who have spent a year or more overseas have put their careers on hold to serve our country. This amendment would provide the help they need.

Mr. Speaker, I urge Members who want to help our veterans and those who have lost their jobs to outsourcing to support this motion.

Mr. Speaker, I yield 1½ minutes to the gentleman from South Dakota (Ms. HERSETH).

Ms. HERSETH. Mr. Speaker, I would like to thank the gentleman from Michigan for offering this motion to recommit.

Mr. Speaker, we have asked literally hundreds of thousands of our best and brightest, many of them National Guard and Reservists from South Dakota, to serve overseas in Operations Iraqi Freedom and Enduring Freedom. We owe these brave men and women and their families a great deal for their sacrifice during these difficult times. What we owe them is the opportunity to make good on the American Dream that they have fought to defend.

This motion would create an economic transition benefit, similar to Trade Adjustment Act assistance, for service members returning from Iraq and Afghanistan who find themselves without employment. Additionally, too many of the men and women who are serving in the National Guard and Reserve forces have returned home to find their jobs gone and their families struggling to make ends meet. While our military personnel are risking their lives in Iraq and Afghanistan, they should not be worrying if their jobs will be there for them when they return home or what they will do if they are not.

This motion to recommit would provide unemployed veterans of Iraq and Afghanistan with income support and intensive employment training and job relocation assistance so that they can successfully transition back into civilian life.

I ask my colleagues to support this motion to recommit. Our returning servicemembers from Iraq and Afghanistan deserve no less.

Mr. KILDEE. Mr. Speaker, my motion to recommit is simple. It provides extra assistance to workers whose jobs have been outsourced and veterans who are returning from conflicts overseas.

Mr. Speaker, half a million jobs have been outsourced over the past 3 years. An additional 830,000 jobs are expected to be outsourced in 2005 and 3.3 million by 2015. Up to 6 million jobs may be sent overseas in the next 10 years. These statistics represent lost jobs for American workers and women who lost their jobs, and for people who are trying to return to the workforce but are finding it very difficult.

Likewise, many veterans returning from the conflicts in Afghanistan and Iraq may need skills and training to obtain or retain their jobs. Reservists who have spent a year or more overseas have put their careers on hold to serve our country. This amendment would provide the help they need.

Mr. Speaker, I urge Members who want to help our veterans and those who have lost their jobs to outsourcing to support this motion.

Mr. Speaker, I yield 1½ minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, the situation that facing America is a very urgent problem. Our manufacturing sector since the late 1980s has been outsourcing good-paying American jobs to countries all over the world. According to one report, 181,000 computer jobs will be moved offshore by the end of 2005.

What we are witnessing today is a full-scale erosion of the American workforce, with American workers losing their jobs to outsourcing. The administration has promised to increase their skills to improve their current employment situation. This bill undermines our job training system and our economy alike. This motion seeks to provide assistance to veterans, provide workers who have lost their jobs to outsourcing with job training assistance, allowances to relocate to where they can find work and other forms of income support.

This bill destroys the functioning elements of our job training system. It does not quote, improve our delivery of these vital services for unemployed Americans.

I urge my colleagues to support this motion to recommit.

Mr. KILDEE. Mr. Speaker, I urge support for this motion which will address a very urgent problem.

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

Mr. BOEHNER. Mr. Speaker, I rise in opposition to the motion to recommit.

The SPEAKER pro tempore. The gentleman from Ohio is recognized for 5 minutes.

Mr. BOEHNER. Mr. Speaker, let us tell the truth about what has happened in job creation in America. Over the last 17 months, 2.7 million new jobs have been created in America. Our economy is strong and our economy is getting stronger. If we look at the underlying bill that we have before us, veterans have a preference to services above all others.

What the gentleman from Michigan proposes here is a brand new program similar to a trade adjustment program that provides up to 2 years of unemployment-type benefits and provides unlimited access to training. But the fact is that unemployed workers have access today, people coming back from Iraq who are unemployed have access to services, and they have their jobs lost through outsourcing have, in fact, access to services.

But what also happens under the gentleman's amendment is that they get a preference in this bill. The gentleman creates a new preference here above all others. This bill destroys the functioning elements of our job training system. It does not improve our delivery of these vital services for unemployed Americans.

I urge all of us to reject this, this is a new program. This is an authorization. There is no appropriation. We all know it will probably take 2 to 5 years for this type of program to be implemented. The fact is I think it is a cruel hoax on those who may be unemployed. It does not provide the kind of assistance and resources to think that they are going to be eligible for unemployment-type assistance or be eligible for unlimited economic assistance.
The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

The SPEAKER pro tempore. The question is on the motion to recommit. Without objection, the previous question is ordered on the motion to recommit. The question was taken; and the ayes appeared to have it.

Mr. KILDEE. Mr. Speaker, I demand a recorded vote.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will require no 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—ayes 197, noes 228, not voting 8, as follows:

[Roll No. 47]  
AYES—197

The result of the vote was announced as above recorded.

Mr. GARRETT of New Jersey (during the debate) asked for a 5-minute vote.

Mr. KILDEE. Mr. Speaker, I demand a recorded vote.

The SPEAKER pro tempore. The question is on the passage of the bill. The result of the vote was announced as above recorded.

The vote was taken by electronic device, and there were—ayes 224, noes 200, not voting 9, as follows:

[Roll No. 48]  
AYES—224

Mr. GARRETT of New Jersey changed his vote from “aye” to “no.”

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The House, by 274 votes to 153, passed the bill.
CONTINUATION OF NATIONAL EMERGENCY BLOCKING PROPPERTY OF PERSONS UNDERMINING DEMOCRATIC PROCESSES OR INSTITUTIONS IN ZIMBABWE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 109–12)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent to the Federal Register for publication the enclosed notice stating that the national emergency, blocking the property of persons undermining democratic processes or institutions in Zimbabwe is to continue in effect beyond March 6, 2005. The most recent notice concerning this emergency was published in the Federal Register on March 5, 2004 (69 FR 10313).

The crisis constituted by the actions and policies of certain members of the Government of Zimbabwe and other persons to undermine Zimbabwe’s democratic processes or institutions has not been resolved. These actions and policies pose a continuing unusual and extraordinary threat to the foreign policy of the United States. For these reasons, I have determined that it is necessary to continue the national emergency blocking the property of persons undermining democratic processes or institutions in Zimbabwe and to maintain in force the sanctions to which they fight? Or does it mean something else entirely?

The war in Iraq was never about a national emergency or America’s security. It was about the Bush administration’s callous manipulation of the 9/11 tragedy. In the end, it was about promoting the administration’s own political causes using the tactic of ridding Iraq of weapons of mass destruction and now, installing their version of a democracy in the Middle East.

The sad irony is that Iraq is now less secure than ever before. And it has never posed a bigger threat to our security here at home. Iraq has become the breeding ground for terrorists of all natioanlities whose most common trait is that they hate the United States.

This war was fought for the worst reasons, not for the security of our country, but to promote the Bush administration’s political goals. The fact that the Bush administration has the audacity to label anyone who does not support this illegal war as being unsupportive of the troops is nothing short of hypocritical.

Mr. Speaker, I hope that the President does not confuse my opposition to CONGRESSIONAL RECORD—HOUSE

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 4, 2005, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

WHAT IT MEANS TO SUPPORT AMERICA’S TROOPS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, what does it mean to support America’s troops? Does it mean placing a yellow ribbon on the bumper of your car? Does it mean blindly supporting the wars in which they fight? Or does it mean something else entirely?

Sadly, the war in Iraq has violated all three of the ways that we must support our troops. The very premise of this war violates the trust that our military places in the government. It actually violates the trust that we will only vote to go to war under circumstances of dire national emergency that our fate as a Nation depends on it. It also means that we prop-}

Mr. ROYCE changed his vote from “no” to “aye.”

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Not Voting—9

Mr. Speaker, I hope that the President does not confuse my opposition to CONGRESSIONAL RECORD—HOUSE

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this war for a lack of support for those who fight it. In fact, the Bush administration and his team at the Pentagon have demonstrated a potent lack of support for the troops through poor planning, poor planning for the long military occupation of Iraq, and by neglecting to provide every soldier with the life-saving body armor needed to survive military combat.

Hundreds of lives could have been saved if our troops had not been left as sitting ducks on the battlefield without the body armor, without the plated armor for Humvees and without what would have saved their lives during battle.

Finally, the Bush administration and the Republicans in Congress have clearly neglected to support the soldiers once they come home. Veterans health care continues to suffer under this administration’s reckless fiscal policies, and America has not kept its promise to properly provide for the health care of our soldiers once they have returned from the war.

In fact, one of the champions of veterans in the Republican party, the gentleman from Kansas, Mr. Moran, was stripped of his Veterans Affairs Committee chairmanship precisely because he advocated for full support of our veterans. And then, after losing his chairmanship, he was removed from the committee.

What kind of message does that send to our troops currently stationed in Iraq and Afghanistan? If they think their lives are tough on the battlefield, just wait till they come back home and wait till they need services for either physical or mental health or whatever else they are going to need from us when they return.

Mr. Speaker, I introduced H. Con. Res. 35 with the support of 28 of my colleagues in the House. This legislation will help secure Iraq by withdrawing our troops, which will ensure that America’s role in Iraq actually does not make our soldiers sitters of darts. H. Con. Res. 35 is part of a larger national security strategy that I call SMART security. SMART is a sensible multilateral American response to terrorism. And it will ensure America’s security by relying on smarter policies, policies that encourage a commitment to diplomacy, a committee to international cooperation and a commitment to nuclear security. Smart security will actually make our country safer.

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

There was no objection.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Puerto Rico (Mr. Fortuno) is recognized for 5 minutes.

Mr. FORTUNO. Mr. Speaker, at the end of the Spanish American War in 1898, Puerto Rico was ceded to the United States and became a territory under the Territorial Clause of the U.S. Constitution. It was not until 1917, by virtue of the passage of the Jones Act, that people born in Puerto Rico were granted the privilege of becoming citizens of this great Nation.

On March 11, exactly 88 years ago, Puerto Ricans became U.S. citizens. We value our citizenship dearly, and over the years, Puerto Ricans have honored their citizenship by making major contributions to our great Nation. We have distinguished ourselves in the arts, the sciences and sports. But most important of all, courageous Puerto Rican men and women have served their Nation proudly defending our valued principles of freedom around the world.

Puerto Ricans have served with honor and distinction in the Armed Forces of the United States in all wars and conflicts since 1917 to this day, where 3,400 of our men and women are active in our Nation’s war on terrorism, including 825 soldiers currently serving in Iraq.

Four Puerto Ricans have received the Congressional Medal of Honor, the highest award given, for valor on the battlefield. Today I want to again honor these four Puerto Rican heroes: Private First Class Fernando Garcia, who fought in the Korean War; Private First Class Carlos Lozada, who fought in the Vietnam War; Specialist Héctor Rubio, who fought in the Vietnam War; and Specialist Hector Santiago-Colon, who also fought in the Vietnam War.

18,000 Puerto Ricans served in World War I. During World War II, 65,094 Puerto Ricans, including 200 Puerto Rican women, served in the Armed Forces. More than 61,000 Puerto Ricans served in the Korean War during which the 65th Infantry Regiment, comprised mostly of Puerto Rican soldiers, distinguished themselves for bravery.

Actually, I would like to quote tonight General Douglas MacArthur who said in Tokyo on February 12, 1951, and I quote, “The Puerto Ricans forming the ranks of the gallant 65th Infantry on the battlefields of Korea are writing a brilliant record of achievement in battle, and I am proud indeed to have them in this command. I wish that we may have many more like them,” and I close the quote.

More than 18,000 Puerto Ricans served in Vietnam. Of these, over 430 were killed and over 3,000 were wounded.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. DeFazio) is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, today, March 2 marks Texas Independence Day, and this morning at the Texas State Cemetery in Austin, Texas, Texans paid tribute with a mustet volley salute in full costume to the Texas veterans who are buried there.

Texas cities and towns across the State are holding many important Memorial events in honor of the fact that 183 years ago today, the Texas Declaration of Independence was ratified by the Constitutional Convention of 1836 at Washington-on-the-Brazos.

Less than 100 years after American patriots declared independence from the tyrannical British Empire’s military, the Texas Republic declared its independence from Mexico. After July 4, 1776, democratic government became a birthright for the people of the new
world, but one that we would have to fight for.

Like the American patriots driven to revolution by heavy-handed British intervention, Texas declared its independence after many years of living peacefully as part of the Mexican federal public because Mexico became dominated by military dictatorships.

The seeds of Texas independence were sown in 1821, when a military dictatorship abolished the Mexican constitution.

In the words of the Texas declaration of independence, the Texas people’s government have been forcibly changed without their consent from a restricted federal republic composed of sovereign states to a consolidated central military despotism.

The Texas Declaration of Independence also basing the justification for revolution on the grounds that the government of Mexico had ceased to protect the lives and liberty and property of the people.

The military dictatorships that had unfortunately captured the Mexican government also did not provide for trial by jury, freedom of religion or public education.

Failure to provide these essential services violates the sacred contract between government and the people.

It is important to remember that the struggle for Texas independence was a political struggle, not an ethnic conflict. In fact, many Texas Hispanics consider themselves Tejanos and not Mexicanos.

Tejanos lived in Texas long before Mexico existed and they moved there for the same reasons Anglos later moved there, freedom to run their own affairs and a wild but productive landscape.

So we are inspired by so many Tejanos that joined the fight for independence when the Mexican government of Sonora people revolted in a revolutionary military regime, including Captain Juan Sequein, Lorenzo de Zavala, a future republic of Texas vice president.

When Texans and Tejanos protested the undemocratic changes to Mexico’s government, they were thrown in jail and the Mexican Army marched to war on Texas to enforce the decrees of the military dictatorship at the point of a bayonet.

While future President Sam Houston and his delegates signed the Texas Declaration of Independence, Santa Anna’s army was besieging the Texans and Tejanos at the Alamo in San Antonio.

The Alamo fell on the morning of March 6, 1836 when Lt. Colonel William Barrett Travis, Tennessee congressman David Crockett and approximately 200 other Texan and Tejano defenders were killed in action a heroic sacrifice for Texan freedom. On March 27, this same Army massacred over 300 unarmed Mexican soldiers.

Fortunately, Texans and Tejanos achieved their independence several weeks later on April 21, 1836 when approximately 900 Texans and Tejanos of the Texas Army overpowered a much larger Mexican army in the surprise attack at the Battle of San Jacinto.

Texas Independence Day is important to all Americans because it is the event that showed the brotherhood of freedom to be stronger than the brotherhood of ethnicity or nationality, as Tejanos proved at Gonzalez, Bexar, Goliad and the Alamo and along the banks of the San Jacinto River and the government of the republic of Texas.

People sometimes wonder what makes Texas and Texas so different and I believe part of that answer is the passion for freedom that gave us the first Texas Independence Day is still alive today. Something about being raised in Texas or even living there for an extended period of time makes Texans less willing to put up with the infringement on our rights, more willing to fight for them. I believe part of that passion comes from knowing Texas history.

Today we give thanks to the many Texans of all backgrounds that sacrificed for the Texas freedom we enjoy. God bless Texas and God bless America.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

FREE TRADE AGREEMENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. BROWN) is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, 12 years ago I came to this house in January 1993 and during that year this Congress debated whether or not to pass the North American Free Trade Agreement. The promises made during NAFTA in 1993 from its supporters were it would create jobs in the U.S., it would raise living standards in Mexico by raising wages, it would encourage and enable Mexicans to buy more American products. It would increase our balance of trade with Canada and Mexico, positively. Those were the promises made by NAFTA.

We have heard those same promises when we passed the PNTR with China. We have heard those same promises on trade agreement after trade agreement. But look what has happened to our trade deficit in that period. Starting in 1992, the year I first ran for Congress our trade deficit was $38 billion. You can see it passes $100 billion in the early 1990s. Almost $200 billion in the mid-1990s. President Bush took office. Our trade deficit was 450 billion, 500 billion. This year our trade deficit was $617 billion. That means that we are buying $617 billion more in products than we are selling. So, what is the President’s response? The President’s response is the Central American Free Trade Agreement. More of the same, followed he hopes by something called free trade area of the Americas. CAFTA and FTAA will double the population of NAFTA, the U.S., and Canada and quadruple the number of low income workers.

They say that the definition of insanity is doing the same thing over and over again and expecting a different result. We are hearing the same promises about CAFTA, that it will raise living standards and raise wages in Central America, that it will create jobs in the United States, that we will export more and more to Central America, that it will reduce our trade deficit. It is the same old song.

It was the same song for NAFTA. It was the same song for CAFTA, the Central American Free Trade Agreement. This President is going to come to Congress and again ask us to pass another free trade agreement that hemorrhages American jobs that costs us, especially manufacturing jobs.

My State under President Bush has lost hundreds of thousands of manufacturing jobs; this country has lost around 2 million manufacturing jobs in the 4 years that George Bush has been President; yet he continues to do the same thing, tax cuts for the wealthiest people in our country, trade agreements that hemorrhage jobs overseas.

Mr. Speaker, just look at the facts. Look at what has happened with our trade deficit. Again, it was $38 billion the year I ran for Congress in 1992. Today it is almost 20 times higher, $617 billion trade deficit. We had a trade surplus with Mexico in 1992. Today we have a $40 billion trade deficit with Mexico.

Again, Mr. Speaker, the President looks at these numbers and he says, let us do more of the same. Clearly our trade policy is not working. Clearly the President is taking the country in the wrong direction on trade. Every trade agreement this Congress has passed from President Bush has been signed by the President and then passed within Congress by about 60 days.

President Bush signed the Central American Free Trade Agreement on May 28. He has yet to try to push it through Congress because he knows the American people oppose the Central American Free Trade Agreement, and he knows the United States Congress opposes this. Central American Free Trade Agreement.

Fully 90 percent of Democrats in the House of Representatives plan to vote against CAFTA because Democrats understand, and I hope enough of my Republican colleagues comprehend, under- standing that the Central American Free Trade Agreement is bad for our community. It is bad for our families. It is bad for our workers. It simply does not
Mark Wilson, a hero from Smith County, Texas, demonstrated great courage and clear thinking for the safety of others. His actions disrupted the murderer's pattern and provided time for the protective law enforcement officers to respond. The involvement of Mark Wilson and other deputies, who were wounded in the ensuing exchange with the murderer, resulted in saving lives and preventing a catastrophic event.

The attack occurred when an estranged and enraged ex-husband, Clay Perrett, opened fire outside the Smith County courthouse. The murderer, Mark Wilson, was shot and killed while he worked to make others safe. He had been entrepreneurial and had many friends because of his community involvement and his very can-do attitude.

In the process of Mark's firing such accurate shots, he not only hurt the murderer, but he also distracted him from the source of the ambush. He pulled his concealed weapon that he was lawfully carrying and accurately shot the murderer more than once. He was hit twice, but he continued to fire at the murderer from carrying his rifle inside the courthouse and shooting not only his ex-wife and son, but also the many witnesses, jurors, parties, and personnel who had been inside, as had occurred in the courthouse some years ago and miles away.

As the ex-wife left the courthouse, the murderer opened fire hitting her and also her own son. Mark Wilson, a nearby Good Samaritan and hero, immediately without hesitation and without thought for his own safety went into action. He pulled his concealed weapon that he was lawfully carrying and accurately shot the murderer more than once. He could tell he was hitting the murderer, but what he did not know was that the murderer was wearing extensive body armor. That fact allowed the murderer to turn and fire fatal shots at our selfless hero Mark Wilson.

In the process of Mark's firing such accurate shots, he not only hurt the murderer, he also distracted him from the many innocent bystanders in the area. When hearing the shots being fired outside the courthouse, two deputies and a Tyler police detective responded by running to the source. Parenthetically, the Army teaches us that the only way to have a chance of surviving an ambush is to turn and run into the source of the ambush. As a trainee, something we wondered if we would actually have the courage to do that when there were real bullets flying.

We do not have to wonder about what Mark and our courageous law enforcement officers at the Smith County courthouse, who faced a life-threatening attack. They respond and they respond with courage and clear thinking for the safety of others.

Mark Wilson's heroic actions disrupted the murderer's pattern and provided time for the protective law enforcement officers to respond. As Deputy Sherman Dollison attempted to intervene, he was also hit by the murderer and left for dead and he remains in critical condition in the hospital. In Smith County and other friends thought highly of Deputy Marlin Suel and Tyler police detective Clay Perrett. They are personal friends and they were both wounded in the ensuing exchange with the murderer and turned his car and fleeing the scene. He was chased by extremely responsive law enforcement as he continued to shoot during the chase. However, the murderer was killed before he could yet kill again.

There was an evil act of anger last Thursday, but there were heroes watching out, ready to act for the salvation of others. It is quite possible that Mark's actions prevented those in the area from becoming a trail of lifeless bodies in addition to saving the life of the murderer's own downed son.

According to the investigation, the rifle the murderer used was not automatic so he had to consciously pull the trigger over and over again to inflict the death and violence that he did.

Mark Wilson himself was able to apply for and receive his concealed handgun permit because the law allowing such was passed in Texas after a publicullum changed years ago and began firing randomly, hitting so many. Back at that time no civilians were there who were legally allowed to have a gun so the killer caused prolonged devastation. To receive a permit for carrying a concealed weapon in Texas, a person has to prove himself consummately law abiding. That described Mark. He was trained and he trained others in self-defensive weaponry. He was 52 years old. He had been serving who served all of us in the United States Navy. He was a community volunteer. He loved life to the maximum which included a deep abiding appreciation for Monty Python, all while he worked to make others' lives better in the process.

Yes, he knew how to make friends laugh. He had overcome tough times. He had been entrepreneurial, and he had worked to create good times for himself and others. He had many friends because of his community involvement and his very can-do attitude.

As a tribute to Mark and his courageous heroism, hundreds of people filled the downtown square in Smith County to commemorate his life, his times, and his goodness on Sunday, February 27.

As a member of the United States Navy, he had sworn to defend the Nation against all enemies foreign and domestic. Last Thursday he gave his life while defending against an enemy, this time domestic.

For many of us reflecting on Mark's death the words of Jesus of Nazareth capture Mark's spirit: "Greater love hath no man than this; that a man lay down his life for his friend."

Those words came from someone who knew and Mark Wilson's love is what was praised. He stepped up that love by going and laying down his life for the safety of others. In this country, this institution need a memorializing of such a courageous hero as Mark Wilson. His loving parents and dear friends deserve to hear his praises sung once more for the record, and may the retelling of Mark's courage bring them comfort, bring them hope, and to the hopeful who think there is no one out there who cares. Mark cared and I would be willing to bet his caring will be perpetuated into posterity for others that he has touched.

PROTECT SOCIAL SECURITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. RANGEL) is recognized for 5 minutes.

Mr. RANGEL. Mr. Speaker, I am here because the President has challenged this body and the other to deal with the problem of Social Security. And we are going to do just what the President has said it is a crisis, obviously when it reaches the point that you are spending more money than you are taking in, you do have a problem and you do have a challenge and we do have a responsibility. And I want to tell you that the Social Security crisis which would occur according to the Congressional Budget Office out to 2052 and even then it remains a challenge and not really a crisis.

But we do not have a bill so we do not know specifically what the President would want to do. We do know that these types of problems you either have to cut the benefits, extend the age or raise the taxes; but the President has taken all of these things off the table and said we should deal with the question of privatization. I guess the more people in the district that looked at privatization and the more economists that studied it have caused the President to admit that privatization and the more economists that studied it have caused the President to admit that privatization and the more economists that studied it have caused the President and the other to deal with the question of privatization, which is basically what we are talking about.

We Democrats know how good this program has been for America. We know that it has been a policy that most working people cannot afford. We know that in addition to the benefits that you get when you retire that we have survivor benefits, we have disability benefits, and we are prepared to take a look at anything as long as those benefits are not cut. We do know that we have survivor benefits, we have disability benefits, and we are prepared to take a look at anything as long as those benefits are not cut. We do know that we have survivor benefits, we have disability benefits, and we are prepared to take a look at anything as long as those benefits are not cut. We do know that we have survivor benefits, we have disability benefits, and we are prepared to take a look at anything as long as those benefits are not cut. We do know that we have survivor benefits, we have disability benefits, and we are prepared to take a look at anything as long as those benefits are not cut.
It is too unfortunate that many minorities and women because of the inequities of the system, which we hope will be corrected, find themselves more dependent than the rest of the population. This is especially so when we do have a disparity between the life expectancies of men and women which means that for 3 or 4 years women sometimes have to go it alone and many sometimes their working spouses did not have pensions. And so it is abundantly clear that if you take a look in our Freedom Fund, sometime have to totally survive with their families, Social Security gave them the base, gave them the independence, and gave them the will to move forward.

It is so hard for me who is so proud of having gone to school as a disabled veteran to talk about the G.I. Bill. What has been amazing is that even I had no idea how many people even in this body went to school under the Social Security Disability Act or under the benefits of Social Security. And it is some whom you do not say, guess how I went to school, because it was unfortunate financial circumstances.

But now that they see that this program may be in jeopardy because just by changing the formula from a wage formula to a cost-of-living formula, Republicans and Democrats and impartial economists say that the benefits, and that is all of benefits, survivor, retirement, their disability, would be cut by at least 40 percent.

The President has attempted to polarize sometimes the young against the old by saying they are getting a bad deal, or the black males against the white males saying that we have a disparity. But one thing is clear: we cannot openly discuss this until the President fulfills his responsibility and at least brings to us what the heck he is talking about so we are not fighting against things that may never happen.

We know that Republicans are having a difficult time in defining how they will assist the President. But I am just saying until the day comes where minorities and women are really equal, this has been a cushion to provide some type of independence.

I close by saying that my beloved mother, who I lost several years ago, worked in a factory and received a small retirement pension check from the International Garment Workers Union, but she also received her Social Security check.

And she would be there every month waiting for the mailman, who knew her, for her Social Security check. She felt so proud that she was independent; that she did not have to ask her children for anything.

Seeing that pride in her, I can see it in so many older women. And I hope that before the President makes this a crises, that he brings us a bill so we can work together on it.

**TEXAS INDEPENDENCE DAY**

The SPEAKER pro tempore (Mr. FORTENBERRY). Under a previous order of the House, the gentleman from Texas (Mr. POE) is recognized for 5 minutes.

Mr. POE. Mr. Speaker, I rise today to honor the 169th anniversary of the Great Republic of Texas. Today, March 2, marks Texas Independence Day. On this day, 169 years ago, Texas declared its independence from Mexico and its dictator, Santa Anna, the 19th century Saddam Hussein.

In 1836, in the small farm village of Washington-on-the-Brazos, 54 Texians, as they called themselves in those days, gathered to do something bold and courageous: Sign the Texas Declaration of Independence and once and for all “declare that the people of Texas do now constitute a free, sovereign, and independent republic.”

As these determined delegates met to declare independence, Santa Anna and 6,000 enemy troops were marching on an old beat-up Spanish mission that we now call the Alamo, where Texas defenders stood defiant, stood determined. They were led by a 27-year-old lawyer by the name of William Barrett Travis. The Alamo and its defenders were all that stood between the invaders and the people of Texas. And behind the cold, dark, damp walls of that Alamo, Commander William Barrett Travis sent the following appeal to Texas requesting aide.

This appeal read in part: “To all the people of Texas and Americans in the world, I am besieged by a thousand or more of the enemy under Santa Anna. I have sustained a continual bombardment and cannon fire for over 24 hours and have not lost a man. The enemy has demanded surrender at its discretion, otherwise the fort will be put to the sword. I have answered that demand with a cannon shot, and the flag still waves proudly over the walls. I have answered that demand with a cannon shot, and the flag still waves proudly over the walls. I have answered that demand with a cannon shot, and the flag still waves proudly over the walls. I have answered that demand with a cannon shot, and the flag still waves proudly over the walls.

On this Texas Independence Day, let us not forget those volunteers who fought the evil tyrant and terrorist Santa Anna. It was an effort to make Texas free, and that effort was successful.

On this Texas Independence Day, let us not forget those brave men and women in our military that are fighting to preserve and uphold our freedom from a new world threat of terrorism.

Mr. Speaker, I hope that the Congress and the country will join me in celebrating this Texas Independence Day. In Colonel Travis’ final letter and appeal for aid, he signed off with three words that I leave with you now: “God and Texas.” “God and Texas.” “God and Texas.” And the rest, as they say, is Texas history.

**PRESIDENT BUSH’S SOCIAL SECURITY PRIVATIZATION PROPOSAL**

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, this Friday, President Bush plans to take his traveling White House to New Jersey in the hope of convincing New Jersey workers to support his Social Security privatization proposal. For 6 weeks, the President has been working to build support for his plan, but it has fallen flat with the American people and will fall flat in New Jersey.

Mr. Speaker, the American people simply do not believe the President wants to strengthen Social Security. President Bush keeps on talking about a crisis, but even he has admitted his own privatization plan does nothing to fix the problem. Social Security faces 40 years from now.

The problem is that private accounts eliminate the guaranteed benefits of Social Security and leave benefits to the vagaries of the stock market. Since the private Social Security trust fund to pay for private accounts, the shortfall results in benefits, that will never be made up. Today’s cuts benefit Social Security recipients.
and the Federal Government has to borrow more money and go further in debt to try to make up for the short-fall.

Last week, I held two Social Security town hall forums in different parts of the State talked with senior citizens in Smithville, just outside of Atlantic City, and next I visited with more than 70 college students in Brookdale, at Brookdale Community College in Monmouth County. Here too the forum was open to all members of the campus’ political science and history club. I would assume some of the participants were Republicans, but that does not really matter.

The bottom line is that as Members of Congress, Senators, and senior organizations hold forums around the country and explain the President’s privatization plan, there is more and more opposition to it. While the President still seems to think his privatization plan is catching on, Congressional Republicans are doubtful enough to have their town hall forums heard an earful from supporters of the current Social Security System.

Mr. Speaker, let me just give some examples. From the February 22 edition of the Philadelphia Inquirer: “At two stops, morning at Drexel University; afternoon at Widener University, the Pennsylvania Republican Senator SANTORUM encountered skepticism and hostility as he voiced his support for the President’s proposal to allow privatization of personal accounts using pay-roll taxes. He was heckled by protesters, called a liar, and told that his views were unconvincing. Those sentiments ranged across the spectrum.”

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There was no objection.

PATRICK) is recognized for 5 minutes. Ms. KILPATRICK of Michigan. Mr. Speaker, I ask unanimous consent to take the time of the gentleman from Illinois (Mr. DAVIS). The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan? There was no objection.

Mr. Speaker, March is Women’s History Month, and we are proud to celebrate the contributions that women have made to American society. As mothers, as caregivers, as teachers, as providers, we honor the women in America this month of March.

While home last week, I had an opportunity to hold two town hall meetings. My first meeting was in Wyandotte, Lincoln Park, River Rouge, and Ecorce communities, where we had hundreds of people who came out to hear about the Social Security proposals. My first point to them was that we have no bill and all our discussion points, and right now we have no legislation that has come to the House or the Senate. What we are discussing now is a discussion of points, not a bill.
Mr. Speaker, this is a serious issue. There are formidable foes out there, the AARP and others, who will put out information and say there is no problem, there is a trust fund somehow and we do not have to deal with this issue for another 40 years or so. So there is a lot of educating that has to be done.

I commend the President for taking the position he has taken. The difference between being a leader and a follower is when you are a leader, you recognize that the people may not be ready to listen to you, but you convince them and you persuade them and you convince them and go out and tell them there is a problem.

There are formidable foes out there, the AARP and others, who will put out information and say there is no problem, there is a trust fund somehow and we do not have to deal with this issue for another 40 years or so. So there is a lot of educating that has to be done. That is what a leader does. A follower says that is where the people are, I do not need to convince them, I just have to join them, and we will just heckle and boo anybody who proposes a solution. That is not leadership, and I am glad the President is actually leading and boo anybody who proposes a solution.

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Mr. Speaker, this is a serious issue. There is no more serious debate that we will have in this coming decade domestically than how to deal with this issue. How do we give individuals the freedom to be more secure in their own retirement? I tend to believe that in the end if you present Americans out there two politicians, one who will stand and say, yes, there is a problem,
we need a fix, and the other who will say there is no problem, there is a trust fund somewhere that will fix it. I think in the end Americans will believe the politician who fesses up to the fact that there is a problem. Demagogues do not lie, and we have to deal with it in the long term and the President and those moving towards a real solution and who are presenting actual proposals that will move us in the direction we need to go.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. BOUSTANY) is recognized for 5 minutes.

(Mr. CUMMINGS 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 Maryland (Mr. CUMMINGS) is recognized for 5 minutes.

(Mr. CUMMINGS 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 Louisiana (Mr. BOUSTANY) is recognized for 5 minutes.

(Mr. BOUSTANY addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

CONFISCATED PROPERTY IN ETHIOPIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ROHRABACHER) is recognized for 5 minutes.

Mr. ROHRABACHER. Mr. Speaker, I am introducing a bill today concerning the Ethiopian Government’s confiscation of property owned by U.S. citizens and the Ethiopian Government’s arrogance and intransigence in the face of efforts to rectify the situation.

Mr. Speaker, the Berhane family are constituents and friends. They are black African immigrants who fled the establishment of a communist regime in Ethiopia in the 1970s. They now live in Huntington Beach, California. At one time the Berhane family owned the National Alcohol and Liquor Factory, NALF, in the capital of Ethiopia. The Marxist regime that took over Ethiopia expropriated their property and drove the Berhane family into exile. Well, that Marxist government fell, and the current government agreed in principle to return all illegally expropriated property, but it has steadfastly refused to return the Berhane family’s factory, or offer them just compensation. It seems the distillery is one of the heavy-handed rulers of Ethiopia refuse to return to its rightful owners. Perhaps that is because this factory is one of the few businesses that makes a profit. The smell of corruption at the highest levels of the Ethiopian Government is hard to miss.

Mr. Speaker, this matter should have been settled long ago. This property should have been returned to the Berhane family or just compensation should have been offered. The Berhane family’s property claim is supported by a finding of the Overseas Private Investment Corporation, which is part of the United States Government. So this is not a matter of determining whether or not the Berhane family has a just claim; it is a matter of arrogance and probably corruption on the part of the Ethiopian hierarchy.

Mr. Speaker, I am introducing legislation today that will prevent Ethiopia from receiving any benefit from U.S. Government sources until it deals honestly and fairly with the claim of these American citizens. It is a tragedy that the Ethiopian Government is risking the well-being of its people because of its intransigence in the face of a just claim of an American family.

Mr. Speaker, this act withdraws all appropriated U.S. Federal dollars to the Federal Democratic Republic of Ethiopia until property claims from American citizens are either returned or the U.S. citizens are justly compensated. With the exception of emergency humanitarian aid, this prohibition on funding includes economic support funds, the Export-Import Bank, foreign military financing, the Global AIDS Initiative, the Peace Challenge Account, and the Overseas Private Investment Corporation. This bill further directs international organizations to be required to oppose aid to Ethiopia under these same conditions.

Mr. Speaker, this type of officially sanctioned rip-off that we see in Ethiopia is outrageous. However, it is not just limited to the gang that rules Ethiopia.

Mr. Speaker, there are other governments, be they Cuba or Iran, that are equally guilty of this type of theft. I intend to introduce similar legislation in a broader bill denying aid to all of these foreign governments who deny the proper reimbursement to American citizens who have just property claims against them. Part of that bill, which will include Ethiopia as well, will provide that U.S. citizens with legitimate claims against a government like that in Ethiopia will be able to put a legal hold on the American property and assets owned by the government officials of that government.

Mr. Speaker, it is time for us to stand up for justice, especially for the justice of American citizens. These African immigrants who came here fleeing communism had their property confiscated. The government of Ethiopia has time and again suggested that they either return property that was illegally confiscated or pay just property returned. They deserve the rights of protection of the United States Government.

We will struggle for this legislation, we will pass this legislation, we will keep this fight up until this family gets justice, this family gets their property returned or gets just compensation.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H. Con. Res. 5. Concurrent resolution providing for the acceptance of a statue of Sarah Winnemucca, presented by the people of Nevada, for placement in National Statuary Hall, and for other purposes.

H. Con. Res. 63. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust.

SOCIAL SECURITY

The SPEAKER pro tempore (Mr. FORTENBERRY). Under the Speaker’s announced policy of January 4, 2005, the gentleman from Connecticut (Mr. LARSON) is recognized for 60 minutes as the designee of the minority leader.

Mr. LARSON of Connecticut. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the subject of my Special Order today.

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

There was no objection.

Mr. LARSON of Connecticut. Mr. Speaker, it is my great privilege this evening to be able to address a vital subject to all of America, that of preserving and strengthening Social Security. Many of us have had the opportunity over the break to go back to our districts and hold public forums and hearings and town hall meetings, and the input that we received from our citizens has been extraordinary and insightful.

This evening, we will be joined by distinguished members of our caucus, the gentleman from Michigan (Mr. LEVIN), the gentlewoman from Illinois (Ms. SCHRACKSKY), the gentlewoman from California (Ms. WOOLSEY), and hopefully others who will be joining us as well as we seek to report back to America about what is going on.

We are most fortunate to have the man who has followed in the footsteps of the dearly departed Bob Matalin who was a champion on Social Security. The gentleman from Michigan (Mr. LEVIN) is the leading expert in our caucus on Ways and Means in matters of Social Security and has held these forums and hearings not only in his State but has been on
shows and appeared all across this great Nation. I yield to the gentleman from Michigan.

Mr. LEVIN. I thank the gentleman from Connecticut for yielding.

Mr. Speaker, we held three town hall meetings in Michigan as far as I know during the break held no town hall meetings on Social Security. I think the main reason is it has become increasingly clear that the diversion of Social Security moneys for privatization is a bad deal for everyone, for seniors, for younger workers, for men and for women.

I am glad that the gentleman from Arizona preceded us, because I want to say just a few words. The facts really are allies here of those who are defending Social Security and the facts really are the antagonists of those who want to dismantle it. For example, the gentleman from Arizona said that people who are coming to the Republican meetings are coming to heckle. First of all, I do not think there are that many meetings held by our Republican colleagues. Secondly, when the President goes out and holds Social Security forums, the people who can come have to have tickets. They have to be people who are proponents of the President’s position. And I just would like to say to everybody, let everybody into the forums that are held by the President as is true of our forums.

Mr. LARSON of Connecticut. So these forums that the President is conducting are not open to the public, that these forums that the President is conducting are not open to the public, that the President or his spokespeople would like to say to everybody, let everybody into the forums. The facts really are the antagonists of those who want to dismantle Social Security.

Mr. LEVIN. And I just say a word about this compound interest argument. The privatization proposal would do nothing to address the problem that the gentleman from Arizona was alluding to. Is that correct?

Mr. LARSON. No. The gentleman says the privatization proposal, this is the so-called plan that perhaps the President may submit to us?

Mr. LEVIN. There is no comprehensive plan, but what has happened is that the President or his spokespersons have come forth with some proposals. So we have proposals, for example, in the commission report which was called a good blueprint by the President. We have a proposal that would shift from wage indexing to price indexing, would lead to a cut in benefits over time of over 40 percent.

Mr. LARSON of Connecticut. So this privatization plan would lead to a cut in benefits of more than 40 percent in benefits. We heard the gentleman from New York (Mr. RANGEL) say earlier that it does not even solve the gap or the supposed problem that the gentleman from Arizona was alluding to. Is that correct?

Mr. LEVIN. This proposal would not address the shortfall, and $1.5 trillion would be diverted from Social Security the first 10 years and a total of $5 trillion over 20 years of privatization.

Mr. LARSON of Connecticut. This is confusing to some of our citizens. The gentleman from Michigan is an expert on this. He has served on the committee. Why does this transfer have to take place? Seniors are asking about this. Women are asking, taking a credit card of your own and trying to go out and purchase stock with your credit card in the hope that the stock’s returns will exceed both the interest you are paying on that credit card. This is hard to understand for a generation that has relied on Social Security as a guarantee. What actually happens?

Mr. LEVIN. I am glad the gentleman raised that point, because we are going to spend some time talking about the impact of this privatization proposal on women. In future times, you are going to be talking about its impact on other segments of our population. Let me just say a word about this notion, borrow $1.5 trillion the first 10 years, another $3.5 trillion the second 10 years, what this all means and how it would impact on people. What has Social Security meant? It has meant independence. It has meant a lot of things. There are just a couple of facts I want to mention, and they show what Social Security has meant in this case, specifically for women. Four out of 10 widows in our country rely on Social Security for 90 percent or more of their income. So the woman who wants to play around with or really dismantle Social Security are really affecting the lives of people. Another thing, it is not the income alone, but the meaning of that income, because research has shown that Social Security income is key to so many people deciding they continue to live independently. When you compare the life of people before Social Security went into effect and when it did, the number of older women who are widows who are living independently the first 25 years of Social Security almost three times. So as was true for my beloved mother has been true for millions and millions of women. Social Security has not been a source of dependence; it has been a source of independence.

Let me just say a few other things about the impact potentially of privatization on women. As we know, women on the average earn less than men, on the average. Social Security has a proportionately larger impact on women. Let me just give you one number. For the first 10 years and a total of $5 trillion over 20 years of privatization, this means that for women in terms of the replacement of their wages, Social Security is even more important on the average than for men. And also because life expectancy is greater for women than men on the average, if there were private accounts, it would have an especially adverse impact on women.

The gentleman says there is not a comprehensive plan, but there are proposals. In the State of the Union address, the gentleman from Arizona said, fix it. What does fix it mean? In the State of the Union briefings, they talked about annuitization. There would be a requirement for millions of people to annuitize their private accounts if they existed. So it is not a nest egg that is their own. There would be a requirement of annuitization. And because women on the average live longer, the annuities would cost more.

These are just some of the reasons why when we go to meetings and people can come, they are not screened, they are not going to heckle. They are not going to heckle, because women on the average earn less than men, on the average. Social Security is even more important on the average than for men. And also because life expectancy is greater for women than men on the average. Because women on the average live longer, the annuities would cost more.

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said, and I close with this, we need to keep Social Security strong, we need to keep it safe, we need to strengthen it. What they would do is to weaken it and dismantle it.

Mr. Speaker, my time.

Mr. Speaker, let me just say that it is no wonder, then, that the women's organizations and bipartisan women's organizations, are opposing this privatization plan. The American Association of University Women, the League of Women Voters, who go through a very rigorous process in order to come to a position. They are raising all kinds of concerns and say that diverting money from the Social Security trust fund into private accounts could hasten the insolvency of the fund. The result could include a substantial increase in the deficit and significant cuts in some or all of the Social Security's retirement and disability and survivor benefits. The National Women's Law Center, the National Council of Women's Organizations, the Older Women's League, all these organizations are opposed to these risky privatization plans.

Mr. Speaker, speaking of a leader on those issues, we are also most fortunate to have the gentleman from Connecticut (Mr. Larson) with us here this evening, who also has done an outstanding job in the caucus and on committee in terms of focusing on the needs of women and children and families all across this great country of ours.

Mr. Speaker, speaking of a leader on those issues, we are also most fortunate to have the gentleman from Connecticut (Mr. Larson) for having this late night Special Order on something as absolutely important as Social Security for our seniors, but not just for our seniors. It is actually an insurance for every single American that they could not afford if it were not under the Social Security program, and that is survivor benefits and disability benefits.

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benefits were not just retirement benefits, that they also provided survivor benefits?

Ms. WOOLSEY. Mr. Speaker, will the gentleman yield.

Mr. LARSON of Connecticut. I yield to the gentleman from California.

Ms. WOOLSEY. Actually, Mr. Speaker, I scheduled two town halls. We scheduled two town halls. We ended up having three because the second one was out to the street and we just could not get another person in. So we had to have a third right after the second. And 80 people stayed and they waited to come in and be there for an entire third of the hearing or town hall. Who I had on my panel, I had the representative of AARP, who has not been a friend to seniors since Medicare reauthorization and the prescription drug plan. And he really redeemed himself in my community, actually.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, the gentleman from Arizona (Mr. FLAKE) said earlier.

Ms. WOOLSEY. They are mad at him now, Mr. Speaker.

Mr. LARSON of Connecticut. Mr. Speaker, it is interesting that they were friends during the Medicare debate but now that they have spoken out against Social Security, they are now a special interest group.

Ms. WOOLSEY. Right, Mr. Speaker. And the insurance companies pull out entirely. If the gentleman will continue to yield, then we had a representative from the Commission to Save Social Security and Medicare. And then, finally, I had a representative from Rock the Vote, and this young man was so wonderful. All three of them were. It was a perfect panel. And they were in both of my communities with me.

And what I do, because I cannot have one person stand up and talk for 15 minutes, I will give everybody 1 minute. They can give a 1-minute speech. They can ask a very short question and get a 1-minute response, or they can ask a long question and get a short response. But they get a minute. That is all they get. And at first they are all so uncomfortable with it. Then they are so glad that that is how I set it up because they all want to speak. And we would have gone into the wee hours of the night if it had been up to everybody to have a 15-minute speech.

But what they are saying to me is: I am a senior citizen, the majority of people who were there. This is not about me. This is about my kids and their kids. They deserve to have the safety net that we have. And, yes, they need to save on their own and we all do and that is what is missing in this country. We do not have a savings plan in this country that incentivizes particularly low-income workers to save. But that does not mean they do not need the safety net of Social Security.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, the gentlewoman raises a very excellent point, and, again, it is the same point that was raised earlier by the gentlewoman from Michigan (Ms. KILPATRICK) and also the gentlewoman from Illinois (Ms. SCHAKOWSKY). What we need, and the guarantee that we have provided every American through Social Security, is, as she pointed out, a safety net, a floor from which they cannot fall through. And, as the gentlewoman pointed out, our pension systems are already overstressed. We have gone from defined benefit to defined contribution plans pulling out, wholesale, from providing benefits, to people's personal savings where, again, the gentlewoman points out the difficulty that people have, the lack of incentives that are there for them to save.

So the question that a lot of the people at my forums ask is why would we introduce an element of risk in the only guarantee that we have on that three-legged stool that prevents us from falling through the floor and into the depths of poverty, which for a woman in this country is so vitally important.

Ms. WOOLSEY. Mr. Speaker, will the gentleman yield?

Mr. LARSON of Connecticut. I yield to the gentleman from California.

Ms. WOOLSEY. Mr. Speaker, women comprise the majority of Social Security beneficiaries. They are much less likely than a man to receive pensions or have a retirement savings. And there are more than 31 million women receiving Social Security benefits. And if these were taken away, most of these women would be left in poverty. I mean what they are talking about on the other side, what the President is talking about, first of all, he does not have a plan. He just has privatization that he is talking about that does nothing to reform and save Social Security, but what he is talking about is insecurity, social insecurity. It is a gamble instead of a sure thing. And the people in the United States of America get it, and they do not like it. And I predict that they are going to pull back from it and they will not reach beyond what the people in their district are telling them.

The people are booing them. I did not get any boos in my town hall. Did the gentleman have the same experience?

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, no, I did not. But I think the gentleman from New York (Mr. RANGEL), our distinguished leader on the Committee on Ways and Means, said earlier, that clearly the President has asked us to wait until he brings forward a plan. He has withdrawn the fact that this is a crisis, but points out there are problems.

Everyone recognizes that there are problems with Social Security and Social Security needs to be strengthened. But the President further goes on to now admit, as well as the gentleman from New York (Mr. RANGEL) points out, when the actuaries and the financial people have a chance to look at the proposed plan, that it does nothing to solve the problems that the President has spelled out in Social Security.

We have to think as to why they possibly want to privatize or introduce risk in the most successful governmental program in the history of this country.

Ms. WOOLSEY. Mr. Speaker, if the gentleman will yield, who will benefit from a private plan that invests through Wall Street? The President’s buddies. It would be great if his buddies could make everybody in this country wealthy, but that will not happen. And when there is a bubble in the economy, like we had the bubble burst 2 years ago, who is going to be holding the problem? It is going to be right here, the Federal Government. Who is going to pay for it? It is going to be the taxpayers. They are not going to let all these people who lose their life savings in the stock market go on the streets with no food and no health care and no way to pay their rent. Absolutely we would never do that in this country, or I hope we would not, anyway. So we do the bailouts.

But in the meantime, there are going to be a lot of people making a lot of money, and those are stockbrokers and securities bankers, and that is not what Social Security is supposed to be about. It is supposed to be a safety net.

In my town halls I was asked, Well, what would you do, Congresswoman? Why do the Democrats not have a plan? Well, actually our plan is knowing that we have got 30 or 40 years, but we can start right now. We can take a look at raising the caps, or removing the caps.

We stop paying on our Social Security as Members of Congress when we reach the $90,000 earnings level. I see no reason why we should not pay the same. But the President has no reason why Bill Gates should not be paying his billions of dollars the same percentage of those dollars that a middle-income worker pays on what they earn.

I do not see any reason why we should not have a savings plan on top of that, like we have. People say, We want the same kind of plan you have. First of all, a lot of people think that we do not buy into Social Security, which to me needs to be cleared up right away. Members of Congress have Social Security and we pay into the system, and we then have a savings plan on top of that that would be a plan that I would think every person in this country could have, every working person. And I think the Federal Government should match low-income savings to a point where they will not be matched after you earn enough money. But, by then, do you know what? You would be used to saving. But we do not know how to save in this country. We are spenders. We do not save.

Mr. LARSON of Connecticut. Mr. Speaker, reclaiming my time, it might
Mr. Speaker, reclaiming my time, I know the gentleman from New York (Mr. Rangel) has asked for that, where we still have not seen any plan. We are told by Secretary Bolton and others that it is a "work in progress," that we may see it in the future.

In the meantime, I think a number of our listeners would be interested to know that in 2000, Social Security lifted 7 million senior women out of poverty. This means that without that safety net, without that floor which they cannot fall through because it has the full faith and credit of the American Government, it is the social contract we have with our people who have paid into it, that it is there for them. It is a guarantee.

Ms. Woolsey. Mr. Speaker, if the gentleman will yield further, it is also a benefit. The formula actually ensures that people at the lower wage earnings get a greater percentage of their wages back than people at the higher end. It is very progressive. It is intended to keep people out of poverty. It is not intended to make rich people richer.

Mr. Larson of Connecticut. Mr. Speaker, my time, it might also surprise people too, when we are talking about Social Security. I know for many people, from Hoover to Landon to Friedman to Stockman, that Social Security is anathema. It is something that they would just as soon do away with. Mr. Stockman said it is "a beast that needs to be starved."

When we look at the policies emanating from this administration, you wonder if this is not still the plan that they are marching forward with, to privatize and to further starve the monkeys that are needed.

How much money do people receive on average? What does someone get who has worked hard and played by the rules and sacrificed all their life, whether they be people that are currently serving in Afghanistan or Iraq, or whether they are firefighters or our police, or whether they are in the hospitals as nurses or other people?

Ms. Woolsey. They do not make a lot.

Mr. Larson of Connecticut. The monthly retirement benefit for a woman is $798. In America, could you live on $798 a month? This is what the guarantee is. But it does prevent these people from falling into the depths of poverty. It is what Franklin Delano Roosevelt promised to the American people.

Ms. Woolsey. Mr. Speaker, if the gentleman will yield further, the reason is a majority of women at that low wage is that women earn 77 cents to the dollar that a man earns. Women are out of the workforce for a great part of their earning career because they are having the children and raising the children and taking care of their parents and their husband's parents. They are the caregivers. They are not in the workforce as long and they earn less, so they are at the very bottom of the system of poverty; and to risk that that would not be there at all, it would throw the whole burden on their children.

Mr. Larson of Connecticut. Mr. Speaker, reclaiming my time, many of us have been in my forums as well, and I am sure the gentlewoman heard the same thing, and I am pleased to announce we have been joined by two distinguished Members from the Great State of California as well to contribute to this dialogue, but many have said at the hearings that I have conducted how Social Security for so many of them is their only source of income, and they look out and they see their pensions disappearing, they see that Social Security is on a regular basis, and so they ask aloud for the government to please honor, honor, what it has promised and guaranteed them and what they have worked so hard for throughout all of their life.

I think the gentleman from Arizona said, that we get the facts out there and expose the myths that have been put forward.

Ms. Woolsey. Mr. Speaker, if the gentleman will yield further, this will mean in my view because I think the gentlewomen from California that are here need to take up some of this time, but these are Social Security benefits that cannot be outlived. They are inflation-proof and they can be relied upon, and that is what would change if the system was privatized, and it is women that it would affect to the greatest degree.

Mr. Larson of Connecticut. Mr. Speaker, I thank the gentlewoman for articulating that.

I am pleased now to turn to the gentlewoman from California (Mrs. CAPPS), who also has spoken and held hearings in her district and is here this evening to contribute to this very important dialogue about the strengthening of Social Security and pointing out the direct impact that it has on women who rely so heavily on Social Security.

Mrs. CAPPS. Mr. Speaker, I thank my colleague from Connecticut for articulating that.

I am pleased now to turn to the gentlewoman from California (Mrs. CAPPS), who also has spoken and held hearings in her district and is here this evening to contribute to this very important dialogue about the strengthening of Social Security and pointing out the direct impact that it has on women who rely so heavily on Social Security.

Mrs. CAPPS. Mr. Speaker, I thank my colleague from Connecticut for articulating that.

We were recognized this evening, along with one of our pioneer women, Shirley Chisholm, in memory of her, and also today the knowledge that our former colleague, Tillie Fowler, is no longer with us on Earth, people who have paved the way for us as women Members of Congress to join with our colleagues who are of the other gender, but who together recognize that we are speaking on a social program, Social Security, which has now a 70-year history with us.

I am going to ask the gentleman to yield first to my colleague, the gentlewoman from California (Ms. Solis), who is the newly elected chair of the Women's Caucus from our side of the aisle, to join with the gentlewoman from Florida (Ms. Ginny Brown-Waite) on the Republican side, to lead our women Members in voicing our concern about women's issues, one of which has got to be Social Security, which impacts women to a greater degree than it does men for the reasons we will state.

Mr. Larson of Connecticut. Mr. Speaker, reclaiming my time, let me echo the sentiments of the gentlewoman and commend the outstanding leadership that has been provided by the gentlewoman from California (Ms. Solis).

I yield to the gentlewoman.

Ms. Solis. Mr. Speaker, I thank the gentleman so much. I would be remiss if I did not first off thank the gentleman from Connecticut (Mr. Larson) for being so outstanding and helping us provide this special hour here tonight.

As you know, we were at another engagement honoring women, new Members of Congress as well, and also to be joined with other Members of our California delegation and our cochair for the Women's Bipartisan Caucus, as well as the Democratic Caucus.

Mr. Larson of Connecticut. Mr. Speaker, reclaiming my time, I know the gentleman from New York (Mr. Rangel) left here and spoke earlier, eloquently as always, left here so he could be with you and share remarks with you over there?

Ms. Solis. Mr. Speaker, if the gentleman will yield further, the gentleman from New York (Mr. Rangel) did a wonderful job.

I want to thank the gentleman. I cannot think of a more important issue that needs to be discussed at this time in our history than Social Security, and the fact that this administration would lead you to believe that there is a crisis occurring in our country with regard to Social Security.

As the gentleman and I know, some of us held some forums in our district this last week and a half, and we happened to have 15 of those in my districts, and we found resoundingly that people are saying wait a minute, stop the clock; who says there is a crisis here, when we know that this system has been working for so many people.

In my district, I represent 59,000 people who might not now receive Social Security, the majority of them being elderly women. It is unfortunately in the district I represent in Southern California, the majority there are minority....
women, women of color, Hispanic-Latino women. This is something that I want to talk about, because people do not understand that women work very hard, those that have the ability and chance and sometimes have to for no other reason. If they take time out of that career to raise their children or to care for someone in the family household who is ill, those quarters are missed; they do not pay into the Social Security system. So the whole, women tend not to be able to obtain the same kind of financial privileges that most males do, and in fact women only get 70 cents on the dollar. So that also adds to the frustration of women not being able to have the full benefits as others in our society, and it hurts.

I want to point this chart out here, if we might, to just go over what some of the myths and maybe realities that need to be pointed out. Women, as you know, rely more heavily on income from Social Security. That is probably true across the board. Social Security provides well over half, 50.8 percent, of the income of women 65 and older and just over one-third, 35 percent, for older men's income. So that is a substantial difference there.

Women have to rely on that source. Social Security provides 90 percent or more of the total income for 44 percent of all nonmarried, 44 percent. In these categories widowed, divorced and never married. So we are talking about single women. Women 56 and older, 74 percent of the older non married African American women rely on this source. 66 percent of older nonmarried Hispanic women rely on this source. Without Social Security over half of all women 65 and older and 40 percent of older men would be poor. Social Security was invented 70 years ago to be the social insurance program structured to help women such as those Ms. Solis and I know very well, to overcome the hurdles that they face after raising families, caring for their parents, working, but not as much as men do, most likely because they have interrupted their careers, then to face widowhood. And I am a widow. I know very well some of the challenges that widows face, to overcome the hurdles of older years.

For example, lower earning workers earn higher benefits relative to what they have paid into Social Security taxes. Social Security also has spousal benefits. For example, a wife gets half of her husband's benefit at age 65 and the full benefit should she die before her as is often the case. But oftentimes this is the sole life support for such a woman in her older years. Social Security also has survivor benefits that help families when the primary owner has died prematurely. Sometimes often that primary worker is a man, is the husband, and the provider for the family. So that young widow who is raising now by herself her children and is engaged in all of the other responsibilities that she has, now she is left to live on the Social Security benefit provided her as a survivor. In these cases, benefits are paid to the surviving spouse and dependent children. These are all critically important benefits, important to social insurance program true are all benefits which are at risk of being lost in a privatized system. And I will yield back now for further comment from my colleague from California (Ms. Solis).

Ms. SOLIS. Thank you so much. Again, I want to also reiterate as we said earlier, women earn 70 cents on every dollar earned by a man. On the average, that is about $11,000 less in income earned each year compared to men. So that is something that we have to put in perspective. And as a result, women have less money to invest in private accounts, so there goes that theory about, gee, we have disposable income to put away to put in a private account. That is not necessarily the case for many people that I represent in my home district. And I know we are hearing a lot from our constituents right now. In fact, in my office alone, we received 360 correspondence saying no privatization. Privatization, what does that mean? In my opinion, it means that there is going to be money that is actually going to be taken out of their benefits, and in the long run, our young people that are paying, saving, putting into something like that are not going to receive the same return once they are eligible for that. And, in fact, those people that choose not to set up a private account are also going to be penalized. So over the long haul, I do not think that privatizing Social Security is actually going to end what the President is saying is a crisis because it is bankrupt. In fact, it will not do anything to make it solvent. Privatization will not do that. So I think we need to keep this discussion going.

And I would like to point out in this graph here we are talking about women's issues tonight because it is appropriate. This is Women's History Month, the month of March. And why not? Is it fitting to talk about the reality of how women fit into this figure of Social Security and how that piece of pie is distributed?

And retired workers, for women basically represent 33 percent. Very different from a pie chart that you would see for males. Widows and mothers, 20 percent. Disabled adult children, 1 percent. Wives, 11 percent. Dually eligible, 24 percent. Disabled workers, 10 percent. This is how money is divided up for these different categories of women who are affected and how the funds are distributed.

I can tell you now this would change dramatically if this whole new privatization effort came and changed the criterion formula. I do not want to tinker with it. I have parents right now who are on Social Security and I also have a family member who benefits right now from survivor relief because she also lost her spouse and had three children to raise. They were teenagers and one was a younger child. Two have now gone on to get married. One is still with her. And if it was not for that small check that still helps her out, she frankly probably would have had to sell her home, change her lifestyle, would not be living the comfort life that she does, and I do not mean comfort by being extreme and wealthy or anything. I just mean by being able to hold a family together. And most people do not see that fact. They think that it is somebody else.

Mrs. CAPPS. If my colleague would yield, thank you. Your numbers and your graph, the pie chart are graphic and significant, and I would like to put a face on that so that I can give you an example from one of the non retirees that I met this past week in my district who are one of the one-third of...
the Social Security benefits who are not seniors.

Last week, I held discussions with my constituents to hear their thoughts on the President’s plan to privatize Social Security. I heard from many women, several in very different circumstances, yet each of them depending on Social Security in order to make ends meet in their lives.

I heard for example from a 54-year old woman from San Luis Obispo County in California who receives Social Security disability payments due to a work-related injury which occurred 8 years ago. At that time, she earned a considerable salary and she and her husband had invested 15 percent of their income to save for retirement. One could point to them as a model for the kind of American family that we like to hold up as an example of people who work hard, earn a good salary, and then are also saving for retirement.

However, an injury prevented her from returning to work so that she and her husband subsequently divorced and her investments that she had carefully set aside plummeted during the market downturn a few years ago. And here she was, ready, she said, to be turned out on to her living room floor by what she called an exemplary life. As a divorcée with a chronic injury, she is now forced to rely on disability payments. She said to the group, she said, I never thought I would be in the position where I would have to go into every way of every month that that check comes is like a birthday, it is a big celebration in my life to know that that Social Security check is there for me. She said I never even dreamed about how I would be dependent on this.

And these are the disability payments she and her young daughter now are receiving that are the essential platform for how she is able to live. Though she does gets some income from Social Security disability insurance, these payments, these disability payments will end when she turns 65. And when she turns 65, that is just 10 years in the future for her, she is going to have to further rely on Social Security because the majority of her retirement investments were lost in the unstable markets, and that is why she knows very well how important keeping Social Security, that covenant, that trust between generations, because of what the difference is that it has meant in her life. There is no way of every month that that check comes is like a birthday, it is a big celebration in my life to know that that Social Security check is there for me. She said I never even dreamed about how I would be dependent on this.

We cannot afford to jeopardize this critical safety net. Too many of our constituents are receiving that are the essential platform for how she is able to live. And they need to understand that if we go forward, if the President moves forward with this plan, we are going to have to give up $2 trillion over 10 years that will be paid out. Somebody is going to have to pay that back and it is going to come back in the form of lower benefits for people who go into these private accounts and those that do not.

And I just want to make it clear for the very young people or those that are looking to put money away and that privatization is going to help them, they need to understand it is not the same thing. What they put in is not what they are going to bring out. And they need to understand that if we go forward, if the President moves forward with this plan, we are going to have to give up $2 trillion over 10 years that will be paid out. Somebody is going to have to pay that back and it is going to come back in the form of lower benefits for people who go into these private accounts and those that do not.

Just as you said, I have several constituents whose only source of income is that one check that comes in. And maybe 2 or $3 out of that check that can give them a chance to get out of the house, have a meal with another friend or to go visit the senior center and pay $1.50 to get a reduced meal with others, knowing that they are all in the same kind of situation and they are horrified to hear that someone wants to take it away. So with that, I believe our hour might be up. If not, any concluding remarks?

Mrs. CAPPS. I think the gentle-woman is right, that this is a message that we are echoing here on the floor of the House, that we have been hearing from our constituents. Their voices need to be heard as we debate one of the most important programs that we have as a country determined is important within our values framework, what we believe in, that it is to be an American, that we are going to look out for those who are elders and those who are frail and have disabilities, widows and orphans living on a pension. There are many stories that reinforce the importance of doing this. So we will use the opportunity that we have for Special Orders to do this. And I believe we now will yield back any remainder of the time that we might have.

Mrs. MALONEY. Mr. Speaker, I’d like to thank my Democratic colleagues on the Ways and Means Committee and the Democratic Women’s Caucus for organizing this Special Order on this critical topic. As I have said before the Administration’s proposal to cut Social Security in half is bad for every American and is particularly bad for women.

Today, 24 million women get Social Security. Because women tend to live longer and earn less than men, they tend to rely more on Social Security for financial security in their old age.

Women are 60 percent of all recipients at retirement and 75 percent—three quarters of recipients over age 65.

There remains a real wage gap between women and men in this country and that translates into a real pension gap.

According to the Social Security Administration, the median earnings of women working full time are only 75 percent of those of men.

The wage gap is much bigger when one looks at it over a working lifetime. Over a 15 year span, women only earn 38 percent of what men earn.

Social Security reduces the poverty rate among women by about 80 percent and is the only source of income for almost 30 percent of retired unmarried women.

For all unmarried women and widows, Social Security makes up over half of their income whereas for unmarried men and couples Social Security only makes up a bit more than a third of their retirement income.

In addition, women rely more than men on spousal benefits, survivor benefits, and disability benefits. Over 30 percent of those receiving disability or survivor benefits are women and children.

Private accounts would hurt women more because of the huge benefit cuts that they entail and because women have less earnings to put in private accounts than men do.

Effectively, private accounts erode the benefits of Social Security in providing financial dignity to older women and would take us back to a time when the majority of widows and orphans lived below the poverty line.

The Administration refuses to show us the numbers on how its proposal would cut benefits to retirees. But we know these cuts are built in.

The Administration’s privatization plan cuts benefits by more than 40 percent to future generations.

The cuts to spouses, survivors, and recipients of disabled worker benefits would be even deeper. And workers who become disabled or die young would not have worked long enough to build up a private account to help support them or their surviving spouse and children.

In the Town Hall meetings that I held during the recess women were particularly concerned

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over the loss of benefits that the Administration's proposal would entail. They were right to be concerned. Women have more to lose here.

But we can fight back. We are making progress. Just today, the distinguished Majority Leader of the other body suggested that the Administration not be able to get their vote on this this year and might have to drop private accounts from any proposal.

This is no time to rest. We must speak out in Special Orders Town Hall meetings and elsewhere to make sure Social Security is protected or our mothers for our daughters—and for every American.

Thank you again for organizing this Special Order.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise today to address the devastating impact that privatizing Social Security will have on women, especially African American Women.

Social Security is particularly important to women, especially in my home state of Texas. Without Social Security retirement benefits, 564,000 women in the Lone Star State would be classified as poor, according to a report released by the Center for Budget and Policy Priorities.

Currently, Social Security benefits are progressive; the higher the income, the lower the benefit. This system of progressivism, combined with a cost-of-living adjustment that increases benefits every year, strengthens the safety net for those who are the most economically disadvantaged.

Privatization flows from concerns that many people have about the future of Social Security. Some of those concerns are founded and some are not. We are all well aware that as the post-war baby boom generation ages, the number of retirees relative to the number of workers will increase. These are facts that cannot be changed. However, modest changes, implemented immediately, can give people time to plan for the future and would take us a long way toward resolving the issue.

Privatizing social security is the most radical change, and it assumes that there is magic in diverting some portion of the current social security payroll tax into the private markets. Most privatization plans propose to strip a few percentage points off the Social Security payroll tax and divert them to private individual investment accounts. Most people happily focus on the vision of a few dollars a month growing into millions of dollars over time. Unfortunately, this is a dream and not reality, as we have witnessed in the current stock market.

There are important facts that should be considered when privatizing Social Security benefits. First, the huge cuts in benefits which would be required under the privatization plans—most as large as a 60% cut in Social Security benefits. For people with large savings from other sources, which may not seem like much, but for most Americans, it would be a drastic reduction in the protections they have to come to rely on.

Next, privatization would be a major change in who bears the risk of saving for retirement. Privatization would shift nearly all the risk to the individual. People who are wise or unlucky in their investments would suffer. We saw many examples of this in recent stock market fails.

Finally, privatization would increase the Federal deficit by more than a trillion dollars over the next ten years. Taking a mere two percent of payroll away from the Trust Fund could double or triple the size of the deficit. This effect is what some people trivialize as "transformation costs." I do not believe it is trivial, and it was not even mentioned. How will American public and staff here in the House about some of the issues, the looming issues of Social Security.

Ten years ago it was as obvious as it is today or perhaps today it is even more obvious, but it was obvious even then because of the demographics that we were facing a problem with Social Security. And we thought that it was time for us to start addressing and to talk about what ought to be done. So tonight we are here to talk about strengthening Social Security.

I heard the word "gutting" Social Security used by the other side a few minutes ago. Nothing could be further from the truth. Nothing could be more like gutting Social Security than to do absolutely nothing. That truly is the way to hollow out Social Security and saw through the next generation of our aging generations that follow that there will not be Social Security. But there is a way that we can strengthen Social Security, make sure that that benefit is there for the women and children that we heard about here, for the low-income persons and for the retiree that does not have much else.

We can make sure that it is there. We can do it by coming together, reasoning together and making some suggestions and ideas, coming up with ideas about how we can strengthen Social Security, how we can protect it for the future, how we can protect it for current retirees and how we can make sure that the next generations of retirees have a Social Security benefit.

Now, it is not certainly just our side on the aisle that has been talking about this. We seem to agree on this idea that there is a problem. And even before we began this discussion this year on this, I am delighted to see that there are previous high-ranking Democrats that have been talking about this.

President Clinton in 1998 talked about Social Security and said that, Of all of these achievements, the economic achievement is increasing social coherence and cohesion, our increasing efforts to reduce poverty among our younger generation, all of them are threatened by the looming fiscal crisis in Social Security.

That is 7 years ago. President Clinton identified that there was a looming fiscal crisis in Social Security. He did not say Social Security was in danger of going away. He did not say Social Security was in danger of being gutted. He said there was a fiscal crisis, and this is exactly what we face today. It was a cash-flow crisis.

Senator HILLARY CLINTON while she was still first lady, she said that one of
the most critical challenges of our time is preserving and strengthening Social Security for future generations. That is exactly what we are talking about here tonight. We are talking about how can we make sure that Social Security is prepared for those who need it today, how can we make sure it is strengthened for those who will need it in the next generations. That is precisely what we are talking about.

Now, we will look a little bit at some of the dimensions of the problem and why we do have a problem. And by the way, problem, crisis: there is a lot of talk around here. It is not a crisis. In fact, we are hearing it is not a problem at all. Obviously, President Clinton did not agree with that. Obviously, Senator Clinton did not agree with that. I have never used the term “crisis,” but it is a problem.

You know what happens when you have a problem and you do not do something about it: it becomes a crisis. If you do not do something about the problem, it becomes a crisis. It is not a crisis today, but we can see the crisis looming in the future. And I can tell you from having introduced the only bipartisan and the only comprehensive Social Security reform bill for the last 8 years, Former Congressman Stenholm and I introduced and the current Congressmen, the gentleman from Florida (Mr. BOYD), and I have introduced it this year, still a bipartisan bill that covers every detail of strengthening Social Security. I can tell you that if you do not work on strengthening and if you do not work on fixing it now, it becomes more difficult in the future.

Every 2 years when we introduce our bill in the next Congress, we have to go back, of course, and recalculate the figures for the fact that 2 years have passed by, the demographics have changed a bit, and it becomes more difficult. It becomes more expensive. It becomes harder for the next generation, and it becomes harder for the current generations.

What is the problem? What is the basic problem that we have in Social Security? It is a problem of demographics, that people are living longer. We have more people who are retiring. They are living a longer life. And at the other end we have families that are smaller. They are being started later. And so we have fewer people coming into the workforce.

I have heard here this evening the talk about how this is a social insurance program. It is social insurance. It is social insurance, but the insurance program, the insurance that we have here is a contract between generations because Social Security, and let us make no mistake about this. If we do nothing else this evening, I hope we can convey one thought: Social Security is a pay-as-you-go program.

Taxes are collected today that are paid out in benefits at the end of the month. The contract is between generations, that when the next generation gets ready to retire that there will be somebody there to pay their benefits.

Let me go through this chart and let me yield to my distinguished colleague here because this is the fundamental problem that we face and why we do have a problem. In 1950, there were 16 workers paying their taxes for every single person that was receiving Social Security benefits, 16 people working, for every one receiving their benefits. Today there is only 3.3 people working for every one that is receiving their benefits. When the younger workers retire in 20 years, that is not so young actually, but when people start retiring in 20 years, there will only be two workers that are going to be paying for the taxes for every single beneficiary. That is two people are going to have to pay their taxes each month to equal the benefit that is going to one retiree. That is a huge tax that people are going to have to pay.

The reason is quite simple, as we just said, it is the fewer the number of workers paying the taxes. In the year 2008, and then we have those people living a lot longer, and a smaller number of people coming into the workforce to cover those taxes. That is the essence of the problem that we have here. We have got to strengthen Social Security, to make sure that it is strengthened for the next generation. It is not only for the current retirees, but that the young people will have some hope that there will be something there for them.

I know the gentleman from Minnesota (Mr. KLINE) has worked very hard on this issue. I know he has conducted some town halls, which I want to talk about some that I have done recently; and I would like to yield to the gentleman from Minnesota (Mr. KLINE).

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

Before we move further in this discussion, which I am looking forward to this evening, I just wanted to touch on a couple of subjects that my distinguished colleague from Arizona has brought up and some of the things we heard from our colleagues on the other side of the aisle.

First of all, I know that the gentleman from Arizona (Mr. KOLBE) and all of my colleagues on both sides of the aisle really would like to see a strong Social Security program. I have been telling folks, in fact, I was talking to high school students in Minnesota this last week that it is very important to me that Social Security be in place for my 84-year-old son, my 68-year-old mother, and it will be in place for my 84-year-old mother. But I want Social Security to be in place, to be strong, to provide the kind of retirement safety net that our colleagues have been talking about for my 84-year-old son, my 84-year-old daughter, my 3-year-old granddaughter.

The demographics that my colleague has just put up there start to show the problem. And we are going to get into that some more this evening; but I am disheartened, frankly, I am disheartened to hear some of the language that we were listening to earlier.

Our colleagues ascribed some motives or something that I think is simply not true. It is not fair and it ascribes a motive that is not there. One of our colleagues said that we want to gut Social Security. That is simply not true.

I know that the gentleman has been trying year after year after year to, in fact, strengthen Social Security and make sure that not only do the current retirees not lose benefits, but that my daughter, my son and my grandchildren do not lose benefits either. And I just hope that my colleagues would all understand that our motives are to strengthen Social Security. We should be working together in a bipartisan way, as we have been doing to do just that, and I hope that we can move away from some of the harsh rhetoric that we unfortunately have heard tonight and I am afraid that we are going to be hearing in the future.

Mr. KOLBE. Mr. Speaker, I appreciate the comments of the gentleman here, and I think they are on point. I think the gentleman is absolutely correct.

It really does not serve anyone very well to have the kind of harsh rhetoric that we have been hearing about this issue. It is too important to carry on in that kind of a partisan nature.

I remember sitting on this floor when the President of the United States, President Bill Clinton, talked about Social Security reform in 1998 and standing and applauding when he had the courage to get up there and talk about it. In fact, the President then said, it is up to us to do the hard work, the outreach effort that he did, and he happened to do it in my congressional district.

I flew with him on Air Force One to Tucson in order to talk about this issue, and I was struck by the amazing grasp of the detail that President Clinton had about the nature of the problem that we were facing. It is exactly the things that we have been talking about and that we will continue to talk about and that President Bush is talking about today.

We have a problem. We need to find a way to fix it. We need to find a way to strengthen Social Security so it will be there for the next generations as well as for current retirees. So we are not talking about taking it away. These kinds of scare tactics, they are not only bogus but they are disheartening as the gentleman from Minnesota (Mr. KLINE) said, but they are also very destructive.

That is why we do not help us find a solution. And if ever we needed to have a bipartisan reach-out to find the solution to this problem, it is on this issue. The
American people are watching us to see whether Congress really can reach out to find some way to fix this.

Mr. KLINE. Listening to the debate, the arguments earlier this evening, it was clear that our colleagues recognize that something needs to be done. I know that the gentleman from Connecticut, I believe, said everybody knows that we have got to do something to strengthen Social Security, and other Members have said everybody knows we have to do something. And that has been a couple of proposals and increasing taxes was proposed by the gentleman from California, I believe; but if we know that something has to be done, we ought to be able to move forward and engage in the debates and engage in the discussion about what we are going to actually do to strengthen Social Security.

But I know that not everyone understands the nature of the problem and how quickly it is going to arrive, and, unfortunately, if we do not do something, it is going to arrive, and, I think, the American people are watching us to see whether Congress really can reach out to find some way to fix this.

Mr. Speaker, I agree with what my colleague from Minnesota (Mr. KLINE) for both comments, and I hope he will continue to engage in this discussion here tonight.

I do want to take a few moments to talk about this particular chart up here because I think it expresses better than anything I could say verbally what the nature of the problem is that we are facing.

Going back, thinking back to the last chart where we talked about how the fewer numbers of people are paying the taxes to support the beneficiaries, the people getting the benefits, this illustrates exactly what that means in terms of the cash that is coming into the Social Security trust fund. The reforms, the changes that were made in 1983 we are moving towards the Social Security in the short and the medium term; but for the long term, it just kicked the problem down the road. It did not make a permanent fix to it. It just postponed the day of reckoning, postponed the day of reckoning because it increased the taxes. And gradually we are in the process of now raising the retirement age. It made some other things.

So since the late 1980s and early 1990s we have been collecting more in revenues from Social Security tax than we have been paying out in benefits. That means the Social Security trust fund has been reaping this windfall, if you will. It has had this extra money which we all know really is, in other words, the Federal Government that is the Social Security trust fund taking the money and then turning around and loaning it to the Federal Government for part of the operations of the Federal Government. It is really paying part of the bills, if you will, the obligations of the rest of the government.

Now, the trust fund gets some IOUs and some Treasury bills in its name in there, and those are earning some interest. But here is what we have got right now. There are more benefits coming in. But as you can see here this black part up here which is the revenues exceeding the benefits being paid out, it takes a downturn here in just 3 years.

Now, that is the first critical date we need to focus on, the year 2008. It is in the year 2008 where the revenues start to decline and the excess revenues start to decline. And so the deficit, instead of masking more of the deficit each year, it will start masking less and less of the deficit each year.

So we will be doing more borrowing in order to cover the rest of the deficit.

Then, in the year 2018, you can see where these lines cross and the black turns to red. That is where the benefits being paid out exceed the revenues; the taxes that are actually being collected. So the Social Security trust fund has to go back to the Treasury, they have to go and cash in those IOUs they are holding, which means that the Federal Government has to give them cash and replace that with immense amounts of borrowing over here to cover the deficit.

At that point, they not only have the annual amounts they are covering for each month to cover the benefits, but they also have to cover the replacement of the IOUs. So the deficit really starts to balloon at that point. And within just a very few short years, up to 2018, the deficit being caused by the Social Security Trust Fund cashing in those IOUs is in the hundreds of billions of dollars a year.

We are going to be faced with a Titanic, a major, a simply major problem that we are going to have to confront at that point. How much do we borrow? How can we keep on borrowing those amounts of money, just to cover the shortfall in Social Security? And this is not saying anything about the shortfall in Medicare or the other kinds of entitlement programs that we have.

We are talking just about Social Security. It is going to be a massive shortfall that we are facing. That is why it behooves us to start thinking about this now.

Now, the third and last date that is currently projected is the year 2042. That is when the IOUs are gone. They have cashed in all the IOUs. Somehow we have managed to borrow the money from the Chinese or Japanese or the Germans, or whoever, to replace that borrowing, and we have managed to get the cash to pay the benefits. But in 2042, the IOUs are gone. There is nothing more for the trust fund to go out and use, except the money that is coming in each month.

At that point, assuming we have done nothing, as some people I have heard tonight over on this side suggest that we do, do absolutely nothing, if we do absolutely nothing, at that point the Social Security benefits would be cut by 27 percent.

Now, is there anybody listening this evening, and my colleague can answer this for himself, is there anybody that really thinks politically, with all the research we will have in 2042, we could realistically say, gee, your benefits just got cut 27 percent this month. Take it or leave it. That is it. Obviously, that cannot happen and will not happen, which is why we have to think now about how we will fix this so that it is strengthened for future generations.

Mr. Speaker, I will be happy to yield to the gentleman again.

Mr. KLINE. Mr. Speaker, I thank the gentleman for yielding to me. I think it is a terrific graph. The problem is clearly outlined with that big red area that says cash deficits.

I just want to reinforce what the gentleman said about the trust fund; the trust fund not actually having any money in it, having IOUs, having bonds that have to be redeemed through the general fund. And the gentleman, I know he understands that it is highly unlikely without some major change that we could reach that 2042 date when the IOUs run out. The impact to all of America between 2018 and 2042, if we do not do something now, would just be catastrophic.

To get back to the gentleman’s opening comment about problem or crisis. Certainly it is a problem today, but clearly a crisis when you get into that big red area that says cash deficits. That is why it is so important we should have this debate today; that the American people understand that we are facing a problem which is going to turn into a crisis. We need to get this debate engaged and agree on a solution which will strengthen Social Security.

I know there are many proposals out there. The gentleman has a bipartisan proposal, the President has put forth an outline of a proposal. Our colleague, the gentleman from Wisconsin (Mr. Kolbe and Senator Grassley) has a proposal, and others, and that debate, that discussion is the one we need to have.

If there are others who think that simply the solution is to raise taxes, which was suggested here tonight, then, fine, let us put that discussion into the debate as well. But let us recognize that that red area, that sea of cash deficits is something that is looming.

Now, I am part of that leading edge, or maybe 1 year behind it, of those baby boomers, and it is a rapidly approaching demographic shift that we need to address.

Mr. Speaker, I yield back to the gentleman.

Mr. KOLBE. Mr. Speaker, I thank the gentleman again for his comments. The gentleman is a bit younger than I am. I am afraid I got ahead of the baby boomers on this.

Mr. KLINE. You are one of the few.

Mr. KOLBE. One of the few left around here.

Mr. Speaker, I agree with what my colleague has just said, and I think he
is exactly on target. We do need to be thinking about all the different ways in which we could fix this. Certainly taxes is one of the ways we can fix this. Certainly we can do some reduction of benefits. But, really, if you think about it, there are only three ways you can have a fix or do something to really reform Social Security.

One is increase the revenues. That is increase the amount of taxes you collect; whether you increase the amount of wages subject to the tax or whether you raise the rate of taxation, that is the rate of the Social Security tax we are paying today.

The second, of course, is to make some reductions in the benefits. You can make the reductions for future retirees, or whatever, whatever else other retirees we are talking about. But you can reduce the benefits.

The third thing is to increase the rate of return on the money that we put there. And that really gets us to the personal accounts, which I want to talk about in just a moment.

But before I do, I thought maybe it might help us to talk a little bit about the town halls that I have been holding, and I know a number of my colleagues have been holding about Social Security. Of course, for me, having had a proposal, a complete proposal introduced in Congress for the last 8 years, and having been talking about this for at least the last 10 years on the floor of this House and in every single town hall I have done, we have been talking about this. And I am talking about town hall communities, where everyone who comes to the town hall is 65 and over, I have been talking about this for a long, long time.

So I am not fazed by the fact that a handful of people show up at my most recent town hall, or that they are not, well, I say fairly vitriolic. They have a few unkind words to say because they have not been there before. And I know these people are coming as a result of some e-mails that were received from other organizations. But by and large, the vast majority of the people that have come to my town halls during this last recession that we had were interested in seriously hearing about the nature of the problem and what kind of fixes we could have.

I think on that score, by the way, the President has won the first round of this battle. My colleagues on the other side that want to deny that there is a problem have lost that battle. Because the polls now show by an overwhelming margin that the American people do think there is a problem with Social Security, and they think Congress needs to fix it, and they think it needs to be fixed, and Congress to strengthen Social Security. So we have reached over that first hurdle.

Okay, there is a problem. Now, let us get to talking about what are the solutions. What are the things we might do that could make Social Security a better program for the future.

Coming back to my town halls, I just wanted to share this one story. And I do not know if the gentleman from Minnesota has some others that he might want to share, some of the experiences he has had in talking about this, but I had a town hall down in Sierra Vista, which is one of the communities that has a large military facility down there and we talked about Social Security for 1 hour of the meeting.

I had two women who came up to me after the town hall was over and they were both very concerned. And they said they had come to the meeting as a result of an e-mail they had gotten and they had come opposed to reform and very much opposed to the concept of personal accounts. But after hearing the facts and the data, and we did have a real debate because there were plenty of people in the audience that were trying to dispute the things I was saying, so we had a real discussion about it. But they said after hearing the facts and the reason why reform is essential, they told me they were supporters of the concept of personal accounts, and that they were going to go away and explain to their Democratic friends why personal accounts are many and why we really ought to be doing something to reform Social Security now.

So I say that there is no doubt that if we talk about this issue with our constituents when we represent at home, I think there is no doubt that they will understand that there is a need to do something to strengthen it. I think there is still a lot of uncertainty about what the reform of Social Security will look like and how should we fix it? How should we make it better? How should we strengthen it? But I think there is a growing awareness that we do have a real problem there.

Mr. KLINE. I thank the gentleman for yielding once again, and I just want to underscore the point the gentleman made that increasingly our constituents understand that something needs to be done.

This sort of anecdote has been put forth many times before, but just this last week when I was back in my district, I was visiting one of the high schools, I had a group of students, about three classes, and we were discussing a large number of subjects, everything from the war to taxes to education, and one of the subjects was Social Security.

I asked the question, which I am sure many of my colleagues have asked, to those students. I said, how many of you believe that Social Security is going to be there when you retire. Just asked the basic question. Not a hand went up. I thought, well, maybe they are just a little shy and do not want to raise their hand. So I reversed the question. I said, how many of you believe that Social Security will be gone when you retire? And about a third of the hands went in the air.

Now, as the gentleman knows, sometimes when talking to high school students, or Members of Congress for that matter, not everybody is paying full attention, but it was clear to me the young people in my district, and I think across the country, just have no confidence that the Social Security that their grandparents are using and every other generation is going to have.

And the gentleman has shown us very graphically what that demographic problem is. I believe that underscores our purpose here to strengthen Social Security. Not to destroy it, not to wound it, and certainly not to gut it.

I know many of the proposals that have been put forward, the President and many of our colleagues, call for including the personal accounts, which the gentleman is going to talk about and taking advantage of the enormous power of compound interest to create a nest egg which they will have in conjunction with the Social Security program and that will provide the benefits that we were hearing about earlier tonight that women particularly require. We want to make sure that the program is there. We are looking for a way to strengthen it.

Again, I just thank the gentleman for his persistence on this issue and his continued leadership as we move forward in the debate.

Mr. KOLBE. Again, Mr. Speaker, I thank the gentleman from Minnesota for his participation in this discussion here tonight.

Just moving forward a little bit, and I do want to respond to what my colleague said, it reminds me of some experiences I have had. I have been, as I mentioned, talking about this for a long, long time. And I go into high school audiences, where there are seniors that are old enough to kind of understand the issues involved here, or go into college classes and I get questions every time: How many of you think Social Security will be there when you get ready to retire? I almost never have a single hand that goes up. Never a single hand. So they do sense that there is a problem.

And they are exactly right, because the numbers we just ran through, Social Security will not be there for them in the same way that it is today. There is no possible way when they get ready to retire that Social Security will be there in the same form. Something will have changed about it. Their benefits will have been reduced, taxes will be increased, or we will come to some other conclusion about a way to reform Social Security.

So they understand what the issue is. And I think, generally speaking, the American people are coming to understand that.

Mr. Speaker, I am happy to yield to the gentleman once again.

Mr. KLINE. I believe that is true.

As I said in my remarks just a moment ago, I know that the anecdote that many of our colleagues have expressed, because they have had the same experience of asking young
people, high school seniors, college students, others. If they think Social Security is going to be there when they retire, I have never had a hand, I have had the same experience as the gentleman, I have not been asking the question for as many years, but never a hand. Because where they believe it is going to be there.

And what a shame, because they ought to have a system, all Americans ought to have a system that they can count on and that they believe is going to be there. And until we do something to really strengthen the system, they will not have faith that it is there. And they should not, because without that, fix it just will not be there in that manner.

Mr. KOLBE. I appreciate the gentleman's comments, and I think what his experience illustrates, as a newer Member of the Congress, is that if you are out there talking about this issue candidly and honestly with the people you represent, your constituents, they are willing to listen to what you have to say. They will not reject out of hand what you are saying.

So I hope we have been able to dispel the notion that there is no problem out there. I hope we have been able to dispel the idea that we need to do absolutely nothing. We do need to do something to strengthen Social Security to make sure it is there for this generation as well as for the next generation.

So that brings us to the ideas of what we can do to make it work.

Now, as I mentioned earlier, there are three things or variations on three things: raise taxes, decrease benefits, or increase the rate of return on investment that we have in Social Security. I happen to believe that we ought to do a little bit of all of those. If you are going to strengthen Social Security, you need to do a little bit of each of those things.

But the heart of that strengthening is increasing the rate of return on the investment we have in Social Security. I happen to believe that we ought to do a little bit of all of those. If you are going to strengthen Social Security, you need to do a little bit of each of those things.

And so the younger person is going to say, what is in it for me. So we can say there is a chance to have a greater return on investment through a personal account. Even though you are paying a little more taxes and getting a little less benefit from the defined benefit part of Social Security, you are going to have a greater return on investment. It still will grow as the country grows, grows as the economy grows, grows as the world economy grows; and that will yield a retirement that is better even with the reductions we are going to have to force. It is going to be better than what we have today.

So the first principle we have to agree on is we do not do anything to change Social Security today, who are retired or near retirement get. I do not know of a single plan offered by anybody on this side of the aisle or the plan that I have offered along with that side, the only bipartisan bill which has been introduced in Congress, none change it for anybody who is over 55. To everybody that is watching this, if they are over the age of 55, you can turn the television set off because this does not affect you. We are not talking about anything that changes your benefits.

Mr. KLINE. Mr. Speaker, I think that it is critical that all of America understands what the gentleman said is accurate. I have a table that my staff keeps updated almost daily as we are talking in this debate. I do not know of a single proposal, certainly no serious proposal, that alters in any way, in any way the Social Security program for those my age, or 55 and up. It does not change it a bit. It is the same same increases. The program is exactly the same. My 84-year-old mother is going to continue to get her checks in exactly the same way she has been getting them for the last 20 years. The program stays exactly the same.

I think that is a key piece of this overall picture that we are talking about as we move forward in the debate. There are different programs, and the gentleman from Arizona (Mr. KOLBE) has a program he has been working, others have other proposals. Most of those on this side of the aisle correctly create some sort of a personal account, an account that our younger workers can own, that grows, that has the opportunity to give them a greater return than the current system gives them. It gives them something that they own that they can leave to their heirs. No proposal affects the benefits of any current senior whatsoever.

I think it is important that we understand that as we debate the details of the proposals such as the one that my colleague has, and we have that basic understanding that we are talking about the opportunity to increase the return, to take advantage of that interest, increase the rate of return for our younger workers. That is the position we are starting from, not the position that we heard earlier in the evening of gutting Social Security, of trying to do something to help the President's buddies and those other unfortunate things we heard earlier. This is about making sure the program is there for our grandparents like it has been there for our parents.

Mr. KOLBE. Mr. Speaker, the gentleman is exactly correct and on target. Obviously, when we talk about personal accounts, it has not always been that Democrats have opposed that. In fact, when President Clinton in the last 2 years of his term, second term in office, was talking about Social Security reform, talking about it honestly and openly, Democrats began talking about maybe there ought to be a greater return on investment; maybe some of the money ought to go into a personal account.

Senator REID, now the minority leader in the United States Senate said, "Most of us have no problem with taking a small amount of the Social Security proceeds and putting it into the private sector." He said that on Fox News in 1999. I think the Senator was correct about that. There are similar kinds of things that have been said by other leaders.

The ranking Democrat on the Committee on Ways and Means said at a press conference at the same time, this was the same time the President was talking about Social Security reform, he said, "I am one Democrat who truly believes that Democrats will not benefit by doing nothing on Social Security." So he recognized the problem, and he believed we should do something, Mr. Speaker.

I say if they do not like the plans that are out there, the plan that the gentleman from Florida (Mr. BOYD) and I have introduced, or other plans introduced by the gentleman from Wisconsin (Mr. RYAN) and the gentleman from Florida (Mr. SHAW) and others, fine, but bring something to the floor that we can start this dialogue, that we can begin this debate.

Coming back to the topic of personal accounts, we just heard a few moments ago the gentlewoman from California talk about how Social Security is so important for women, and she is absolutely right. Social Security is important for women, but Social Security is not very good for women right now. One of the reasons it is not so good, it is because they tend to drop out of the workforce at a certain point, when they are raising children, and so they get less from the system when they get ready to retire.

There are a lot of single women who raised their children. I like to use the analogy of the 48-year-old single mother. She got her kids through school and college, worked herself to the bone, and she drops dead of a heart attack at the age of 21, and she drops of a heart attack at the age of 48. What does Social Security provide? Zero. Not one dime, because her children are over 21. She is not married; there is no spouse. There is not one dime from Social Security.

Now, if a portion that she had been paying in those taxes had been put into a personal account, she would have owned something. She would have owned something that she could leave to her heirs; and if she forgot to write the check, it still would go to her heirs, which would have been her children. That is the magic of personal accounts. They not only provide a
greater retirement benefit, but it is an asset that people own. They own it. They can manage it and figure out what to do with it. They can leave it to their heirs. That is the magic of personal accounts.

As I said, it is the link to the next generation because as I said, personal accounts do not fix the problem. Indeed, if we are going to take a carve-out as I think we should because to add it on is to say just a huge new tax on Social Security to be added as a burden on the people, if we are going to carve it out of the current amount being paid in retirement taxes, we are going to have in a sense a bigger problem, so we have to do something to make it all balance.

Guess what, you can do it, but you have to make some tough choices, and that is what nobody has been willing to do. Particularly as I listened over here, I do not hear anybody willing to make some of those tough choices. What do we do?

Well, the legislation we have introduced does a little bit of everything. We would make some modest reduction to the Consumer Price Index on which the annual cost-of-living adjustment is made, justified by a relative index which accounts for durable goods lasting longer today. Alan Greenspan has talked about it. It is a little complicated economic issue, but basically the Consumer Price Index today is a little bit out of whack with the reality of where the inflation rate is actually going.

In our bill, we would increase the amount of income subject to taxes. Not increase the wage rate because we do not want to say to the person earning $25,000 we are going to increase your Social Security tax, too; you are going to have less take-home pay. But we are going to say to the person who currently makes over $100,000, you are going to have less Social Security tax because we are going to increase the amount of wages subject to taxation. That is legislation that the gentleman from Florida (Mr. Boyd) and I have introduced. This is not necessarily the President’s plan or any official plan on this side of the aisle, but I use it only to illustrate if you make some of these choices, you can fix some of these things.

We would also accelerate the retirement age so we take out that 10-year gap forever, we take that out so it goes to 67 a little faster. We do not change the retirement age; we just accelerate the speed at which it goes.

We would make some changes to the benefit structure for younger people, people with personal accounts, make some reduction in their benefits; and you can make Social Security solvent not for 10 years, not for 20 years, not for 40 years, and not even for 70 years, which is the only horizon that the Social Security Administration will look at. Because, of course, the CBO has looked at ours, and they say it goes as far as the eye can see as being solvent. So we can say to younger people, yes, you are going to pay a bit more in taxes, and, yes, you are going to get a little less benefit; but you are going to have retirement that nobody else has had up to this time. That is what personal accounts do, and that is why I think personal accounts are a part of any reform of Social Security.

It is not the be-all, it is not the end-all, it does not answer all of the problems; but it gives some confidence to younger people that there is going to be something when they get ready to retire. That is why I think the personal accounts are so very important.

Before we wrap up here, let me outline a couple of other ideas.

Again, we are looking at what President Clinton said in that State of the Union address in 1998 where he said, “We are going to hold a White House conference on Social Security in December, and one year from now I will submit legislation to the Congress to draft bipartisan legislation to achieve a landmark for our generation, a Social Security system that is strong in the 21st century.”

I am sorry to say because of personal things that occurred after that, we never got around to that. The President’s clout here in Congress was diminished, his clout with the American people was diminished. He was not able to carry that off. There is no doubt it takes a great deal of Presidential leadership to carry that out, but President Clinton knew what the problem was, and he identified it at that time.

Much more recently, in fact just today, just today in testimony before the Committee on the Budget, Alan Greenspan, the chairman of the Federal Reserve Board, said, “In my view, a retirement system with a significant personal account component would provide a more credible means of ensuring that the program actually adds to the overall saving in the Nation capital stock.” That is a little bit of economic legalese there, but he is basically saying it is a better way and it adds on the total savings that the United States has if you have personal accounts.

The thing that is important about personal accounts is they belong to every individual and they can be tailored. They can change as circumstances change.

The gentleman from Minnesota (Mr. Kline) knows this. As Members of Congress, we have exactly what we are talking about doing for Social Security. It is called the Thrift Savings Plan, and all Federal employees have it.

It is a piece of our retirement and it is money that we put in out of our wages that is matched in part by our employers which in this case is this House of Representatives, and it goes into a personal account that belongs to us and we get a statement every year that tells us how much we have invested and we have some choices about where we invest that. No, we do not go out and have to ponder every night looking over the stock pages and deciding which stock to buy because it goes into index funds. We can choose a bond index fund where it buys every bond in that index, or we can choose a Treasury bill.

Want low risk? You have got to assume that Treasury bills are probably the safest thing. The government is not going bankrupt. I think we believe that. The government is not going bankrupt. So you can buy a Treasury bill index fund where it buys all the Treasury bills, medium, short, long-term Treasury bills. It has a lower rate of return, but it is absolutely safe. The nice thing is that as you get close to retirement, you can start to shift that from one account to the other. That is exactly what I have done with mine. I do not want less volatility, so I moved some of it out of the stock index fund into the Treasury bill fund. That is the beauty of this is it gives you some choices to plan for your own retirement. Social Security does not give you that.

Mr. KLINE. If the gentleman will yield, I would like to take this opportunity to go back to the point that the gentleman made earlier in his example of the 48-year-old single mother. The gentleman from Arizona and I are paying in to Social Security. We are in the Social Security retirement system.

We also have the Thrift Savings Plan that he just described. Should I die today, I would not be able to leave for my children or my grandchildren anything out of the money that I have paid for many years, not quite as many as the gentleman but many years into Social Security, but I can leave and I will leave the money that I have paid in to the Thrift Savings Plan because I own it. And it underscores the point that the gentleman made earlier, that one of the terrific benefits about having a system that strengthens Social Security, that has a personal account as a component of that is that that money is absolutely yours, and I believe that in all the proposals that we are going to be debating put forward by the gentleman that we have talked about earlier, that is owned by the individual and they can leave it to their heirs when they die.

It is a major difference between this proposal and the current system. While it is providing wonderful paychecks for the mother, she does not own that. And I want my children and my grandchildren to own something that is part of their retirement system. Unfortunately, as we said earlier, for those that are 55 and up, we cannot strengthen that program for them. Nothing in this proposal does anything for them. Nothing. It is not going to get better. It is not going to get worse. It is exactly the same. But for my kids and
my grandkids, what a wonderful thing to have as part of their Social Security. The one that the gentleman was describing, the Thrift Savings Plan that can be tailored to their needs and their age and how they can use it in their retirement or they can leave it to their heirs. I just wanted to step in at that moment to see if we could not underscore the important difference between having an account that you own and one that you do not.

Mr. KOLBÉ. This discussion about the personal accounts and the kinds of index funds they might be invested in leads me to the two kinds of final points that I wanted to make here tonight. We heard on the other side, and the gentleman talked about this a moment ago, the comment that was made—plight that is being done for the gentleman talked about this a moment ago, the comment that was made tonight saying this is being done for the gentle—leads me to the two kinds of final points. Index funds they might be invested in underscore the important difference between having an account that you own and one that you do not.

Mr. Speaker, I appreciate this opportunity this evening to have this dialogue with my friend from Minnesota. I appreciate his why I know the gentleman from Minnesota is down here tonight, because he believes that and he believes that is exactly what we must do and I believe it very strongly.

In my heart of hearts, I believe that the fact that it exceeds two pages of the Record is estimated by the Public Printer to cost $1,919.

Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accord-ingly (at 10 o’clock and 38 minutes p.m.), the House adjourned until tomorrow, Thursday, March 3, 2005, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker’s table and referred as follows: 990. A letter from the Legal Advisor to the Bureau Chief, Media Bureau, Federal Communications Commission, transmitting the Commission’s final rule—Amendment of Section 73.202(b). Table of Allotments, FM Broadcast Stations (Pittsfield and Easthampton, Massachusetts, and Malta, New York) [MB Docket No. 04-67; RM-10856] received February 9, 2005, pursuant to 5
with tax favored Medical Savings Account (MSA) under Medicare, as mandated by the Balanced Budget Act of 1997; jointly to the Committee on Energy and Commerce and Ways and Means.

1014. A letter from the Acting Inspector General, Department of Health and Human Services, transmitting a report on the study of the use of alternative Medicare care payment methodologies for the costs of training medical residents in nonhospital settings together with recommendations as determined by the Inspector General to be appropriate, pursuant to Public Law 108–173; jointly to the Committees on Energy and Commerce and Ways and Means.


PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and serially referred, as follows:

By Mr. SMITH of Texas (for himself and Mr. BERMAN):

H.R. 1038. A bill to amend title 17, United States Code, to make technical corrections relating to copyright royalty judges; to the Committee on the Judiciary.

By Mr. SMITH of Texas (for himself and Mr. BERMAN):

H.R. 1037. A bill to make technical corrections to title 17, United States Code; to the Committee on the Judiciary.

By Mrs. HERSHMAN:

H.R. 1038. A bill to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and for other purposes; to the Committee on the Judiciary.

By Mr. PICKERING (for himself, Mr. DAVIS of Georgia, Mr. DOGGETT of Texas, and Mr. KIRK of Iowa):

H.R. 1039. A bill to suspend temporarily new shipper bonding privileges; to the Committee on Ways and Means.

By Mr. BURGESS (for himself, Mr. HALL, Mr. BonILLA, Mr. SCOTT of Georgia, and Mr. McCaULIFFE of Texas):

H.R. 1039. A bill to amend the Internal Revenue Code of 1986 to provide taxpayers a flat tax alternative to the current income tax system; to the Committee on Ways and Means.

By Mr. WELLER (for himself and Mr. BROWN of Ohio):

H.R. 1039. A bill to amend the Social Security Act to provide each American child with a KidSave Account, and for other purposes; to the Committee on Ways and Means.

By Mr. RACHUSt (for himself, Mr. SANDERS, Mr. ROYCE, Mr. KANJORSKI, Mr. LapTOURETTE, Mr. GUTIERREZ, Mrs. KELLY, Mrs. MALONEY, Mr. RENZI, Mrs. McCaRTHY, Mr. SHEERMAN, Mr. Ngy, Mr. FERNY, Mr. HOOLEY, Ms. GINNY BROWN-WatKE of Florida, and Mr. MOORE of Kansas):

H.R. 1039. A bill to amend the Federal Credit Union Act to clarify the definition of net worth under certain circumstances for purposes of the prompt corrective action authority of the Federal Credit Union Administration Board, and for other purposes; to the Committee on Financial Services.

By Mr. BILLIKASt (for himself and Ms. DEGETTE):

H.R. 1043. A bill to provide additional authority to the Office of Ombudsman of the Environmental Protection Agency; to the Committee on Energy and Commerce.

By Mrs. CAPITo:

H.R. 1044. A bill to amend title 21, United States Code, to permit the State of West Virginia to allow the operation of certain vehicles for the hauling of coal and coal-by-products on Interstate Route 77 in Kanawha County, West Virginia; to the Committee on Transportation and Infrastructure.

By Mr. COSTELLO:

H.R. 1045. A bill to extend the filing deadline for certain Medicare claims to account for a delay in processing adjustments from secondary payor status to primary payor status; to the Committee on Ways and Means; and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CUBIN:

H.R. 1046. A bill to authorize the Secretary of the Interior to contract with the city of Cheyenne, Wyoming, for the storage of the city’s water in the Kendrick Project, Wyoming; to the Committees on Energy and Commerce.

By Mr. Tom Davis of Virginia (for himself, Mr. Goode, Mr. Moran of Virginia, Mr. Goodlatte, Mr. Boucher, Mr. Conder, Mr. Drake, Mr. Wolf, and Ms. Norton):

H.R. 1047. A bill to require the Secretary of the Treasury to mint coins in commemoration of the tragedy at the Pentagon on September 11, 2001, and to support construction of the Pentagon 9/11 Memorial in Arlington, Virginia; to the Committee on Financial Services.

By Mr. EMANUEL (for himself and Mr. COOPER):

H.R. 1048. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers to split refunds and make deposits electronically among certain accounts; to the Committee on Ways and Means.

By Mr. ENGLISH of Pennsylvania (for himself, Mr. Davis of Tennessee, Mr. Lewis of Kentucky, and Mr. SouDER):

H.R. 1049. A bill to amend the Internal Revenue Code of 1986 to exclude certain truck tractors from the Federal excise tax on heavy trucks and trailers sold at retail; to the Committee on Ways and Means.

By Ms. LEE:

H.R. 1050. A bill to establish a living wage, jobs for all policy for all people in the United States and its territories, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committees on the Budget, Armed Services, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PutEOMAVaEGA:

H.R. 1051. A bill to authorize the extension of the supplemental security income program to American Samoa; to the Committee on Ways and Means.

By Mr. FRANK of Massachusetts:

H.R. 1052. A bill to amend titles XVII and XIX of the Social Security Act to provide for coverage under the Medicare and Medicaid Programs of incontinence undergarments; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HOOLEY:

H.R. 1053. A bill to authorize the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of Ukraine; to the Committee on Ways and Means.

By Mr. GREEN of Wisconsin:

H.R. 1054. A bill to authorize the Secretary of the Treasury, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HOPWOOD:

H.R. 1055. A bill to provide for the designation and funding of high intensity methamphetamine abuse and trafficking areas; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KING of New York (for himself, Mrs. Maloney, Mr. Tom Davis of Virginia, and Mr. Engel):

H.R. 1057. A bill to establish a living wage, jobs for all policy; to the Committee on Ways and Means.

By Mrs. McCaRTHY (for herself, Mr. Andrews, Ms. Woolsey, and Mr. KilDERS):

H.R. 1058. A bill to amend the Employee Retirement Income Security Act of 1974 to ensure that employees are not improperly disqualified from benefits under pension plans and welfare plans based on the misclassification or reclassification of their status; to the Committee on Education and the Workforce.

By Mr. MEEHAN (for himself, Ms. ABERCROMBIE, Mr. ACKERMAN, Ms. BALDWIN, Mr. BRECERA, Mr. BERMAN, Ms. BRESLYK, Mr. BLUMENThal, Mr. BRADY of Pennsylvania, Ms. CAPUANo, Mrs. CAPPS, Mr. CROWLEY, Mr. Davis of Illinois, Ms. DEGETTTE, Mr. DELAHUNT, Ms. DELAuro, Mr. Engel, Mr. Farr, Mr. Frank of Massachusetts, Ms. HARMAN, Mr. HINChey, Ms. NORTON, Mr. HOLT, Mr. HONDA, Mr. IRELAND, Mr. JACKSON of Illinois, Ms. JACKSON-Lee of Texas, Mr. KUCINICH, Mr. LANOEVIN, Mr. LANTOs, Mr. Lewis of Georgia, Ms. LEEL, Ms. ZOE LOFUREN of California, Ms. MccOLLa of Minnesota, Mr. MCDERMOTT, Mr. McGOVERN, Mr. GREGOR MILLER of California, Mr. Moran of Virginia, Mr. NADLER, Mr. OUESTERAR, Mr. PAYENS, Mr. ROYALL-LALL, and Ms. LINDA T. SANCHEZ of California, Mr. SANDERS,
H.J. Res. 34. A joint resolution proposing an amendment to the Constitution of the United States relative to taxing the people of the United States progressively; to the Committee on the Judiciary.

By Mr. JACKSON of Illinois:

H.R. Res. 35. A joint resolution proposing an amendment to the Constitution of the United States respecting the right to full employment and balanced growth; to the Committee on the Judiciary.

By Mr. JACKSON of Illinois:

H.J. Res. 36. A joint resolution proposing an amendment to the Constitution of the United States to abolish the Electoral College and provide for the direct election of the President and Vice President by the popular vote of all citizens of the United States regardless of place of residence; to the Committee on the Judiciary.

By Mr. MENENDEZ (for himself, Ms. ROS-LEHTINEN, Mr. LANTOS, Mr. LINCOLN DIAZ-BALART of Florida, Mr. MARIO DIAZ-BALART of Florida, Mr. SMITH of New Jersey, Mr. BURTON of Indiana, Mr. H. CON. RES. 81. Concurrent resolution expressing the sense of Congress regarding the two-year anniversary of the human rights crisis in Cuba; to the Committee on International Relations.

By Mr. NEY:

H. Res. 132. A resolution providing amounts from the applicable accounts of the House of Representatives for continuing expenses of standing and select committees of the House from April 1, 2005, through April 30, 2005; to the Committee on House Administration.

By Mr. GEORGE MILLER of California:

H. Res. 133. A resolution providing the House of Representatives certain information relating to plan assets and liabilities of single-employer pension plans; to the Committee on Education and the Workforce.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

6. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of Pennsylvania to House Resolution No. 23 memorializing the Congress of the United States to award the Congressional Medal of Honor to Major Richard D. Winters; to the Committee on Armed Services.

7. Also, a memorial of the Senate of the Commonwealth of Pennsylvania, relative to Senate Resolution No. 18, memorializing the Congress of the United States to award the Medal of Honor to Major Richard D. Winters; to the Committee on Armed Services.

Also, a memorial of Representatives of the Commonwealth of Pennsylvania, relative to House Resolution No. 59 memorializing the President and Congress of the United States to increase the military death gratuity payment and the SGLI maximum benefit and to require the Federal Government to pay the SGLI premiums for members of the armed forces jointly to the Committees on Armed Services and Veterans’ Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII, private bills and resolutions of the following
ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 3: Mr. Wu.
H.R. 21: Ms. Loretta Sanchez of California, Mr. Boustany, Mr. Pickering, Mr. Paul, Mrs. Jo Ann Davis of Virginia, Mr. Renzi, Mr. Simpson, Mr. Hyde, Mr. Mack, Mr. LaTourette, Ms. Nussle, Mr. Boenlein, Mr. Hayes, Mr. Simmons, Miss McMorris, Mrs. Kelly, Mr. Rodgers of Michigan, Mr. Kirk, and Mr. Ramstad.
H.R. 13: Mr. Cannon, Mr. McGinley, Mr. Cummings, Ms. Zoe Lofgren of California, Mr. Evans, and Mr. Wamp.
H.R. 21: Ms. Loretta Sanchez of California, Mrs. Sisley, Mr. Meer of Florida, Mr. Rhodes, Mr. Boustany, Mr. Markey, Mr. Izard, Mr. Lewis of Georgia, Ms. Pelosi, Mr. Brady of Pennsylvania, Ms. DeGette, Mr. Ford, Mr. Peterson of Minnesota, Mr. Sabo, Mr. Gordon, Mr. Larson of Connecticut, Mr. Levin, Mr. Stupak, Mr. Tierney, Ms. Woolsey, and Mr. Weldon of Florida.
H.R. 22: Mr. Boozman, Ms. Roybal-Allard, Mr. Blumenauer, Mr. Ross, Mr. Baca, Ms. Woolsey, Ms. Zoe Lofgren of California, Mr. Rothman, Mr. Lantos, Mr. Honda, Mr. Berman, and Ms. Millender-McDonald.
H.R. 23: Mr. Ney.
H.R. 32: Mr. Ryan of Ohio, Mr. Watson, and Mr. Fitzpatrick of Pennsylvania.
H.R. 34: Mr. McCotter, Mr. Pence, Mr. Burgess, Mr. Weldon of Florida, Mr. Moore of Kansas, Mr. Bartlett of Maryland, Mr. Smith of New Jersey, Mr. Andrews, Mr. Rohrabacher, and Mr. Hunter.
H.R. 65: Mr. Mollohan and Mr. Hulshof.
H.R. 68: Mrs. Tauscher and Mr. Wynn.
H.R. 119: Mr. Crenshaw.
H.R. 115: Mr. Payne, Mr. Snyder, Ms. Owens, and Mr. Oberstar.
H.R. 136: Mr. Gingrey.
H.R. 179: Mr. Garofalo of New Jersey.
H.R. 180: Mr. Garrett of New Jersey.
H.R. 181: Ms. Foxx and Mr. Akin.
H.R. 197: Mr. Ford.
H.R. 198: Mr. Pastor, Mr. Scott of Virginia, Mr. Weiner, Mr. Rangel, and Mrs. McCarthy.
H.R. 224: Mr. Gordon.
H.R. 227: Ms. Slauter and Mr. Walsh.
H.R. 239: Mr. Latham and Mr. Case.
H.R. 239: Mr. Inouye of Hawaii, Mr. Wicker, and Mr. Souder.
H.R. 274: Mr. Wilson, Mr. Miller of Michigan, Mrs. Drake, and Mr. Cantor.
H.R. 284: Mr. Allen and Mr. Payne.
H.R. 302: Mr. Gutierrez and Ms. Bolis.
H.R. 492: Mr. Gordon, Mr. Lohi, Mr. Langvin, Mr. Boswell, Ms. Zoe Lofgren of California, Mr. McGovern, Mr. Abercrombie, and Ms. Pelosi.
H.R. 395: Mr. Conaway, Mr. Neuberger, Mr. Miller of North Carolina, Mr. Reynolda, Mr. Snyder, and Mr. Green of Wisconsin.
H.R. 411: Mr. Holden, Mr. Larsen of Washington, and Mr. McHugh.
H.R. 334: Mr. McCaul of Texas.
H.R. 358: Mr. Edwards, Mr. Forbes, Mr. Shuster, Mr. Israel, Mr. McKinley, Mr. Weldon of Florida, Mr. Hostettler, Mr. Renzi, Mr. Shrum, Mr. Putnam, Mr. Duncan, Mr. Bilirakis, Mr. Bonilla, Mr. Towns, Mr. Bartlett of Maryland, Mr. Wamp, Mr. Kolbe, Mr. Petri, Mr. Linder, Mr. Pascarella, Mr. Tanner, Mr. Matheson, Mr. Baker, Mr. Burer, Mr. Hershel, Mr. Hefley, Mr. Colel, Mr. Boucher, Mr. McCotter, Mr. Pitts, Mr. Carnahan, Mr. Udall of New Mexico, Mr. Higgins, Ms. McKinney, Mr. Lakin, Mrs. Lowery, Ms. McHugh, and Mr. Pence.
H.R. 364: Mr. Sessions.
H.R. 376: Mr. Loretta Sanchez of California, Mr. Kanjorski, Mr. Levin, Mr. Carnahan, Mr. Tierney, Mr. Wolf, Ms. Eshoo, Mr. Van Hollen, Mr. Cooper, Mr. Udall of New Mexico, Mr. Manzullo, Mr. Case, Mr. Dingell, Ms. Royal-Ballard, Mr. Brady of Pennsylvania, Mr. Langevin, Mr. Filner, Mr. Wexler, Mr. Ott, Ms. Jackson-Lee of Texas, and Ms. Kaptur.
H.R. 380: Mr. Latham.
H.R. 389: Mr. Gary G. Miller of California, Mr. LaHood, Mr. Ginny Brown-Waite of Florida, and Mr. Capuano.
H.R. 420: Mr. Ney.
H.R. 442: Mr. Grijalva, Ms. McCollum of Minnesota, and Ms. Slaughter.
H.R. 454: Mr. Conaway.
H.R. 459: Ms. Linda T. Sanchez of California, Mr. Dargue, Mr. Neal of Florida, Mr. Besse, Mr. Delahunt, Mr. Farr, Ms. Kaptur, Mr. Lewis of Georgia, Mr. Clyburn, and Mr. Bishop of Georgia.
H.R. 500: Mr. Inglis of South Carolina, Mr. Barrett of South Carolina, Mr. Hastings of Washington, Mr. Franks of Arizona, Mr. Heitkamp, and Mr. Pitts.
H.R. 503: Mr. Rush, Mr. Taylor of Mississippi, Mr. Tierney, Mr. Filner, Mr. Menendez, Mr. Simmons, Mr. Wu, Mr. Shaw, Mr. Wilson of Arizona, Mr. Nader, Mr. Rothman, Mr. Larsen of Washington, Mr. Kennedy of Rhode Island, and Ms. McCollum of Minnesota.
H.R. 513: Mr. Boyd.
H.R. 524: Mr. Porter.
H.R. 530: Mr. Miller of Florida.
H.R. 535: Mr. Easter.
H.R. 550: Mr. Davis of Florida, Mr. Udall of New Mexico, Mrs. Lowey, Mr. Ackerman, Mr. Boyd, Mr. Meer of Florida, Mr. McNulty, Ms. DeGette, Mr. Jackson-Lee of Texas, Mr. Rotman, and Mr. Davis of Illinois.
H.R. 554: Mr. Baker, Mr. McCotter, and Ms. Foxx.
H.R. 556: Mr. LaHood and Mrs. Capito.
H.R. 558: Mr. Van Hollen, Mr. Michaud, Mr. Brady of Pennsylvania, Mr. Ryan of Ohio, Mr. Holden, Mr. Boswell, and Mr. Cummings.
H.R. 559: Mr. Kucinich, Mr. Rush, Ms. McCollum of Minnesota, Ms. Watson, and Mr. Wexler.
H.R. 581: Mr. Flake and Mr. Emanuel.
H.R. 583: Mr. Platts, Mr. Cummings, Mr. LaHood, Ms. Woolsey, and Mr. Jackson of Illinois.
H.R. 588: Mr. Winger, Mr. Otter, Mr. Stearns, Mr. Garrett of New Jersey, and Mr. Foley.
H.R. 603: Mr. Moran of Virginia, Mr. Peterson of Minnesota, Mr. Souder, and Mr. Green of Wisconsin.
H.R. 602: Mr. Conyers, Mr. Evans, Mr. Miller of North Carolina, Mr. Reylonds, Mr. Snyder, and Mr. Green of Wisconsin.
H.R. 606: Mr. Gutierrez and Mr. Costa.
H.R. 613: Mr. Calvert.
H.R. 615: Mr. Hayes, Mr. Brown of Ohio, Mr. Gallegraf, Mr. Snyder, and Mr. Evans.
H.R. 625: Mr. Beauzire.
H.R. 626: Mr. English of Pennsylvania, Mr. Cardin, and Mr. Tanner.
H.R. 640: Mr. Grijalva, Mr. Brown-Waite of Florida, and Mr. Souder.
H.R. 651: Mr. Rhienger.
H. Con. Res. 32: Mrs. MILLER of Michigan.
H. Con. Res. 34: Ms. LORETTA SANCHEZ of California, Mrs. MALONEY, Ms. KAPTUR, Ms. BALDWIN, Mr. DAVIS of Illinois, Mr. ROTH- 
MAN, Ms. WOOLSEY, and Mr. FRANK of Massa-
chusetts.
H. Con. Res. 42: Mr. ALEXANDER.
H. Con. Res. 65: Mr. ENGLISH of Pennsyl-
vania and Mr. CHANDLER.
H. Res. 22: Mr. GARRETT of New Jersey.
H. Res. 67: Ms. HARMAN, Mr. HINCHY, Ms. 
MOORE of Wisconsin, Mr. VAN HOLLIN, Mr. 
EVANS, and Mr. ROTHMAN.
H. Res. 84: Mr. BARRETT of South Carolina.
H. Res. 101: Mr. BERMAN, Mr. HASTINGS of Florida, Mr. MCCOTTER, Ms. SCHAKOWSKY, 
Mr. CARDOWA, Mr. FORD, Mr. BARRETT of 
South Carolina, Mr. ISRAEL, Mr. CLEAVER, 
Mr. WELLER, Mr. BUTTERFIELD, and Mr. 
ETHERIDGE.
H. Res. 108: Mr. MCCOTTER, Mrs. DAVIS of 
California, Mr. BURTON of Indiana, Mr. 
GEORGE MILLER of California, Mr. PALLONE, 
Mrs. JONES of Ohio, Mr. LANTOS, Mr. 
HASTINGS of Florida, Mr. WELDON of Pennsyl-
vania, Mr. KING of New York, and Mr. BIR-
MAN.
H. Res. 115: Mr. BROWN of Ohio.
H. Res. 120: Mr. MCCaul of Texas, Mr. 
ETHERIDGE, Mr. SMITH of Washington, Ms. 
ROS-LEHTINEN, and Mr. SMITH of New Jersey.

PETITIONS, ETC.
Under clause 3 of rule XII,
8. The SPEAKER presented a petition of the 
City Council of Atlanta, Georgia, rel-
ative to Resolution 04-R-1724 supporting the 
District of Columbia’s right to have its elect-
ed Representative have full voting rights in 
the United States House of Representatives 
and the District of Columbia is the perma-
nent seat of government for the United 
States and voting rights in our capital is a 
national concern; and for other purposes; 
which was referred to the Committee on the 
Judiciary.
The Senate met at 9:15 a.m. and was called to order by the Honorable Sam Brownback, a Senator from the State of Kansas.

**PRAYER**

The Chaplain, Dr. Barry C. Black, offered the following prayer:

Let us pray.

O God, the Author of peace and lover of concord, we thank You for Your goodness and loving kindness. We praise You for our creation, preservation, and all of the blessings of this life. Guide and govern the Members of this body by Your Holy Spirit. In the heat of their work help them not to forget You but to remember that Your power is available for every challenge. Teach them how to serve You as they should. Help them not to strive primarily for success but for faithfulness. Strengthen each of us for the challenges of today and tomorrow. Enable us to see the image and glorify Your name. Bless our military as it labors for liberty. We pray in Your powerful Name. Amen.

**PLEDGE OF ALLEGIANCE**

The Honorable Sam Brownback led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

**APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE**

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Stevens).

The legislative clerk read the following letter:

U.S. SENATE, 
PRESIDENT PRO TEMPORE, 

To the Senate: Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Sam Brownback, a Senator from the State of Kansas, to perform the duties of the Chair.

Ted Stevens, 
President pro tempore.

Mr. Brownback thereupon assumed the Chair as Acting President pro tempore.

**RECOGNITION OF THE MAJORITY LEADER**

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

**SCHEDULE**

Mr. Frist. Mr. President, this morning following morning business we will resume consideration of bankruptcy reform. Under an order from last night, shortly after resuming the bill we will proceed to two stacked rollover votes on amendments. The first vote will be on the Feingold homestead amendment, which will be followed by a vote on the Akaka disclosure amendment. The second vote will, therefore, occur approximately at 10:30 this morning, maybe just a little bit later.

For the remainder of the day we will continue working through amendments to the bill. Senators should expect roll call votes throughout the day. One of the reasons we scheduled the votes early is to get started to build momentum throughout the course of the day. We made great progress on the bill yesterday. I thank all of our colleagues for coming forward with their amendments.

We are systematically addressing each of the amendments, and we will continue to do so over the course of the day and the remainder of this week.

**ACCESS TO SAFE WATER AND SANITATION**

Mr. Frist. Mr. President, I rise today to speak to legislation that will be introduced by myself and others later today that focuses on an issue which has for too long been neglected, not just by our people or our Government but, indeed, peoples around the world. It centers on the issue of access to safe water and sanitation. This legislation focuses on developing countries with specific policies outlined in the legislation. I am pleased we have members on both sides of the aisle joining me as original cosponsors of this legislation which will be introduced later today.

It boils down to the simple fact that every 15 seconds, a child dies because of a disease contracted from unclean water. Four children have died since I began talking on this particular issue. Fully 90 percent of infant deaths, deaths of children less than 5 years of age, relate to waterborne illnesses, a product of lack of access to clean water or inadequate sanitation. In total, water-related illnesses kill 14,000 people a day, and most of them are children. That is over 5 million people a year. It does not include the other millions of individuals who will be debilitated and prevented from living healthy lives.

Globally, in many ways, waterborne disease is a silent tsunami. That is the impact it has on a continuing basis. Now is the time to focus on it. Now is the time to act because these are preventable deaths. Typhoid, cholera, dysentery, dengue fever, trachoma, intestinal helminth infection, and schistosomiasis can all be prevented by simply providing safe water and sanitation. More than 1.1 billion people today lack access to clean water. They do not have access to what we take for granted. We can go to the water faucets and drink water in most parts of this country, but lack of access to that clean water is killing a child every 15 seconds. Malaria, which is a mosquito borne disease directly linked with stagnant pools of water, kills 1 million people each year. Again, most of those are young children. It is preventable.

*This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.*
Unfortunately, reliable projections suggest that the problem is bad, but projections are that it is getting worse. We know it is getting worse.

Water stress and water scarcity, leading to disease-borne and impure water, is increasing. If we look forward to 2025, upward of 100 countries will be under severe stress. As I have mentioned in the Senate, in January, a bipartisan group of Senators voted in favor of international cooperation. It can be a currency for peace and development.

Proper management and intervention have taken steps to fulfill these commitments. In August 2002, the United States has agreed to work to reduce this problem occurring on an ongoing basis. We participate in these relief efforts. The President and the administration, together with the bipartisan legislation we are introducing today has three simple objectives.

First, it would make it clear that we would have an unequivocal pronounce-ment that clean, safe water and sanitation, sound water management, and improved hygiene for people around the world is a major policy goal. It is not today, but it should be. And with this legislation we will be introducing.

Second, it would authorize a 5-year pilot program of $250 million a year to assist those countries that have the highest rates of waterborne diseases.

Third, the legislation directs the Secretary of State, along with the Administrator of the USAID, to develop funding mechanisms such as investment insurance, investment guarantees, or loan guarantees of up to 75 percent in many countries to be self-sustaining. The key word is "sustainable." The central need is for clean water and sanitation in the future.

As we look at the legislation we will be introducing, we all recognize there is a major policy goal that the legislation would fully address this huge challenge before us to eliminate these water-related diseases around the world. But I do think this legislation underscores the importance, in a bipartisan way, of continued leadership in this arena of addressing a problem that has been hidden from the world for too long. Alongside Government leadership, many dedicated organizations, private individuals, faith-based organizations, nonprofits, and international organizations are working hard, each in their own way, to address this challenge.

The bipartisan legislation we are introducing today has three simple objectives.

First, it would make it clear that we would have an unequivocal pronounce-ment that clean, safe water and sanitation, sound water management, and improved hygiene for people around the world is a major policy goal. It is not today, but it should be. And with this legislation it will be.

Second, it would authorize a 5-year pilot program of $250 million a year to assist those countries that have the highest rates of waterborne diseases. This is what it does: It helps them develop funding mechanisms such as investment insurance, investment guarantees, or loan guarantees of up to 75 percent in many countries to be self-sustaining. The key word is "sustainable." The central need is for clean water and sanitation in the future.

Third, the legislation directs the Secretary of State, along with the Administrator of the USAID, to develop funding mechanisms such as investment insurance, investment guarantees, or loan guarantees of up to 75 percent in many countries to be self-sustaining. The key word is "sustainable." The central need is for clean water and sanitation in the future.

Unfortunately, reliable projections suggest that the problem is bad, but projections are that it is getting worse.
strikes. Some will provide ongoing care in some of the neediest parts of the world. And many of these health volunteers would come from the ranks of experienced doctors, nurses, and medical technicians.

We know that such public health and medical assistance can serve as a currency of peace and a vital tool of public diplomacy. Our assistance to other nations carries the most weight when it involves that personal and intimate contact at the community level, and where we provide tangible benefits to everyday people. Medical and public health assistance does both of these things. Thus, it can be used as a currency of peace and a vital tool of public diplomacy.

I look forward to the Foreign Relations Committee reporting this legislation in the near future, and I look forward to enacting this legislation expeditiously. Remember, every 15 seconds a child dies somewhere in the world from waterborne diseases because of a lack of access to clean water.

In the short time I have given this statement on the Senate floor, another 50 children have died from diseases we know how to prevent. We must do our part to end that untold tale of millions of people who need clean water. It is as simple as the glass of water that sits on my desk.

I do thank the Democratic leader. We have been talking and working together on this legislation. I believe it can represent a tremendous bipartisan, ultimately bicameral effort that can reverse a human tragedy that is unfolding before our eyes as a product, at least in part, because of inadequate attention.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Democratic leader is recognized.

Mr. REID. Mr. President, these 50 children who have died during the presentation by the majority leader are children, of course, who have parents, and brothers and sisters in most instances. The grief and heartache is multiplied each day with the death of children. I appreciate very much the majority leader reaching out to make sure this is a bipartisan piece of legislation. I think it sets a good tone that the two leaders are moving forward on an initiative that speaks of the goodness in us. What I believe this is all about. We care about children dying, wherever it happens.

We have the unique situation in this Senate that we have one of the leaders, the Republican leader, who is a medical doctor. During his tenure in the Senate, he has traveled the world looking at medical problems that exist and there is no bigger problem than water.

Our former colleague who recently passed away, Paul Simon from Illinois, wrote a book, “Tapped Out.” In that book, he mentioned some of the things I have said. The State of Nevada is different from the State of Tennessee. We have what we call rivers, but they are tiny, little. I do not know what they would be called in most States.

The Colorado River is a river that at times can be a mighty river, but the rest of the rivers we have in Nevada are tiny, little rivers. The Truckee River, which supplies the second largest city in Nevada, Reno, with all its water, is a little stream. You can walk across it in most places. The world-famous city of Las Vegas gets 4 inches of rain every year.

We need to do something about the lack of water around the country, and not only the lack of water but the quality of the water. A lot of places have water, but it is not water you can drink and stay healthy with.

I am pleased to join the majority leader in cosponsoring this important legislation. We are going to introduce it later today. Our staffs are working on the language.

With this legislation, we are seeking to do something that affects hundreds of millions of people across the globe who lack safe and clean water. It is something so basic, yet so critical to human life. Improving the delivery and access of clean and safe water, better hygiene and medicine, that is an achievement we can all be proud to achieve.

No one knows more in this body than the majority leader, from his travels in Africa and elsewhere, that over a billion people—and that is probably a figure that is too low—lack access to clean water. Every 15 seconds, 1 in 15 people die. We do not know how many people, but at least 5 million people die from water-related diseases. More people die from unsafe water than from all forms of violence, including war. Eighty percent of all sickness in the world is attributable to unsafe water and improper sanitation, and they go together in most instances.

These statistics are staggering and disturbing because so much of this disease and despair is preventable. That is what the legislation is all about. We need greater U.S. and international involvement and a more proactive strategy. In addition, we need to fully fund the Public Health Service. Even billions of people around the world are going to do something meaningful for the world’s most neglected people.

I am grateful the majority leader will shortly enter into a colloquy with me that directly addresses the strategy and how we are going to do things together. This is bipartisan legislation. The majority leader and I are doing this not for purposes of showing we can do something together, which I think is an important message, but we are actually going to do something. We are going to do more than introduce this legislation. There is going to be more than authorizing legislation. We have a huge budget in the United States. I think we can find money to actually do this. It is important. And we do not have to take from other programs. I hope that is the case.

So I look forward to continuing to work with the majority leader, Senator LEAHY, and Senator McCONNELL, who are the ranking member and chair of the Appropriations Subcommittee on Foreign Operations, and, of course, Senators LUGAR and BIDEN, who are the chair and ranking member of the Foreign Relations Committee. These two senators have been undertaking critically important projects that they are working on.

When people are healthy, they have less problems with raising their children, and here, I have to compliment Israel. And many of these health volunteers speak the best relations with some of its neighbors, but they have joint water projects that they are working on. There is not a lot of fanfare for that, but they all realize that water is important, as we do.

So again, I compliment and I applaud the majority leader for his initiative. I look forward with anticipation to doing something good for millions and even billions of people around the world.

Mr. FRIST. I am pleased to enter into this colloquy with the distinguished minority leader and I appreciate his cosponsorship of the Currency for Peace Act of 2005.

Mr. REID. I am grateful to the majority leader for raising the critical issue of the lack of safe water in developing countries. It is one of the world’s most pressing development challenges which impacts hundreds of millions of people across the globe.

Mr. FRIST. Unsafe water and water-related diseases have far reaching consequences. That is why U.S. Government, acting through the Department of State and the United States Agency for International Development, has been undertaking critically important programs in developing countries to provide clean and safe water, sanitation and hygiene for many years. These life-saving programs should be continued and expanded, wherever possible.

Mr. REID. It is a critical issue for the United States and the international community to fully recognize the role that unsafe water plays in causing death, disease, poverty, environmental degradation, and instability. An aggressive and timely response is required, and the United States should be at the forefront of that effort. The U.S. Government and other donor nations must develop a more proactive response that commits greater resources and ensures that these resources are allocated where the greatest needs exist.

Mr. FRIST. And while we bolster and enhance our existing programs and
strategies, Senator Reid and I are pleased to put forward this new initiative that fully acknowledges the role that safe water plays in health and development. In the future, we must find the additional resources to fully fund the Safe Water Act of 2005, without decreasing our support for existing safe water and other foreign assistance programs.

Mr. Reid. I fully agree that the initiatives set forth in this act should be fully funded, but not with funds taken from one program, and I look forward to working with Senator Frist and the White House to obtain full funding for this program in the President's fiscal year 2007 budget and in subsequent years so the United States can implement pilot programs that can eventually be expanded to other countries in the future.

RESERVATION OF LEADER TIME

The Acting President pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The Acting President pro tempore. Under the previous order, there will be a period for the transaction of morning business for up to 60 minutes, with the first 30 minutes under the control of the Democratic leader or his designee and the second 30 minutes under the control of the majority leader or his designee.

Who seeks recognition?

The Senator from Colorado is recognized.

(The remarks of Mr. Salazar and Mr. Corzine pertaining to the introduction of S. 496 and S. 497 are printed in today's Record under "Statements on Introduced Bills and Joint Resolutions.")

The Presiding Officer (Mr. Vitter). The Senator from New Jersey is recognized.

(The remarks of Mr. Corzine and Mr. Durbin pertaining to the introduction of S. 495 are located in today's Record under "Statements on Introduced Bills and Joint Resolutions.")

The Presiding Officer. The Senator from Virginia is recognized.

THE PRESIDENT'S TRIP

Mr. Warner. Mr. President, the distinguished Senator from Kentucky has yielded to me his time. I will take about 7 or 8 minutes.

It is so important for Members of this body to reflect on the President's most recent trip to Europe. Without being presumptuous, in my judgment, I think it was one of his best, maybe his finest, and in the years to come, I hope he can parallel the achievements of this particular trip.

My views are important, perhaps, but more important are the views of the representatives from nations in Europe to the United States. I had several of the ambassadors visit in my office this week to discuss the President's trip.

I would like to read some quotes from television programs on which these three ambassadors appeared recently. Jon Huntsman is France's Ambassador, and I have had a particularly warm and productive relationship with this ambassador since he was posted. He has had an extraordinary career. He has been here in Washington a deep number of times in previous positions.

It is well known he is very close to President Chirac. When asked a question about the relationship between our country in the context of it President's trip, he said as follows:

Yes, I do think so. Wolf, I participated—I was privileged to participate in the dinner in Brussels between the two Presidents, and it worked very well.

That is his appraisal.

Then Wolfgang Ischinger, Germany's Ambassador, when asked the question, Has the relationship, based on what you know, Mr. Ambassador, improved? he replied:

Oh, I certainly think so, Wolf. In fact, I don't really think we really needed the meeting in minds, President Bush's visit to Germany this past week, to improve this relationship between the two governments, I think we've been doing quite well over the last year already.

He continued when pressed again:

I think there has also been substantive movement and change, not only because of the President Bush, by visiting the European Commission, put to rest the suspicions in this country that America might no longer be supportive of the European Union, of the idea of European integration, but also because in the meeting with the German side, in which I had the chance of participating, President Bush, I believe, enhanced the degree of U.S. support. He went a step further in terms of expressing his support for Europe.

Then Sir David Manning of Great Britain. I have had a warm and productive relationship through the years with this fine individual, another individual who has been posted to this country on a number of occasions. When asked a question about the President's trip, he replied:

Well, I think we're all very encouraged by the President's visit and, indeed, by Secretary Rice's visit, because this has been an issue that's been discussed by all our heads of government, and much more widely than the three of us here.

The point I make is, as I read through the press reports from these three ambassadors in the United States, they were all very strong on the issue of the success of the President's visit, together with our distinguished Secretary of State.

Then to another subject that President Bush quite properly raised, it is one of concern to this Senator and I think a number of us here in the Senate. I would like to quote from the President on his trip. He said as follows:

Well, I talked about this issue with President Chirac last night, and Prime Minister Blair.

The issue, if I might step back, is: Mr. President, European countries are talking about lifting their 15-year arms embargo on China. What would be the consequences of that? And could it be done in a way that would satisfy these concerns?

The President replied:

Well, I talked about this issue with President Chirac last night, and Prime Minister Blair, and I intend to talk about it in a couple of Fridays at the European Union to be getting. We didn't discuss the issue at NATO, by the way. And here's what I explained. I said there's a very real concern in our country that a transfer of weapons would be a transfer of technology to China, which would change the balance of relations between China and us, and that's why, to a person, said, well, they think they can develop a protocol that isn't—that shouldn't concern the United States. And I said I'm looking forward to seeing it...

Referring to the protocol, I discussed this with several ambassadors when they came into my office and, indeed, a team is to be forthcoming from the European nations to visit the United States and we should hold final judgment until we have had the opportunity, in a courteous way, to reflect on those precautions that the European countries will take in the context of lifting this ban.

But I point out that in my study of the relationship between China and not only the United States and Taiwan but the entire region, they are on a very fast pace to modernize a wide array of weapons. For the first time, begin to pose in the outyears a threat to our fleet units.

I select the fleet units because our concept of the projection of our force forward is dependent on the protection of naval components, particularly our carriers. I see on the horizon grave concerns about lifting this embargo in terms of China's capability militarily in the outyears.

A third subject I would like to cover in the context of the President's visit is he was addressing the challenge to, indeed, all free nations as we participate to try and give support to Israel and the Palestinian Government to come to final consensus to resolve their problems and to bring about a cessation of the turmoil in that region.

I am so deeply grateful the President made the following statement:

President Bush on his recent trip to Europe stated, "America and Europe have made a moral commitment. We will not stand by another generation in the Holy Land grasping in an atmosphere of violence and hopelessness."

Yesterday, the Armed Services Committee had a hearing. General Jones, the NATO Commander, was on the stand. I questioned him regarding a concept which General Jones and I have discussed on a number of occasions over the past several years, and that is the possibility of NATO playing a role of peacekeeping on behalf of the Palestinian and Israeli interests. That would have to be the invitation of both of those Governments.

Why NATO? Our country is very proud of a very long relationship with

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the State of Israel, an island of democracy in that part of the world. We have very strong ties there, as we should. Correspondingly, Europe has had very strong ties with the Palestinian people through the years. It goes way back. Significant portions of their population are descendants of those who lived in that region. So a NATO peacekeeping force comprised of both the military units from the European nations and some, I would say, proportionate amount of American forces would be perceived as a balanced force, and provide a sense of security to support such frameworks of peace and accord as these two nations could hopefully achieve with our help and the help of other nations.

Again, it would only be at the invitation of the two Governments, but I think it is a concept that I have addressed on this floor many times. Others have likewise; indeed, some prominent journalists whom I respect. I do hope they will consider, and entertain these ideas.

General Jones in his testimony yesterday said it has been brought up in the North Atlantic Council of recent. Other nations are interested in this concept, and I hope our Nation, the United States, can get behind and explore the options.

I thank the distinguished Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, how much time remains in morning business?

The PRESIDING OFFICER. There is 25½ minutes remaining.

UNANIMOUS CONSENT AGREEMENT—S. 256

Mr. MCCONNELL. Mr. President, I ask unanimous consent that when the Senate resumes the bankruptcy legislation, there be 20 minutes of debate equally divided prior to the vote or in relation to the Feingold amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENT BUSH’S TRIP TO EUROPE

Mr. MCCONNELL. Mr. President, along with others, had an opportunity yesterday to get a briefing from the President about his trip to Europe. It was a bipartisan group, well attended, and everyone was quite interested in getting the President’s views of the results of his trip.

It is clear that the Iraqi election has transformed the political landscape not only in the Middle East but in Europe as well.

First in the Middle East, we have witnessed in the last few months the election in Afghanistan on October 9, the election in the Palestinian territories, and would have witnessed the Rose revolution up in Georgia, the Orange revolution in Ukraine. Then we have had the election in Iraq. And in

the post-Iraq period, we have seen people take to the streets in Lebanon.

It is clear with the unified message from the French and the Americans that the international community wants, at long last, to support our coalition efforts by not just offering those troops but the security forces as well—so that the Lebanese elections this spring can be uninhibited by foreign "national" forces.

All of this is going on, and added to that was an election this spring in Saudi Arabia, though women are not yet allowed to vote. That is a step obviously in the right direction.

What is happening here? I think the Iraqi policy of the President of the United States is transforming the Middle East and transforming European attitudes toward America and the policy in the Middle East. The President’s trip last week I think underscores that.

He had unanimous support from NATO, and some countries, to do something within their capability to help the Iraqi emerging democracy.

The French want to help. The Germans need to help. This is an enormous transformation in Europe, as well as in the Middle East. I would argue, is a result of the extraordinarily effective war on terror and particularly the Afghanistan and Iraqi chapters.

The President’s grand strategy is not just to protect us at home—and that has worked so far; since 9/11 they have not been able to hit us again—but through these policies of transformation, he sort of drained the swamp and made it likely that the kinds of people who tend to join up with a terrorist group will feel a sense of hopelessness in their own countries because they do not have a chance to influence outcomes and determine their own governments and their own fates.

This is an incredible step in the right direction. Clearly, problems remain, and at the top of the list would have to be Iran and North Korea. With regard to Iran, the President is pursuing a multilateral policy in which the British, the Germans, and the French want to engage the Iranians, hoping to convince them to follow the policy chosen by Muammar Qadhafi, for example, in Libya, witnessing what happened to Saddam Hussein in Iraq, deciding it would be better to give up weapons of mass destruction and work his way back toward being part of the community of civilized nations. The Europeans hopefully will make that point to the Iranians, and we are looking forward to pursuing a very aggressive policy by the Administration that a nuclear Iran is simply not an option.

While we do have growing areas of agreement with our European allies, there are some differences. As the Senator from Virginia pointed out, we are not happy about the apparent decision of the European community to trade with China in possibly missile technology or other military equipment that could potentially be used against Israel and raise the anxiety of the Japanese, for example, and ourselves and exacerbate the cross-strait problem between China and Taiwan. So we do have our differences with the Europeans on that. The President made it clear that in addition to the public meetings he had with President Putin of Russia, primarily he also aggressively emphasized the importance of Russia continuing in a democratic direction and the importance of not unraveling the democratic reforms of the early 1990s if Russia is going to be a place where foreign investment will be willing to go. If there is not a respect for the rule of law and not a free press, not the kind of atmosphere in which one can function, the President said Russia’s aspirations will be significantly set back if President Putin continues down the path he has chosen.

The new Ukrainian President was there. It was very exciting for all of the 26 NATO members to have an opportunity to see this hero. His opponents tried to kill him, and he is still in the process of trying to recover from the poisoning that almost took his life. It was remarkable to see the Ukrainians persuade people to have an election, get an honest election, and elect someone who is westward leaning and who wants to bring the Ukraine into the European community and make it a country that can advance the hopes, desires, and aspirations of the Ukrainian people.

Finally, the President indicated he had an extraordinary, uplifting experience in Slovakia. He said he was standing there in the square speaking to the Slovak people, and he said the best evidence that they have a genuine democracy was that one fellow had a sign up with some kind of anti-Bush comment on the sign. The President said the man stood there quietly holding up his sign during all of the President’s speech, and the President pointed out that was a further illustration that in Slovakia they are free to speak their mind and peacefully protest. The President thought that was a good sign of stability and the effectiveness of the new Slovakian democracy. By the way, that is a country that is making remarkable progress, which is, I am sure, the reason the President chose to go there.

I conclude by saying that President Bush clearly had a good week, and the reason he had a good week is because he has been pursuing policies that are working. Democracy is breaking out, springing up, taking root all through the Middle East, and the Europeans look at that and have to conclude that whether or not they supported the Iraq war initially, that single decision to liberate Iraq could well be the turning
point in transforming the Middle East into a place where democracies that respect the rights of minorities, engage in protection of human rights, and have free press are the wave of the future.

I yield the floor.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. CHAMBLISS. Mr. President, I ask that the Chair let me know when I have 6 minutes remaining on our time, please.

The PRESIDING OFFICER. The Chair will so inform the Senator.

Mr. CHAMBLISS. Mr. President, President Bush recently concluded an historic and highly productive trip to Europe. During my review of what was said, and more importantly, what was accomplished, I was struck by the number of significant issues that were added. The fact is that Iraq is not all doom and gloom, nor is it yet the place we envision it to become.

It is evolving politically, economically, socially, and yes, it is facing significant challenges from insurgents and terrorists. Yet, thanks to the vision and fortitude of President Bush, the extraordinary men and women in our military and diplomatic service, and the Iraqi people, Iraq is becoming a more secure country working toward its own unique form of representative government.

In Europe, it is my firm belief that we have far more in common than we have differences over foreign policy. Again, the media has tended to focus its reporting on the problems between us, which distorts the reality of our relationship with Europe. And, what is that reality? What are the issues? And, how do we see the transatlantic alliance in the future?

I come to this issue without any “rose colored” glasses. As a congressional delegate to the World Economic Conference in Davos, Switzerland, last January, I experienced first-hand the depth of resentment toward the United States by European leaders. But, on that same trip, in a meeting with French President Chirac, I also saw the beginning of the end of this feeling.

We have a vision for Iraq and the Middle East in general that calls for individual freedom and representative government. I do not think that the French, or any other democratic, European nation was opposed to this vision. Rather, they were skeptical that President Bush could actually move his vision of freedom to becoming a reality in an area of the world pretty much devoid of democratic governments, with a few exceptions like Israel and Turkey. In our meeting with President Chirac, it was clear that he saw that United States polices in Iraq are beginning to work, that freedom might really take root in the Middle East, and that France and the rest of Europe had to be a part of this historic process.

By working together with European leaders, President Bush has put our transatlantic alliance and relations with Europe back on a normal track. We came to agreement on some issues, agreed to work with others, and identified those where we differ.

The list of results and issues addressed by President Bush during his trip is impressive and I want to highlight some of the ones that fall into several categories:

First, with respect to NATO, all 26 member counties have now agreed to provide some form of assistance to support the NATO mission of training Iraqi defense forces.

With regard to Afghanistan, NATO continues to expand its role as the leader of the International Security Assistance Force, ISAF, and the United States is working toward merging the United States-led Operation Enduring Freedom and ISAF into one allied command.

With regard to Ukraine, strong support was expressed by NATO Secretary General de Hoop Scheffer and President Bush for the future accession of Ukraine into NATO.

With regard to the E.U., the United States and the E.U. issued a joint statement in support of the people and the Government of Iraq.

United States concerns were clearly expressed to the E.U. about lifting its arms embargo against China.

President Chirac understands these concerns and there will be more United States and E.U. discussions on the embargo.

The United States and Germany announced joint actions on cleaner and more efficient energy policies and on climate changes. That will include: Joint activities to develop and deploy cleaner, more efficient energy technologies; Cooperation in advancing climate science; and joint action to address air-pollution and greenhouse gas emissions.

With regard to Iran, the United States and its European allies exchanged views on nuclear weapons in Iran and agreed to that it is not in the world’s interest and that a common approach on this issue should be developed.

The United States agreed to take a more proactive role in the European-led negotiations with Iran on its nuclear program.

With regard to Russia, President Bush made clear to President Putin the importance of promoting democracy in Russia.

The United States announced cooperation in combating the spread of man-portable air-defense systems or MANPADS.

Both agreed that Iran and North Korea should not have nuclear weapons.

Both voiced strong support for a peace agreement between Israel and Palestine.

President Bush and Putin announced six areas, called the Bratislava Initiatives, designed to bring Russia and the United States closer together. These initiatives are: nuclear security cooperation, World Trade Organization, energy cooperation, counterterrorism, space cooperation, and humanitarian, social, and people-to-people programs.

With regard to Lebanon, President Bush and President Chirac jointly announced their condemnation on the assassination of former Lebanese Prime Minister Rafiq Hariri and pledged their mutual support for a free, independent, and democratic Lebanon.

I began my remarks by stating that President Bush’s European trip was historic and productive. The partial list of issues I just mentioned clearly showed how much the President and European leaders have moved beyond policy differences over Iraq and that we share a common vision for a peaceful, democratic world. We may not always agree on how to reach our objectives, but we can agree on what those objectives are.

Our remaining challenge to further strengthen our ties with Europe is to change the negative perception that many average Europeans have of the United States. This is where the media can, and should, play a constructive role by balanced reporting on the true state of our relationship with Europe.

Let me repeat that we have far more in common with Europe than the differences between us, and President Bush made great strides in promoting our common vision of the world with our allies.

It is now up to the rest of us to reinforce the President’s message of working with our partners, and it is up to the Europeans to understand that President Bush’s goal of promoting freedom around the world is a perpetual one that is in all mankind’s interest to promote.

I close by commenting on some statements that were made yesterday in a hearing. In the Senate Armed Services Committee, under the leadership of Senator JOHN WARNER and Senator CARL LEVIN, we had General Jones, General Abizaid, and General Brown, who together commands responsibility for the Iraqi conflict. In his opening statement, General Abizaid made the comment that as a result of what
has happened in Iraq, in Operation Iraqi Freedom, and Afghanistan, we have now seen free and open elections in Afghanistan, and we have seen free and open elections in Iraq. We have seen an election take place in Saudi Arabia, where there had never been elections for the conflict in Iraq would never have happened. We have seen the people in Lebanon rise up against their Syrian invaders and put pressure on the Syrian Government to return that country to the people of Lebanon.

We have seen the Government of Libya turn over their nuclear weapons to the IAEA and to the United States for examination, to rid their country of the potential to have any nuclear weapons.

We have seen the leader of Egypt now proclaim he wants to see democratic elections in his country for the first time.

There are any number of instances that have occurred and are going to occur in the Middle East, a part of the world where violence has prevailed for decades, and where the terrorist community has trained and perpetuated itself for decades. Were it not for the vision of President Bush relative to the freedom of the people, were it not for the support of Congress and the American people of that vision, and were it not for the strong leadership of our military, the strongest, greatest fighting force in the world, those events might have never occurred. The events of yesterday simply would not have happened.

If he had come in 12 months ago and said here is what is going to happen in the Middle East over the next year, no one would ever have believed that what he said would come to be true. The fact is it did. The fact is the people of Iraq are moving toward freedom and democracy. The fact is that now, after President Bush's highly successful trip to Europe where the Europeans have a better understanding of the importance of the transatlantic alliance working together to promote our president's vision of freedom throughout the world.

I yield the floor.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I want to take a moment, as I do on March 2 every year since I have been in the Senate, and before me Senator John Tower did the same thing, to commemorate Texas Independence Day.

Today is, indeed, the 160th anniversary of the day when a solemn convention of 54 men in a small Texas settlement took a step which had a momentous impact, not only on Texas but on the future of the United States. These 54 men, including my great-great-grandfather Charles S. Taylor from the town of Nacogdoches, met on March 2, 1836. They put pen to paper. They were considered traitors to Mexico because they were in a Mexican territory. But they were going to fight for freedom, men we have seen throughout the history of our country, men who were willing to stand up and fight for freedom, men who showed so much about the kind of men who were willing to stand up and fight for freedom, men we have seen throughout the history of our country, starting in 1776 and going on.

Their brave letter to the people of Texas now is due his honor and that of his country—Victory or Death.

No Texan—no person—can fail to be stirred by Colonel Travis' resolve in the face of such daunting odds.

Colonel Travis' dire prediction came true, 4,000 to 6,000 Mexican troops did lay siege to the Alamo. That battle that followed, 184 brave men died in a heroic but vain attempt to fend off Santa Anna's overwhelming army. This battle, as all 'Texans know, was crucial to Texas independence because those heroes at the Alamo held out for so long that Santa Anna's forces were battered and diminished. Gen. Sam Houston gained the time he needed to devise a strategy to defeat Santa Anna at the Battle of San Jacinto a month later on April 21, 1836. That battle was won and the Lone Star was visible on the horizon at last.

Each year on March 2, there is a ceremony at Washington-on-the-Brazos State Park where there is a replica of the modest cabin where the 54 patriots pledged their lives, honor, and treasure for freedom.

Every year I honor the tradition Senator John Tower started by reading this incredible letter from the Alamo, written by William Barrett Travis, that showed so much about the kind of men who were willing to stand up and fight for freedom, men we have seen throughout the history of our country, starting in 1776 and going on.

Today, as we know, our young men are in Iraq and Afghanistan, fighting the war on terrorism. I think it is important for us to remember our history. I am proud to be able to do it. We were a republic for 10 years before we entered the United States as a State. We are the only State to enter the United States as a republic, and we are very proud that we are now a great State, a part of the United States.
United States of America, with a vivid history and past.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FEINGOLD. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

BANKRUPTCY ABUSE PREVENTION AND CONSUMER PROTECTION ACT OF 2005

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 256, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 256) to amend title 11 of the United States Code, and for other purposes.

Pending:

Feingold Amendment No. 17, to provide a homestead floor for the elderly.

Akaka Amendment No. 15, to require enhanced disclosure to consumers regarding the consequences of making only minimum required payments in the repayment of credit card debt.

Leahy Amendment No. 26, to restrict access to certain personal information in bankruptcy documents.

The PRESIDING OFFICER. Under the previous order, there will be 20 minutes of debate, equally divided, prior to a vote on amendment No. 17.

The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, I appreciate this opportunity to speak further on my amendment which I offered yesterday. I urge my colleagues to support my senior homeowner protection amendment, amendment No. 17.

As I explained yesterday, my amendment would protect senior homeowners who need to file for bankruptcy relief. It would help to ensure that these older Americans do not have to lose their hard-earned homes in order to seek the protection of the bankruptcy system.

The homestead exemption in the bankruptcy laws is supposed to protect homeowners from having to give up their homes in order to seek bankruptcy relief. But in too many States, the homestead exemption is woefully inadequate. The value of this exemption varies widely from State to State. Federal law currently creates an alternative homestead exemption of just under $20,000, but each State gets to decide whether it will allow the debtors to rely on this law Federal alternative, and most do not. In many States, the amount of equity a homeowner can protect in bankruptcy has lagged far behind the dramatic rise in home values in recent years. For example, in the State of Ohio the homestead exemption is only $5,000, and in the State of North Carolina the homestead exemption is a mere $10,000. Even for States that do have a homestead exemption, but allow debtors to use the $20,000 Federal exemption, like New Jersey, the number is just too low in this age of rising housing costs.

My amendment would create a uniform Federal floor for homestead exemptions of $75,000, applicable only to bankruptcy debtors over the age of 62. States could no longer impose lower exemptions on their seniors. If a State’s exemption was less than $75,000, however, that exemption would still apply. My amendment creates a floor, not a ceiling.

Older Americans desperately need this protection. Americans over the age of 65 owe more than $1.5 trillion in home mortgages. Many of these seniors, their home equity often their only significant asset. That means seniors are hit hardest by the very low homestead exemptions in some States.

It has become apparent that when there is no substantive argument against my amendment, we will hear arguments cautioning against the unraveling of delicate compromises and agreements. It has become a convenient and frequent refrain on the floor of the Senate, that amendments cannot be made, because we have promised that supporters of the bill would work with us to try to resolve our concerns. There is a bait and switch going on here. Bills that come before this body are not sacrosanct. If there is a substantive argument to be made against my amendment, I am eager to hear it and debate it. But it is just not right to say that an amendment will be defeated because the bill must remain “clean” to pass.

It is especially wrong to make that argument when it is just not true. Some amendments to our bill have been seen as poison pills, but that term does not apply to this amendment.

To be frank, my amendment simply has no bearing whatsoever on the other provision of the bill that addresses the homestead exemption—that is, the provision whose delicate balance we have been so strongly cautioned not to disrupt.

So my amendment has nothing to do with compromises already made in this bill. It would not unravel the bill, or upset the compromise on the homestead exemption. Now the credit card companies probably don’t like this amendment because it will protect...
some seniors from having to sell their homes to pay their debts. Once again, the Senate has a choice to make. Will we stand with our senior citizens or with the credit card companies and big banks?

I also want to explain a bit more why I have limited the amendment to debtors age 62 and over. The argument was made yesterday by the Senator from Alabama that a single mother or a young family would also benefit from a larger home exemption. I think it is senseless to give the people who need the exemption most. Most people in their 20s and 30s do not have $75,000 of equity in their homes, if they own homes at all. Certainly those who are filing for bankruptcy do not. Seniors, on the other hand, have worked their whole lives to pay off their mortgages and guarantee themselves a comfortable place to live in their retirement. They survive on their modest social security benefits precisely because they have no mortgage or rental payments. We are now going to force them to forfeit their homes because they face such high medical expenses that they have to seek bankruptcy protection.

In addition, seniors are typically living on fixed incomes and simply don't have the ability to rebuild wealth that younger people have. Nor can they afford to make payments on a new mortgage. If forced to sell their homes, many older Americans will not be able to afford to rent a habitable, safe place to live. Some can barely afford to pay the property taxes on their current paid-off homes because of rising real estate assessments.

We need to protect our senior citizens in their retirement years. I strongly urge my colleagues to vote for my amendment. I reserve the remainder of my time.

Mr. HATCH. Mr. President, I rise today in opposition to the Feingold amendment. I explained yesterday why I opposed the proposal and would like to summarize my remarks today.

First off, I commend Senator Feingold's commitment to the elderly. He is very sincere in his efforts. We all are concerned about our senior citizens.

I have worked particularly hard on this bill to make sure there are provisions that protect the elderly along with women and children and I think that my colleagues who have worked with me recognize that.

We have lots of protections in this bill. Senator Grassley is the lead sponsor of this bill and he has a long track record of working with the elderly on Social Security and Medicare and others like me have done. I serve on the Finance Committee with Senator Grassley, who chairs that committee. We were both proud to have played a role in bringing prescription drug coverage to our seniors under the Medicare program in the landmark medicare reform bill that was enacted last Congress.

My opposition to this amendment has nothing to do with the elderly. I believe that this bill takes their concerns to heart.

I would not object if every State in the Nation passed laws that would put a similar floor—or a higher floor—in their respective homestead laws. But that is not the case. In both States and the Federal Government. There is a long history in bankruptcy law of deference to States on issues like homestead provisions.

The hard reality is that nearly every State in the country has vehemently defended their homestead laws. If you do not believe me you can ask the Senators from States like Texas, Florida, and Kansas. They have all been involved in reaching the compromise that has been achieved in this legislation.

It is a grand compromise that both sides of the Hill will accept if we vote down the Feingold amendment. The Feingold amendment would bring the bill down. If some States wish to change their laws, that is their prerogative. A key purpose of this bill, and the purpose of the current homestead provisions, is to curb fraud and abuse.

The provisions of S. 256 impose a 10-year look-back for fraud. They impose a 2-year residency requirement that is designed to prevent wealthy debtors from moving from States with low homestead exemptions to States with high or unlimited exemptions and then filing for bankruptcy. They are a compromise—a balance—of States' rights and Federal imperatives under bankruptcy law, and we must let the provisions stand as written. This amendment will upset that balance and could act to bring this bill down.

The reason has nothing to do with a hostility to the elderly, or to any other class of persons, but because the homestead provisions have taken years to negotiate and are the result of difficult compromises. There are many members of this body who would like to see the homestead provisions changed in some fashion, but to accommodate them any further than what presently exists in the bill would likely force other Senators to oppose the legislation.

I urge my colleagues to reject the Feingold amendment, however well intentioned it may be, because this is a grand compromise of a bill that I don't believe the distinguished Senator from Wisconsin has ever supported. The fact of the matter is, if his amendment were agreed to, he would not support this bill. And the reason he would not is because he would not agree to the compromise we have in the bill which the vast majority of Members of Congress on both sides of the aisle in both Houses have agreed to.

I hope we can vote down the Feingold amendment.

I reserve the remainder of my time.

Mr. FEINGOLD. Mr. President, first, I want to correct the record. The Senator from Utah is incorrect that I never supported a version of the bankruptcy bill. I did, in 2002 when there was a vote on the Senate floor. Our late colleague from Minnesota and I used to have a little contest about who was the only one to vote "no" on a bill the most. This was a case where Senator Wellstone voted "no" and I actually voted "yes." You may remember. Then he insisted on an unbalanced, unfair bill.

The Senator from Utah has said this bill affects States rights with regard to the homestead exemption. This bill does affect the rights of Florida and Texas to have an unlimited homestead exemption, as it stands. The Federal Government has an interest here in making sure wealthy people cannot abuse the system. I support that goal of stopping fraud.

The Federal Government also has an interest in making sure our senior citizens have absolute minimum protection for their homes when they are forced into bankruptcy, particularly because of unanticipated health care costs.

I also want to explain a bit more why I have limited the amendment to debtors age 62 and over. The reason has nothing to do with a hostility to the elderly, or to any other class of persons, but because the homestead provisions have taken years to negotiate and are the result of difficult compromises. There are many members of this body who would like to see the homestead provisions changed in some fashion, but to accommodate them any further than what presently exists in the bill would likely force other Senators to oppose the legislation.

I urge my colleagues to reject the Feingold amendment, however well intentioned it may be, because this is a grand compromise of a bill that I don't believe the distinguished Senator from Wisconsin has ever supported. The fact of the matter is, if his amendment were agreed to, he would not support this bill. And the reason he would not is because he would not agree to the compromise we have in the bill which the vast majority of Members of Congress on both sides of the aisle in both Houses have agreed to.

I hope we can vote down the Feingold amendment.

I reserve the remainder of my time.

Mr. HATCH. Mr. President, I would be happy to yield some of my time at this point, and then I will have an additional 1 minute immediately before the vote.

Let me answer my dear colleague from Wisconsin. My point is he has never been for this bill. Frankly, he knows this language in this bill is the result of tremendous compromise between the House and the Senate. His amendment, would bring this bill down. All of us would like to make changes. This is a complex bill. I think...
The result was announced—yeas 40, nays 59, as follows:

[Rollcall Vote No. 14 Leg.]

**YEAS—40**

Akaka
Baucus
Bayh
Bingaman
Boxer
Byrd
Cantwell
Clinton
Conrad
Corzine
Dayton
Dodd
Dorgan
Durbin

**NAYS—59**

Alexander
Allard
Allen
Bennett
Biden
Bond
Brownback
Bunning
Burns
Burr
Carper
Chafee
Chambliss
Cochran
Collins
Cornyn
Craig
Crapo
Martinez

The amendment (No. 17) was rejected.

**AMENDMENT NO. 15**

**The PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. AKAKA. Mr. President, I ask unanimous consent that Senator LINCOLN be added as a cosponsor of this amendment.

Mr. AKAKA. Mr. President, S. 256 includes a requirement that credit card issuers provide additional information about the consequences of making minimum payments. However, this provision fails to provide the detailed information for consumers on their billing statement that our amendment would provide. Our amendment will make it very clear what costs consumers will incur if they make only minimum payments on their credit cards. If this amendment is adopted, the personalized information they will receive for each of their accounts on their billing statements will help them make informed choices about payments they choose to make toward reducing their outstanding debts.

I urge my colleagues to support this amendment that will empower consumers by providing them with details and personalized information to assist them in making better informed choices about their credit card use and repayment. This amendment makes clear the adverse consequences of uninformed choices, such as making only minimum payments, and provides opportunities to locate assistance to better manage their credit card debt. I thank my cosponsors, Senators DURBIN, LEAHY, SARBANES, and LINCOLN, for their support.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 1 minute.

Mr. SHELBY. Mr. President, this is a very complicated amendment. This is in the jurisdiction of the Banking Committee. It deals with the truth in lending law. We have not had any hearings on this issue. I would be glad to work with the Senator from Hawaii. We can sit down and see if we can do something on this issue. To bring it up on the Senate floor and try to make it part of the bankruptcy bill and bypass the Banking Committee is something we should not do. I hope we will not. I oppose the amendment.

Mr. HATCH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered.

The question is on agreeing to the amendment of the Senator from Hawaii. The clerk will call the roll.

The legislative clerk called the roll.

Mr. DURBIN. I announce that the Senator from Hawaii (Mr. INOUYE) is necessarily absent.

The PRESIDING OFFICER (Ms. MURKOWSKI). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 40, nays 59, as follows:

[ROLLCALL VOTE NO. 15 LEG.]

**YEAS—40**

Akaka
Baucus
Baucus
Bayh
Bingaman
Boxer
Byrd
Cantwell
Clinton
Conrad
Corzine
Dayton
Dodd
Dorgan
Durbin

**NAYS—59**

Alexander
Allard
Allen
Bennett
Biden
Bond
Brownback
Bunning
Burns
Burr
Carper
Chafee
Chambliss
Cochran
Collins
Cornyn
Craig
Crapo

The amendment (No. 15) was rejected.

The amendment (No. 17) was rejected.

The PRESIDING OFFICER. The Senator from Massachusetts.
Mr. KENNEDY. Madam President, I ask unanimous consent that we set aside any pending amendments. I send to the desk two amendments and ask they be immediately considered.

The PRESIDENT pro tempore. Without objection, the pending amendment is set aside. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 29. (Purpose: To exempt debtors whose financial problems were caused by serious medical problems from means testing)

On page 19, between lines 13 and 14, insert the following:

"(8)(A) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion under paragraph (3) if the debtor is a medically distressed debtor.

"(B) In this paragraph, the term 'medically distressed debtor' means a debtor who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

"(i) had medical expenses for the debtor, a dependent of the debtor, or a member of the debtor's household that were not paid by any third party payer and were in excess of 25 percent of the debtor's household income for such 12-month period;

"(ii) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's employment or business income for 4 or more weeks during such 12-month period due to a medical problem of a member of the household or a dependent of the debtor; or

"(iii) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's alimony or support income for 4 or more weeks during such 12-month period due to a medical problem of a person obligated to pay alimony or support.

AMENDMENT NO. 29

The PRESIDENT pro tempore. The clerk will report the second amendment.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 29. (Purpose: To provide protection for medical debt homeowners)

On page 191, between lines 11 and 12, insert the following:

SEC. 322A. EXEMPTION FOR MEDICALLY DISTRESSED DEBTORS.

Section 522 of title 11, United States Code, as amended by sections 224, 308, and 322, is amended by adding at the end the following:

"(8)(A) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion under paragraph (3) if the debtor is a medically distressed debtor.

"(B) In this paragraph, the term 'medically distressed debtor' means a debtor who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

"(i) had medical expenses for the debtor, a dependent of the debtor, or a member of the debtor's household that were not paid by any third party payer and were in excess of 25 percent of the debtor's household income for such 12-month period;

"(ii) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's employment or business income for 4 or more weeks during such 12-month period due to a medical problem of a member of the household or a dependent of the debtor; or

"(iii) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's alimony or support income for 4 or more weeks during such 12-month period due to a medical problem of a person obligated to pay alimony or support.

...
There will be those who say this bill is not about our health care system, which has its good points and has its bad points. We are not debating that today. We ought to debate comprehensive health care for this country, and ways to try to get a handle on health care costs, which are all well and good. But what we have to do if we are going to try to be honest to the consumers and families of this country is talk about what the implications of this legislation are going to be.

One of the facts that remains is for those people who have serious indebtedness through no fault of their own, who have worked hard, played by the rules, have gotten health insurance or in other instances lost their jobs, they are not going to be penalized and forced into indentured servitude, basically, for the credit card companies—because they are the principal beneficiaries of these provisions. So it is only fair we say that.

People who have medical problems have homestead laws in this country. They apply across the Nation. The fact is, in most of the parts of the country, the homestead provisions are less than $25,000—$25,000 or less. The fact is, this legislation applies not to one State or two States. It applies to 50 States. It has application to all the people in all 50 States. So if we are going to apply something to all 50 States, why not at least have some uniformity? We think it is needed and true enough that you are going to have a health challenge that is going to wipe out your family and perhaps even cause death; we are not going to take a home away that is worth $150,000.

Those are the facts. Those are essentially the provisions. I will mention them in greater detail.

The first amendment exempts from the means test any debtor whose severe medical expenses have caused financial hardship to them to file for bankruptcy. Financial hardship is defined in the amendment as one of the following: Being out of work for a month or more or unreimbursed medical expenses totaling 25 percent of your income. This is your out-of-pocket, after all the other expenses—25 percent of your income. We estimate that about 20 percent of all bankruptcy filers—this doesn’t even reach all of those who are going to be medically bankrupt, but it would reach about 20 percent of all bankruptcy filers in this country. They would be exempted from the means test through these provisions.

The proponents of the bankruptcy bill have said the goal of the bill is to force those individuals who run up bills irresponsibly to take greater personal responsibility. They claim that people are going to the mall making frivolous purchases such as plasma televisions and designer clothes and then going to bankruptcy court to discharge their debts. Nothing could be further from the truth for the thousands of individuals who are forced into bankruptcy to deal with the debt they were forced to take on to cope with serious medical expenses and the loss of income when they are unable to work due to serious illness or injury.

We had testimony from Professor Elizabeth Warren of the Harvard Law School that showed it is clear that more than half of those filings for bankruptcy have been forced to do so at least in part due to medical problems and their aftermath. If the goal of the bill is to deal with those individuals who some feel are abusing the bankruptcy process, this is not enough to protect those individuals who are forced into bankruptcy through no fault of their own.

We will listen to the proponents of the bill say: Look, we want to have people responsible here in the United States of America. Those people who go out and buy the fancy yachts, go to the mall, run up bills, ought to be held accountable. Absolutely, I say. Put me on as a cosponsor. But that ain’t what bankruptcy is for. In fact, there is an enormous loophole in this bill that ought to shame its proponents who have left it in there with regard to spendthrifts. We will come to that later.

Let me finish a brief description of these two amendments.

Those who go to bankruptcy court because of cancer or diabetes and heart attacks have not been irresponsible. Those who file for bankruptcy to deal with medical expenses incurred when a child was born with severe complications or an elderly parent needing costly prescription drugs or placement in a nursing home are not irresponsible. These clearly are not the type of debtor the proponents of this bill say they are; the kinds of debts that the proponents of the bill are trying to address. They deserve a chance to make a fresh start, and a specific exemption from the applications of the means test gives them that chance. They will still be subject to the bankruptcy law as it is today but not the additional kinds of punitive aspects that exist in this proposed bill under the means test.

The second amendment provides that medically distressed debtors be allowed to protect, at a minimum, $150,000 of the equity in their primary residence through a homestead exemption.

The enormous increase in medical debt and the bankruptcy cases caused by medical debt, along with the significant increase in real estate prices over the recent years, have led to a new and rapidly growing problem. Families who face insurmountable debt problems following serious medical problems are faced with obtaining relief from their debts in bankruptcy only if they give up their homes. A family should not have to lose their home to obtain relief from debts caused by serious medical problems. These families should not be forced to choose between debt relief and losing their modest homes.

In nearly half of all States, home stead exemptions are less than $25,000. Several States have no homestead exemption. People facing bankruptcy in these States are often forced to give up their home to obtain debt relief.

In a chapter 7 bankruptcy case, the family with equity greater than the homestead exemption limit can be forced to give up their home. In chapter 13, the family must pay the creditors an amount equal to the equity above the homestead exemption, which they cannot afford. The amount of equity a homeowner can protect in bankruptcy has not kept up with the rise in home prices. This change of $25,000 has been there for years and years. I don’t know where you can find a home in this country for $25,000. With incomes of $50,000 or $1,000 per month, they could live in their current homes, which may be paid off, and have low monthly costs. If they are forced out of their homes, they can’t afford to rent a decent place to live. Effectively, these homeowners have been forced to lose their homes to a bankrupting creditor. They sell the home, and they are told, OK. They are on a fixed income of Social Security, getting $1,000, perhaps, a month. How are they going to be able to afford to rent the places available to them at $800 to $1,000 and have enough to live on?

The notion of forcing people out of their homes after an illness or an accident is made more outrageous by the fact that in a handful of States—save a handful of others—famous sports figures, doctors who drop their malpractice insurance, real estate tycoons—can shelter millions of dollars in homeland.

Do we understand that? In this legislation, there is a handful of States where individuals can shelter their homes from creditors who won’t be able to get access to it. Yet when we say, OK, let us just protect others in other States up to $150,000, they say, No, we are not going to do that, no, because you know the States ought to make the decision. This bill applies to 50 States. If you are going to take that position, why not wipe out the exemptions? Why exists for those 50 States of America. Those people who have left it in there with regard to spendthrifts. We will come to that later.

Where is the fairness in this bill? Where is the fairness? Why should wealthy individuals be able to shelter their income in half a dozen States and escape all of the harshness of this bill and other hard-working, decent people who have lived in their homes over lifetime find out their housing disappears as it goes into bankruptcy? Please. Where is the fairness? Where in the world is the fairness? Mr. DURBIN. Mr. President, will the Senator yield for a question? Mr. KENNEDY. Yes.

Mr. DURBIN. I want to make sure that people follow this debate and understand what is at issue.

The Senator is talking about someone who, because of the diagnosis of medical illness or treatment of a medical illness, ends up incurring a crushing debt that they can’t pay. And their health insurance doesn’t cover it. The Senator from Massachusetts is suggesting that those individuals who are
facing bankruptcy, at least when it is all said and done, have their homes to return to, to the tune of $150,000, which is a modest home in most places in America. Is that what the Senator from Massachusetts is talking about?

Mr. KENNEDY. The Senator is absolutely correct. The average cost of a home in America is $240,000. We are only talking at $150,000. I am sure the Senator can relate to us the kinds of situations that I see of these three-deckers, only in Brooklyn, that exist in many of the older cities and in my State where families have lived there for years and years. They see the increase in the water rate of $50 to $75, and they wonder how they are going to be able to afford it.

What we want to say is to those individuals who are faced with hardship, worked hard all of their lives, more often than not have not been able to get health insurance but find out that health insurance is not enough. As a result, cancer, serious heart failure, diabetes, or a child that needs special kinds of attention, they go in to debt—after it is all said and done, let them list their assets and their liabilities and pay what they need. They can’t take their home away from them.

Mr. DURBIN. If the Senator will yield for a question, as I understand, what the Senator is saying is that in some States you could have a person who was a compulsive gambler who went deeply into debt to the point that they faced bankruptcy, but if they are smart enough to take the remaining assets they owned and put them into a home to the tune of $1 million—if they pick the right State, such as Florida—that compulsive gambler, irresponsible person who goes to bankruptcy court will be protected by the law of Florida, be able to keep their multimillion dollar home. Yet in a State such as Illinois, if someone faces devastating cancer diagnoses, treatments that costs more than they can ever pay back, they could go to bankruptcy court and lose their homes, but the gambler keeps his multimillion dollar home. In other States, the person who has a medical diagnosis they never expected ends up losing their home under the current law we are considering.

Mr. KENNEDY. Perhaps the Senator, you are saying, at the minimum, let him at least protect $150,000 in his home to raise the five children after his wife has died in a nursing home; is that what your amendment says?

Mr. DURBIN. The Senator is absolutely correct. He gives an extraordinarily persuasive argument.

These are hard-working people, as the Senator has pointed out, affected by an illness. They are getting caught up in the system.

This bill was supposed to be about spending. This bill does not take care of the sheltered income, as the Senator said, for the attorney and the golden parachutes. It does nothing about the corporate irresponsibility where the corporations go into bankruptcy and leave their workers high and dry and they walk off with the golden parachutes.

We see health care coverage lost for these families who have paid in for 20 or 30 years. WorldCom closed down, Polaroid closed down, Enron closed down, their health benefits are cut off, they get cancer, the bills run up, and what does this bill do? It puts them into indemnity, puts the card in the credit card companies.

We call that fairness? That may be the priority of some in this body, but it is not mine. Who do we in this body represent? The credit card companies who make record profits? They are the principal beneficiary of this legislation: $30 billion in profits last year, and they want $35 billion. The best estimate is the credit card companies are going to get $5 million more out of this bill.

Who are they going to get it out of? They are going to get it out of that family the Senator from Illinois just discussed.

That is what we are about in the Senate? We have the problems of unemployment, the escalating costs of prescription drugs, 8 million of our fellow citizens unemployed, school tuition going through the roof, and we are talking about an additional $5 billion for the most profitable industry in America. Hello. Hello. That is what we are debating here. It is extraordinary.

I heard this morning that some of our senators on the other side are up to the press to announce their poverty program. Imagine that. This will drive more and more people into poverty, and our friends on the other side announce how they will address poverty in this Nation. And what are we seeing happening along with the discussion for children? For the first time, again, infant mortality is going up for minorities in the inner cities.

We have an explosion of asthma in the inner cities of this country, twice what we had 5 years ago, as a result of deterioration of conditions. My gosh, and we are debating the credit card companies. This is what we are doing to our fellow citizens?

Let me mention who else is affected. Christopher Heinrichs was diagnosed with melanoma in 2002 after visiting a dermatologist for a routine consultation after discovering a small discoloration. He was given a prognosis of 5 years to live. He was director of operations for a truck parts company. His wife Deborah was a $14-an-hour office worker. They had a joint income of $140,000.

Listen, middle America, listen to what happened to this family. Christopher had good health insurance that covered 90 percent of his hospital costs. He also had disability benefits and life insurance through his employer. The 10 percent cost sharing on Christopher’s prescription drugs cost $100 a week. Christopher continued to work but was laid off from his job after his diagnosis. He had to pay $96 per month to keep his health coverage after he lost his job. Christopher’s health insurance had a $100,000 maximum benefits cap which they reached at the same time they learned the cancer had spread to his colon. They had to give up the family car and were ultimately forced to file for bankruptcy in the spring of 2003 by discharging their debt. Christopher died in April 2004 at the age of 47, leaving his widow and two sons, Joshua, 17, and Travis, 14,
and left an additional $90,000 in hospital bills for costs after bankruptcy. They also have had a bill for $3,100 for Christopher’s cremation.

And we are going after this family with a means test, an additional kind of burden to squeeze these families for $35, $50 a month, $75 month for the next 5 years? That is what the means test does.

Where do you think you get the next $5 billion for the credit card companies? They are squeezing these families for $35, $50 a month, $75 month for the next 5 years.

Kelly Donnelly was diagnosed with skin cancer, September 2003. Her family lived in Oswego, NY, with a joint income of $32,000. They owned a three-bedroom house with a daughter and a second on the way. When Kelly, 26, became too weak to work, she had to quit her drugstore job, leaving the family with only $20,000 in income. Even though her husband’s health insurance from his job, copayments from Kelly’s treatment and medication for the new baby who was delivered prematurely so Kelly could undergo cancer surgery, totaled $330 a month. The couple lost their house, filed for bankruptcy in 2004, were forced to move to an apartment, had to give up the family dog because pets were not allowed there. Because they had defaulted on electric bills they had to put down a $500 deposit to turn on the power in their new apartment. Their medical bills totaled $20,000.

This is what is happening. We are going to put additional burdens, besides the existing bankruptcy law, on those people? This bill does.

I am going to speak about two individuals whom I will call “TT” and “ST” from Minneapolis, MN. They do not want their names mentioned. They had good medical insurance from “T”’s job with the State of Minnesota, but when “T” retired, he could not afford the $941 per month for his health insurance. He paid for a few months, and then he couldn’t anymore. “S” was diagnosed with breast cancer in February 2004, after being misdiagnosed in September 2003. “S” was misdiagnosed, as I mentioned, in September 2003, when she had health coverage. The first 3 months of her cancer treatment cost $26,000, and they have no health insurance. They were forced into chapter 13 bankruptcy when they realized they could not save their home. Unfortunately, they were unable to make enough to pay the chapter 13 payments to save their home, and they ultimately had to sell it for less than it was worth before it was foreclosed and convert their chapter 13 filing to a chapter 7 filing.

We have constant examples. We know one out of four people die from cancer, and we know about one out of four die from heart disease. We know that today. We can look around at any kind of group. These are the statistics. If you have good health insurance, with the exception, perhaps, of the health insurance we have in the Congress of the United States, which we do not extend to the American people—we are pretty well protected, but not those people out there. I am tired, when one person tries to extend the same kind of health care we have to people out there of people on the other side who we are trying to support you. We are going to support you. The problem is the health care problem, and we ought to deal with that. This is a bankruptcy issue.

Come on. Come on. They oppose us when we try to pass health care legislation, and then when we try to deal with the health care problems that are going to be impacted by the bankruptcy bill. It does not work that way. At the same time, we have all the circumstances that take place in the corporations.

I want to mention the various groups, once again, that are supporting us. We have the American Bar Association. We have about 80 percent of the representatives of the trade unions who have endorsed this bill for Retired Americans. We have the Consumer Federation of America. We have the Leadership Conference on Civil Rights, which understands that this, as well, affects many minorities in this country. We have 4 million people in the Citizen’s Law Center because of the impact of this legislation on women. We have Physicians For A National Health Program, some 2,000 doctors—2,000 doctors from across this country—who understand this bill because of the health implications. Don’t do it, Senate, if you care about what is happening to your fellow citizens out there across this country. They are facing enough challenges with the explosion of health care costs, the explosion of prescription drug costs, and the dramatic decline in health care coverage. Don’t do this to them. It is too unfair. It is unwise. But no, no, we are going ahead.

We have support from group after group after group. I think it is time we give consideration and priority to the workers in this country.

I will mention, quickly, a final couple of points to give a bit of an overview about where we are in these medical bankruptcies. Annually, half result from illness; nonmedical causes, 54 percent. Medical causes, 46 percent.

This is from the Health Affairs study that was done this year.

We know there is a dramatic increase in the number of uninsured. So it makes a good deal of sense we are going to have an increased number of medical bankruptcies because we are seeing the total number of individuals who are not being covered dramatically increase. Now it is up to 45 million.

With all respect, the reason it did not go up higher, is because we had the CHIP program that enrolled several million children. If we had not done that, these figures would be right up through the roof.

Here is the cost. We have not only the coverage issue, but you see the cost of single coverage in 2000 at $2,400; in 2004, $3,600. For families, it has gone from $6,300 to $9,950. There has been an explosion in the costs, an explosion in the number of companies that do not provide coverage, and an explosion in the number of companies switching to part B premiums, who do not get benefits like insurance.

We see the difference in the cost for Medicare premiums and Social Security. You wonder why this is a particular burden on seniors? Listen to this. Basically, seniors paid for their Part B premiums in 2000. Now, the premiums have increased in Social Security. But what we are finding out now is they are falling farther and farther behind in that ability to pay. What you are finding out now is the increase in premiums is 72 percent over the period of the last 4 to 5 years. For Social Security, it is 12 percent. So increasing numbers of seniors on Social Security are unable to keep up with part B premiums. And this does not even include the new prescription drug bill.

There are 3.9 million Americans who are affected by bankruptcy. You have 700,000 dependents, 1.3 million children, and the bankruptcy filers, 1.9 million—employees, versus working families in 90 percent of the other States, that is unfairness.

In my State of Massachusetts, if you talk about the problems of bankruptcy, on the lips of most of the workers would be Polaroid, that great company that started with Ed Land, who was an absolute genius, who developed instant film. And finally, after he left, the company ran into difficult times, and they went bankrupt. I will mention what happened to the employees.

Polaroid filed for bankruptcy in 2001. In the months leading up to the company’s filing, the corporation made $1.7 million in incentive payments to a chief executive, Gary DiCamillo, on top of his $840,000 base salary. The company also received bankruptcy court approval to make $1.5 million in payments to senior managers to keep them on board. These managers, collectively, received an additional $3 million when the company assets were sold.

By contrast, just before Polaroid filed for bankruptcy, it canceled the health and life insurance for 6,000 retirees, coverage for workers on long-term disability.

Do you understand what we are saying here? Here you have these individuals who lost their coverage. Can you imagine the number of those individuals who do not have health insurance and then run into serious health problems, cancer or heart disease? What happens to them?

This is a typical example. We have other examples of corporate abuse which I will come back to. I hope the
Senators—we might not be accepting a lot of amendments—but I would hope the managers could find a way to accept these two amendments. It would make an enormous difference in terms of the legislation and the fairness and its imminence and its difficulty. We wouldn't have passed them had it not been for bipartisan efforts of Republicans and Democrats. So don't let anybody get on this floor and act as though only one side cares about the poor. That is not only a joke, it is a sad joke at that.

I know how devoted the Senator from Massachusetts is, and I share his general concerns about people in our society who are hard-working people. However, I do not believe these two amendments are the answer to their problems. We accepted the Sessions amendment yesterday. It speaks directly to the circumstances surrounding conditions, which would be a major change over current law that I believe the distinguished Senator from Massachusetts and others, including the distinguished Senator from Illinois have held out as victims of the bankruptcy system that we have been trying to change. It is the current bankruptcy system we are trying to change. It is the current bankruptcy system that we have been trying to change for 8 solid years. And guess who one of the principal voices against changing it is? Why, none other than my distinguished friend from Massachusetts, and my distinguished friend from Illinois, who make these great populous arguments on the floor that sound so good. I do not want to change bankruptcy in my lifetime, in my lifetime, but they are not accurate.

How is that for being a person who uses discretion? If you listened to the distinguished Senator from Massachusetts, you would think this country have spent trillions of dollars solving every person's problem. I have been here 29 years. I have never heard the distinguished Senator from Massachusetts once ask: Where are we going to get the money to pay for this? How do we pay for this? How do we justify it?

It is easy to talk about taking care of everybody in every way, universal health care, and to decry a Medicare reform bill that adds no less than $400 billion, but maybe as much as $750 billion now—according to CBO, OMB, and other analysts—and say it does nothing for the poor when that is exactly what it does do, a lot for the poor.

In the 8 years we have tried to correct abuses in the bankruptcy bill, we have not had any help from many who are speaking on this floor criticizing this bill today. They have never been for any change unless it is their change in bankruptcy, changes they could not get through the Senate floor. And we have come up with a bill that has been basically passed by huge majorities every time it comes up on the floor because we are trying to correct some of the things the distinguished Senator from Massachusetts is complaining about.

Yet I do not believe—and I can't speak for him—that we have a chance of having him vote for final passage of this bill. It may be because he differs with part of it, as I do. But I am trying to do the best we can in two legislative bodies that have great difficulty passing legislation as complicated as this with as many nuances and changes as this will make in the current laws that will be for the betterment of people in our society and in our country today.

I rise today in total opposition to these two Kennedy amendments. I commend Senator Kennedy for his longstanding commitment to health issues. Most of the health care bills that work in this country are Hatch-Kennedy or Kennedy-Hatch bills over the last 28 years. He knows he can't accuse me of not having compassion for the American people who have difficulties. We wouldn't have passed them had it not been for bipartisan efforts of Republicans and Democrats. So don't let anybody get on this floor and act as though only one side cares about the poor. That is not only a joke, it is a sad joke at that.

I know how devoted the Senator from Massachusetts is, and I share his general concerns about people in our society who are hard-working people. However, I do not believe these two amendments are the answer to their problems. We accepted the Sessions amendment yesterday. It speaks directly to the circumstances surrounding conditions, which would be a major change over current law that I believe the distinguished Senator from Massachusetts and others, including the distinguished Senator from Illinois, will vote against the bill and don't agree with some aspects of this bill. I don't agree with some aspects of this legislation, but I have worked my guts out to try and get a compromise here that will help the poor, that will help our society, will make people and the people honest, that will stop some of the fraud and abuse.

To continually make this sound as though it is a credit card company bill—give me a break.

I note the distinguished Senator from Massachusetts mentioned the Warren study when he says that half or thereabouts of the people go into bankruptcy because of medical conditions. That study is flawed. Nobody who is in their right mind is going to accept everything in it. First of all, it includes all gambling; that is a medical condition. Drug abuse and alcohol abuse, they are medical conditions. I agree with my distinguished Senator from Illinois have held out as victims of the bankruptcy bill. But those are voluntary medical conditions. It may be somebody is crazy because they gamble all the time. I have known compulsive gamblers. But is it a medical condition that justifies allowing people to cheat their creditors, as is going on in this country today? I don't think most people would agree with that. If you look at the statistics in the Warren report, you have to say: My gosh, why would anybody rely on that? I believe it is worth pointing out that that report includes gambling debts as a medical condition under the rubric of medical expenses. Let's get real.

This bankruptcy bill is fair. It is needed. It corrects several abuses yesterday, and I am sure will point out more before this debate is over.

The issues the distinguished Senator from Massachusetts has raised are important ones, as far as I am concerned. Make no mistake about it. But I think we ought to change current law to address them. This bill does to a large degree. All we hear from Democrats over the years is: We need a means test so the rich pay more. Why are they suddenly against a means test to protect the poor, a means test that requires those who can pay something against their debts rather than every 5 years go into bankruptcy after they are gone? How is that ga-ga-lore? Why shouldn't they have to pay or at least try to pay? A means test protects those who are designated poor. And frankly, there are other rules in this new bill that will protect those who are above the means test better than current law.

I would suggest to the distinguished Senator from Massachusetts, if he wants to correct some of these problems—all of which he has raised under current law as though they are going to be caused by this bill—he ought to vote for this bill, because it takes dramatic steps to change in current law the things he has been complaining about and that I happen to be concerned about. He can make his points about the things he is complaining about, but don't expect these infirmities in the bankruptcy system we have been trying to change. It is the current bankruptcy system we are trying to change. It is the current bankruptcy system that we have been trying to change for 8 solid years. And the things he has been complaining about are caused by this bill and not by current law. This bill doesn't correct everything, but it does make strides. It does make real efforts to try and not only be fair but to get people to be responsible for their debts when they are suddenly not able to be responsible for their debts.

The issues the distinguished Senator from Massachusetts has raised are important ones. Make no mistake about it. But let me shine a little more light on these issues. The people the distinguished Senator from Massachusetts and the distinguished Senator from Illinois have held out as victims of the means test will be in fact protected by the test. That is what is amazing to most people. How can he make his arguments on the floor as though that is reality. We have heard this so many times. As the decibel level goes up, the reality of those arguments is less and less real.

The Sessions amendment yesterday makes sense, trying to do something about what the distinguished Senator from Massachusetts is complaining about. The things he is complaining about are in the current law we are trying to change. The means test protects the poor.

Now are there going to be problems with any bill that comes out of the Congress? Sure. We have to make an effort to do the best we can to resolve these problems and this bill does make the best effort we can between both Houses of Congress to do so.

I might add that the other amendment of the distinguished Senator from Massachusetts provides a homestead exemption for medically distressed debtors. Well, medically distressed debtors should be taken care of under the Sessions amendment because he specifically provides for that.
We had a vote this morning on a homestead amendment. We all know we cannot accept the amendment. It is an issue for the States, pure and simple. The reason we can’t is because after 8 years of careful, serious negotiations, after 8 years of that, we have arrived at a compromise, although imperfect, is the best we can do. That is what legislating is all about. I wish we could make every bill perfect. Unfortunately, we have to deal with imperfect people. Some of us may think we are perfect and that everybody should do exactly what we think they should do. That isn’t reality around here.

So we do the best we can. After 8 years, after multiple votes, and after votes overwhelmingly in favor of this bill, because it makes tremendous changes from current law that do protect the poor, and others as well, and those who are losing billions of dollars because of it—at least millions, because if those are trying to do what has to be done.

Let me make a few remarks about the Kennedy amendment and why it should be rejected. Yesterday, we acted to adopt the Sessions amendment by a broad 63-to-32 bipartisan vote. The Sessions amendment included medical costs as a factor to be considered under the special circumstances provisions under chapter 13. That amendment will allow those who make those decisions to determine if other people are going to be inordinately hurt by being pushed into chapter 13. You have to believe there are idiots in the system who will not resolve these types of major problems, especially the ones the distinguished Senator from Massachusetts has been talking about.

Please recall that under the so-called means test Senators DURBIN and KENNEDY are trying to vilitfy today—when they are always arguing for means tests will only result in about 10 percent of those who file for bankruptcy will be required to repay any of their debts out of future earnings. That is right, only 10 percent right off the bat. Eighty percent of those individuals who make under the median income will ever face the prospect of paying past debts out of future earnings. Of the remaining 20 percent, only about one-half will ever be required to pay. When all is said and done, only about 1 in 10 of those who file for bankruptcy will ever be required to pay past debt from future earnings under the means test.

Medical expenses will be eligible as a factor in determining if and how much money will be repaid by those released those individuals who are eligible to proceed in cases of hardship. This is not the onerous bill that some of my colleagues would have you believe. Throughout the course of the debate over the last 4 Congresses, we have had different arguments from opponents of this legislation. It is always the same opponents. Some of those failing arguments are rearing their heads again in this debate. And again, the arguments they are making basically criticize current law that we are trying to change with the bankruptcy bill, we believe for the better. Can you find some flaws in this? Of course, and so can I. But it is head and shoulders above the other side have brought up.

Let me take a few minutes to dispel a few of the more prominent myths about the bill. First, some suggested that higher debt burdens have led to the dramatic spike in bankruptcy filings over the last 25 years. The basic measurement for establishing financial distress shows that this is simply not the case. The debt service ratio—a measurement of unencumbered income—has remained relatively constant over the last 25 years, as this chart behind me illustrates. The bottom red line shows the bankruptcy filings per 1,000 families from 1980 up until 2001. The blue line represents the debt service ratio. This shows that bankruptcies have not increased due to a decreased ability to make payments on debt obligations. Examining the lowest 20 percent of income earners shows that even in these categories declined or stayed the same, bankruptcies overall still climbed dramatically, as the next chart reveals.
The bottom line, as you can see, is consumer liabilities between 1979 and 2001. The red line represents consumer assets between 1979 and 2001. The green line happens to be the consumer net wealth between 1979 and 2001. They have all gone up. The bottom line, the consumer liabilities, have all gone up, but this one is much. The others have gone up much more. The consumer assets and consumer net wealth have gone up much more.

Another measurement of financial distress is net wealth. The amount of assets against liabilities. But this test, too, shows that even as net wealth has soared, as was shown on that prior chart, bankruptcy filings have soared as well.

This chart makes the point. The bottom line is revolving disposable personal income. That has gone up from 1959 to 2003. The red line is the non-revolving disposable personal income. As one can see, that has gone down. The black line is the total disposable personal income which has basically remained the same, except it has gone up a little bit in these past years.

Another exaggerated myth is that increased use of credit cards is the cause for more and more bankruptcies. But, again, the facts strongly suggest this simply is not the case. When there has been an increase in the use of credit card debt, this was largely due to a substitution for other high-interest debt.

The chart behind me shows that while revolving debts, such as credit card, have increased as a percentage of disposable personal income, there is a corresponding decrease in non-revolving debt. The net effect is that overall consumer indebtedness has remained roughly the same.

Others have tried to argue that increases in housing costs are a major reason for skyrocketing bankruptcy filings, but the amount of income going into mortgage expenses has remained steady over the years. According to Professor Warren’s book, “The Two-Income Trap,” which was cited favorably by the distinguished Senator from Illinois, Mr. DURBIN, yesterday, in the early seventies, mortgage payments constituted 14 percent of a typical family’s income.

Here is a chart showing the allocation of income. The red part on the left, the large part, which is 46 percent, happens to be discretionary income. The purple small part is health insurance, and that amounts to 3 percent. Discretionary is 46 percent. The mortgage payments people are paying goes now 14 percent, about the same as it has always been, in that little section of red. The yellow is automobile, which is 13 percent of income, and taxes are 24 percent.

In all honesty, 30 years later, according to Professor Warren, this percentage actually fell to 13 percent. As this chart shows, the mortgage went down to 13 percent. Obviously, attributing the rise in the bankruptcy rate to higher mortgage payments does not appear to be borne out by the facts. Further debunking this myth is the fact that default rates on mortgages have also remained fairly steady over the years. Another issue about this is that about 50 percent of all bankruptcy filings is caused by medical debts. We heard the distinguished Senator from Massachusetts in very excited terms talk about these type of debts, and indeed, there are many bankruptcies caused by medical debts. This is why this bill makes several exceptions for treatments of health expenses and health insurance, something that does not exist today. These exceptions do not exist today. This is why we were so pleased yesterday that the Senate adopted the Sessions amendment that explicitly identified medical costs as a factor to be taken under consideration by a bankruptcy judge in deciding whether there are special circumstances that affect a debtor’s ability to pay.

But the study cited for the proportion that 50 percent of bankruptcies are medically related is misleading at best. This claim is based on the study done by Professor Elizabeth Warren, but this study does not even purport to claim that medical bills were the primary basis for half of bankruptcy filings, as the charts of the Senator from Massachusetts seem to indicate. The study merely claims that about half the filings were medically related. This is a distinction with a real difference, but we did not hear the difference as our friend from Massachusetts was describing this. Only a definition of the health problem that is stretched beyond recognition could lead to the conclusion that these filings were medically caused. The study actually classifies gambling as a medical cause. Gracious, come on. Give me a break. Gambling is a disease.

Finally, let’s look at two other exaggerated explanations for bankruptcy filings: unemployment and divorce. With respect to unemployment, this chart shows that even as unemployment has dropped, bankruptcy filings continue to increase.

Let me refer to this next chart. The red dots represent the unemployment rate. It has been going down since basically 1981. The black dots show the bankruptcy filings rate, and they have gone up dramatically, as one can see. If there was a correlation between unemployment and bankruptcy, we would have expected bankruptcy filings to decrease over the last 25 years, but this obviously has not been the case. In fact, just the opposite has occurred.

Again, on divorce rates, bankruptcies have increased by a huge percentage, even as we have seen a modest decline in the divorce rate. The last 25 or 30 years. The red line at the bottom shows bankruptcies per 1,000 households. Look how it has gone up since about 1987. The black dots represent the divorce rate per 1,000 households. That went up, but it is now headed down. That is a good thing for our society. I am glad to see that. But the bankruptcy rates keep going up.

The bottom line is that despite the low divorce rate, low income replacement, steady debt ratios, and steady increase in net wealth, bankruptcy filings continue to set record highs. Frankly, these facts suggest another reason to explain the increase in bankruptcy filings is that it is simply too easy for people relatively high income, employment, to simply wipe away their debts and stick all the rest of us in society with them, even where they have the means to pay a substantial share of the obligations. It is absolutely unfair to saddle all consumers with the increased costs associated with these off-the-chart levels of filings. This bankruptcy bill we are debating today will cut down on some of these abuses and bring back some sense of accountability to the high-income debtors.

Let me say again, it is one thing to come on this floor and give these wonderful populist talks about how much they love to help the poor when, in fact, this bill will do more to help the more affluent and those that talk in the world. And to complain about this bill when what they are really doing is complaining about the current system, it is amazing to me.

The only thing I can conclude is some people who make these arguments actually must believe the people out there are really stupid and that populist arguments really count today, like they used to when people did not have the education Americans have today. That is what those populist arguments are all about. It is easy to stand on the floor, shake your fist, scream and shout, and talk about how bad things are when they are bad because we are not changing them. It is amazing to me, absolutely mind-boggling to me.

I respect anybody who wants to change these laws and make them better. The only way we are going to do that is to pass this bill, and the only way we are going to pass this bill through both Houses is to pass this bill without amendment.

If we want to make some changes, let’s do it. We have now been 8 years through this stuff, and the same old tired, wornout same arguments are still being made by the people who complain about the current system as though this bill is going to make the current system worse. It is going to make it better.

Again, I will acknowledge it is not a perfect bill. My gosh, nothing is around today will cut down on some of these abuses and bring back some sense of accountability to these high-income debtors. It will stop some of the fraud and abuse that is going on. It will...
make everybody a little more responsible. We put in a lot of other provisions that make corporate America more responsible as well.

Could we do more? I suspect we could, but not and pass the bill. That is my bottom line right now after 8 years of doing this, after passing it four times overwhelmingly in the Senate and overwhelmingly in the House but not being able to get it signed because the one time it did go to the President, President Clinton pocket vetoed it. So I urge my colleagues to join me in supporting this measure. I hope my colleagues will help us finally pass this important measure because it is long overdue. It will help to resolve an awful lot of the problems that we hear complaints about on the floor today by those who have done everything they could over the last 8 years to kill this bill.

If we passed both of the amendments of the distinguished Senator from Massachusetts, even if we could agree that they were good amendments—and they are not—I promise my colleagues he is not going to vote for this bill. He never has, and I do not think he ever will. His reasons are his own, and they are irrelevant to this bill. But, I think I can suggest that if our colleagues really mean what they want to do something about these awful current situations, this is the bill to do it with. If this bill does not prove to be everything that we would like it to be, let us work in the next Congress and the House of Representatives and immediately thereafter to start trying to make changes that might help.

This bill is a step in the right direction. It is a very important step forward, and we certainly should not allow any killer amendments on this bill that would make it impossible to pass once again.

Hopefully I have been fair to my colleagues. I have tried to be. But I cannot just let these unobstructed arguments be made without some response, especially since I have heard them over and over again. The complaints are always about current law and some of the aspects of this bill that they just do not like that are essential in order to pass the bill.

So I hope my colleagues will vote against both of these amendments. I am going to do everything in my power to see that they are both defeated.

I yield the floor.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Texas.

Mr. CORNYN. Mr. President, like the distinguished Senator from Utah, the former chairman of the Judiciary Committee, I agree that this is an important bill whose time has come. As he said, it is not a perfect bill, but it may be the best that we are capable of. Frankly, there is a lot more we could do to make it better.

A few months ago, I introduced S. 314, the Fairness in Bankruptcy Litigation Act of 2005. Today, I filed amendment 30 to the comprehensive bankruptcy litigation before us, but at this time I will not call up the amendment. This amendment would provide much needed protection for consumers, creditors, workers, pensioners, shareholders, and small businesses—in short, virtually everyone who is a stakeholder in bankruptcy litigation in this country today. As proposed, it would do to make it better.

The Senate was well served by the rule that governing venues in bankruptcy cases to combat forum shopping, otherwise known as judge shopping, by corporate debtors.

The Senate was well served by the rule that governing venues in bankruptcy cases to combat forum shopping, otherwise known as judge shopping, by corporate debtors.

The fact is that today judge shopping is endemic in our bankruptcy courts and has led to the abuses of the law, abuses that challenge our national aspiration to be a nation that believes in and actually practices equal justice under the law.

My experience in my former capacity as attorney general of my State, particularly with the Enron bankruptcy, which has gained quite a bit of notoriety, opened my eyes to a very real abuse in our current bankruptcy system that is the current practice of judge shopping. After seeing how that bankruptcy played out, I do not believe that we can only be concerned with the letter of the law. We need to be concerned as well with how that law is administered, venues where those cases are litigated, and necessarily with accountability and accessibility of working men and women, the creditors, and everyone else who is affected by bankruptcy litigation.

My amendment would prevent corporate debtors from moving their bankruptcy thousands of miles away from the communities and the workers who have the most at stake, and it would prevent bankrupt corporations from effectively selecting the judge in their own cases, because picking the judge is not far off from picking the result.

I know that my distinguished colleagues from Delaware do not like this particular amendment, and they have voiced their concerns to me directly and candidly, which I appreciate, but it is principally because their State is the beneficiary of the status quo with huge percentages of all bankruptcies occurring in the United States—that is, in all 50 States—ending up in Delaware and to a lesser extent in New York.

I believe the record is clear that forum shopping hurts people in the overwhelming majority of the States and the overwhelming majority of our citizens, and that this amendment, if adopted, would serve the national interest.

This reform is good government. It is good for the economy. It is good for consumers. To those concerned, as I have heard those concerns expressed so far in this debate that we have not done enough to combat bankruptcy abuses, particularly on the part of corporate debtors, I ask them to seriously consider this amendment. This amendment is a response to the concerns of the bulk of our Nation's State attorneys general. This amendment also protects small businesses, and that is why it has been endorsed by the National Federation of Independent Businesses because it protects consumers, it is supported by the Consumer Federation. This amendment would protect and restore the integrity of our civil justice system, and that is why, as I said, it is endorsed by a bipartisan coalition of our Nation's State attorneys general.

This amendment would send a message that we recognize the danger of this growing crisis which negatively affects so many consumers and workers and that we are committed to achieving fairness and truly comprehensive bankruptcy reform.

Sadly, our current bankruptcy venue law has become a target for enormous abuse and is a problem that has been well documented by scholars in the field, most recently in a comprehensive book published earlier this year by UCLA law professor Lynn M. LoPucki, as well as by Harvard law professor Elizabeth Warren. This book has been invoked numerous times in this debate, who served as a reporter for the National Bankruptcy Review Commission, as well as Professor Jay L. Westbrook of the University of Texas Law School.

I know that Professor LoPucki has been in contact with the office of virtually every Member of this body, including, it is reported to me, personal contact with 71 Senators. The professor has documented instances of forum shopping by corporate debtors that have harmed consumers and workers in virtually all of our States.

I had personal experience with this abuse during my service as attorney general of the State of Texas. I argued that the Enron Federal bankruptcy litigation should occur in Houston, TX. That seemed to me to be a commonsense argument, of course, because Houston, after all, is where the majority of employees, the majority of pensioners, the majority of creditors and every other stakeholder involved in that bankruptcy was located. Of course, many of these people were victims by this abuse that occurred, unfortunately, in my State.

Yet that is not where the case ended up, not in Houston, TX, but, rather, in...
New York. Enron was able to exploit a key loophole in bankruptcy law to maneuver their proceedings as far away from Houston, TX, as possible. They ended up in their desired forum, and that is, as I mentioned, New York. Enron is the darling of one of its small subsidiaries in order to file their bankruptcy in New York and then used that smaller claim as a basis for shifting all of its much larger bankruptcy proceedings into that same court.

Let me make it clear. This company had 7,500 employees in Houston, but they filed for bankruptcy in New York where it had only 57 employees. This blatant kind of forum shopping, judge shopping, makes a mockery of all of our laws. The commonsense amendment which I have filed will combat such egregious forum shopping by requiring that corporate debtors file where their principal place of business is located or where their principal assets are located rather than their State of incorporation, and forbidding parent companies from manipulating the venue by first filing through a subsidiary.

Bankruptcy venue abuse is not just bad for our legal system; it hurts America’s consumers, creditors, workers, pensioners, shareholders, and small businesses alike. Under the current law, corporate debtors effectively go to the court that they themselves pick. Debtors can forum shop and pick jurisdictions that they think are more likely to rule in their favor. If debtors, in fact, get to pick the jurisdiction, then bankruptcy judges, unfortunately, according to Professor LoPucki and others, have a disturbing incentive to compete with other bankruptcy courts for major bankruptcy litigation by tilting their rulings in favor of corporate debtors and their lawyers. As a result, creditors can also be forced to litigate far away from the real world, their real world where costs and inconvenience associated with travel are prohibitive—in fact, leading too many of them to simply give up rather than to expensively litigate their claims in a far-off forum.

This troubling loophole serves to unfairly enable corporate debtors to evade their financial commitments; it badly disables consumers, creditors, workers, pensioners, shareholders, and small businesses from pursuing and receiving reasonable compensation from bankruptcy proceedings.

There are numerous examples. Let me mention three of the more prominent ones.

In 2001, in October, Boston-based Polaroid filed for bankruptcy in Delaware, listing assets of $1.9 billion. Polaroid’s top executives claimed that the company was a “melting ice cube” and arranged a hasty sale for $465 million to a single debtor. This same court refused to hear testimony as to the true value of the company and closed the sale in only 70 days. The top executives went to work for the new buyer and received millions of dollars in stock. Meanwhile, disabled employees had their health care coverage canceled. The so-called melting ice cube became profitable the day after the sale became final.

In January of 2002, K-Mart filed for bankruptcy in Chicago, a venue which had reportedly been active in soliciting large corporate debtors to file there. With a workforce of 225,000, K-Mart had more employees than any company that had filed for bankruptcy nationwide. The judge in that case let the failed executives take tens of millions of dollars in bonuses, perks, and loan forgiveness. Bankruptcy lawyers also profited, pocketing nearly $140 million in legal fees. But some 43,000 creditors received only about 10 cents on the dollar.

The third example I would like to mention is WorldCom, known for perpetrating one of the biggest accounting frauds in the history of our country, inflating its income by $9 billion. Although based in Mississippi, WorldCom followed Enron to New York bankruptcy court where its managers received the same sort of lenient treatment that I mentioned a moment ago. A trustee was appointed. Indeed, 5 months after the case was filed, the debtors in office when the fraud occurred still constituted a majority on the board. They, in fact, chose their own successors. A top WorldCom executive used money taken from the company to build an exempt Texas homestead, and WorldCom took no action. That executive then used the homestead to buy his way out of his problems with the SEC. Meanwhile, creditors, mostly bondholders, lost $20 billion.

This is not the first time Congress has addressed this important issue. The House Judiciary Subcommittee on Commercial and Administrative Law held a hearing on July 21, 2004, entitled “Administration of Large Business Bankruptcy Reorganizations: Has Competition for Big Cases Corrupted the Bankruptcy System?” Congressman Sherman of California has led efforts with Senator Grassley, the chief sponsor of the bill that is not how our legislative process works.

I have, nevertheless, decided to refrain from calling up this amendment at this time. As I said, I reserve the right to do so later. I also reserve the right to ask for the yeas and nays and to have the record opened on this amendment. But I have refrained from calling it up out of respect for the managers of this legislation, out of respect for Chairman Grassley, the chief sponsor, and out of respect for the American people, who deserve to have better than they have under the status quo and who deserve to see this bill pass.

I hope I have made clear that judge shopping when it comes to bankruptcy litigation is a cancer that needs to be cut out, corrected, and cured.

I do hope my colleagues in this body will listen, will study this particular piece of legislation, and will lend their support.

I yield the floor.
citizens in recent years. What’s worse, many corporations have abused the bankruptcy venue laws and engaged in unseemly forum shopping in order to avoid their financial responsibilities. Too often, corporations have fled their home states to pursue relief in far-away jurisdictions—and in search of judges more friendly to the corporations’ interests than to the interests of those the corporations have left behind. As you noted in your remarks upon introducing the legislation, literally thousands and thousands of workers, shareholders, retirees, small businesses, and countless other Americans are regularly thwarted from protecting their interests and left financially stranded as a result.

Your legislation has already received an impressive and broad range of support, and the undersigned—a bipartisan group of state attorneys general from across the country united in a commitment to protect consumers and curb abusive corporate judge-shopping—is pleased to add its strong support. Not only does S. 314 finally implement a major recommendation from the October 1997 National Bankruptcy Review Commission report, it is supported by innumerable bankruptcy law professors and practitioners nationwide; the National Federation of Independent Business; counsel for the Enron Employees Committee; Brady C. Williamson, who served as chairman of the National Bankruptcy Review Commission; and major national bankruptcy organizations like the National Association of Credit Management, the Commercial Law League of America, and the National Bankruptcy Conference.

We commend your efforts to strengthen our bankruptcy system and protect consumers, creditors, workers, pensioners, shareholders, retirees, and small businesses against unsavory forum shopping by corporate debtors. Passage of S. 314 will end this gamesmanship, help restore credibility to corporate debtors. Passage of S. 314 will end this gamesmanship, help restore credibility to corporate debtors. Passage of S. 314 will end this gamesmanship, help restore credibility to corporate debtors. Passage of S. 314 will end this gamesmanship, help restore credibility to corporate debtors. Passage of S. 314 will end this gamesmanship, help restore credibility to corporate debtors. Passage of S. 314 will end this gamesmanship, help restore credibility to corporate debtors. Passage of S. 314 will end this gamesmanship, help restore credibility to corporate debtors.

The proponent of this bill claim it is designed to curb the worst abuses of our bankruptcy system. I think that is a worthy goal shared by all those in this Chamber, and we can all agree that the goal of bankruptcy reform is to help the deserving and not just allow the devious to profit. What we need is an economy where judges weed out the abusers from the honest system where all the honest are presumed to be abusers, where declaring chapter 7 bankruptcy is made prohibitively expensive for people who have already suffered financial devastation.

With this bill, it doesn’t matter if you run up your debt on a trip to Vegas or a trip to the emergency room; you still face the possibility that you will never get a chance to start over. It would be one thing if most people were abusing the system and falling into bankruptcy because they were irresponsible with their finances. I think we need more responsibility with our finances in our society as well as from our Government. But we know that for the most part bankruptcies are caused as a result of bad luck.

We know from a recent study, which was mentioned by the distinguished Senator from Massachusetts, that nearly half of all bankruptcies occur because of an illness that ends up sticking families with medical bills they can’t keep up with. Let me give you as an example, the case of Suzanne Gibbons, a woman who at 60 years old was working her tails off and eventually she was forced to declare bankruptcy. If this bill passes as written without amendment, Suzanne will be treated by the law the same as any scam artist who cheats the system. The decision about whether she can file for chapter 7 bankruptcy would not account for the fact that she fell into financial despair because of her illness.

With all that debt, she would have to hire a lawyer and pay hundreds of dollars more in increased paperwork. After all that, she still might be told she is ineligible for chapter 7 bankruptcy.

As much as we like to believe that the face of this bankruptcy crisis is large companies but for honest, hard-working, middle-class families. We know from a recent study that if we average out the people who have gone bankrupt, a good 75 percent are middle-class families.

This bill does a great job helping the credit card industry recover profits they are losing, but what are we doing to help middle-class families to recover the dreams they are losing? The bankruptcy crisis this bill should address is not only the one facing credit card companies that are currently enjoying record profits. We have to look after those hard-working families who are dealing with record hardships. As Senator Domenici, and others have pointed out, this bill also fails to deal with the aggressive marketing practices and hidden fees credit card companies have used to raise their profits and our debt. Charging a penalty to consumers who make a late payment on a credit card in the middle of a serious illness is extremely unseemly. It is a case of a system that is out of control. We need to end these practices so that we are making life easier not only for the credit card companies but for honest, hard-working, middle-class families. If we are going to crack down on bankruptcy abuse, which we should, we should also make it clear we intend to
Mr. KENNEDY. Particularly if they are out of work.

What we are talking about here is, if they run into illness and sickness under the existing bankruptcy laws, they have a chance to be able to measure their assets and their creditors to be able to at least go on to another day. They may pay a fearsome price in terms of their own lives, but under the circumstances of the bill as proposed, they would be treated even more harshly.

As I listened to the Senator, he was talking about a rough sense of equity in terms of legislation that we ought to be considering here in the Senate.

Mr. OBAMA. That is an accurate assessment by the distinguished Senator from Massachusetts. I appreciate that amplification.

The central point is, what kind of message does it send when we tell hardworking, middle-class Americans, you have to be more responsible with your finances than the companies you work for? They should be more responsible with their finances and we give them a pass when they have bad management decisions, but you do not have a pass when confronting difficulties outside of your control.

We need to beef up our Bankruptcy Code so corporations keep their promises and meet their obligations to their workers. I remain hopeful our companies want to do the right thing for workers. Doing so should not be a choice. It is a requirement.

Senator ROCKETTELL and I have proposed two amendments to ensure this. I strongly urge my colleagues’ support. One will increase the required payments that benefit Plans to $15,000 per individual from the current level of $4,925. It requires companies that emerge from bankruptcy to immediately pay each retiree who lost health benefits an amount of cash equal to what a retiree would be expected to have to pay for COBRA coverage for 18 months.

The second amendment prevents bankruptcy courts from dismissing companies’ Coal Act obligations to pay their workers the benefits they were promised. These companies made a deal to their mine workers. They should be forced to honor that deal. That will be an amendment that hopefully will be added to the pending bill. This bill gives a rare chance to ask ourselves who we are here to protect, for whom we are here to stand up, for whom we are here to speak. We have to curb bankruptcy abuse and demand a more responsible and more thrifty. I think they are still thrifty and responsible. We all want that. We also want to make sure we are helping middle-class families who are loving their children and doing anything they can to give them the best possible life ahead.

To wrap up, in the 10 minutes I have been speaking, about 30 of those middle-class families have had to file for bankruptcy. We live in a rapidly changing world, with an economy that is moving just as fast. We cannot always control this. We cannot promise the changes will always leave everyone better off. But we can do better than 1 bankruptcy every 19 seconds. We can do better than forcing people to choose between the care they need and the cost of college. We can do better than big corporations using bankruptcy laws to deny health care and benefits to their employees. And we can give people the basic tools and protections they need to believe that in America your circumstances are no limit to the success you can achieve and the dreams you may fulfill.
I commend the Senator for bringing this very important fact to the attention of the Senate. We have three times the number of bankruptcies now for our senior citizens. These are not the spendthrifts. Are those the people we are trying to catch with punitive measures in our bankruptcy legislation? I don’t think so.

The Senator made a strong point. I thank him.

Mr. DURBIN. Mr. President, I commend my colleague from Illinois because he pointed to several issues in our State which dramatized the problem with this bankruptcy bill. This Horizon Mining Company in southern Illinois when it goes out of business not only shortchanges shareholders but leaves retirees in the lurch. We have reports of individuals who worked a lifetime for this mining company, paid in as they were supposed to, expecting to receive health care benefits after they retired, and then the company files bankruptcy, and many times with serious health issues—black lung and emphysema—find themselves without health care protection before they are eligible for Medicare. These are the people falling into the bankruptcy court.

Our friends on the other side of the aisle say we need to change bankruptcy law because of moral failures in America, immoral conduct by people walking into the bankruptcy court when they should just pay their bills.

We go to the people who are supposed to monitor abuse in bankruptcy courts and they say of all the bankruptcies filed, only 3 percent—3 out of 100—may fall in that category. The credit card companies say it may be as high as 10 percent—1 out of 10—who should not be filing for bankruptcy. But, still, we are going to change the law for everyone walking into the court.

We find in reality—the Senator from Massachusetts said this point—there are not talking so much about moral failures leading to bankruptcy, we are talking about economic failures leading to bankruptcy.

Professor Warren from Harvard Law School went out and actually asked the people filing bankruptcy. Why are you here today? What forced you into bankruptcy? Almost half of the people said medical bills. Three-quarters of those filed bankruptcy because the cost of their treatment was more than they could afford. Three-quarters of those had health insurance when they were diagnosed, but it was not enough, or they lost their job, or the copays overwhelmed them.

If you are following this debate and you say, isn’t it a shame these people did not plan for their future—the man who worked in the mine for 35 years planned for his future. He worked every day and he contributed every day to a pension, believing he would have health care. Guess what. Bankruptcy comes along, and he has no health care.

Take a look at the people walking into bankruptcy court. Did they plan for their future? They had health insurance. But it was not good health insurance. It had limits on it, and a catastrophic illness wiped them out. Is there one of us who believes we are somehow sheltered from this? Well, come to think of it, there may be. It could be one of us who believe they are sheltered from this. Do you know why? We have a pretty generous health insurance plan, as most Federal employees do. And when we retire, we are protected by that health insurance plan.

What is the likelihood a Member of Congress or retired Member of Congress will end up in bankruptcy court because of medical bills? Slim to none. So we live in this bubble, those of us in Congress, this bubble of protection, and think the whole world has the benefits we have. They do not.

Senator KENNEDY has been arguing for years to take the same health care Members of Congress receive and offer it to all. It is a radical idea, another Kennedy extremist position, to take the same health care of Congressmen and offer it to America. If we did that, we would not be talking about medical bankruptcy in the numbers we do. But there are these bankruptcies by people who planned, by people who had health insurance, by people who paid a lifetime into the system believing they protected their family. They are vulnerable.

Along comes the credit card industry that says: We want to change the bankruptcy law so if you get crushed by medical bills, you cannot get out from under. You keep paying and paying and paying for a lifetime. One of Senator KENNEDY’s amendments says, losing your home because of a medical crisis in your family in bankruptcy is a tragedy we should avoid. He is right. Think about it.

I can give you examples. Let me give you one. I say to Senator KENNEDY, I think this illustrates the point you are making. Senator KENNEDY is trying to protect at least $150,000 worth of home for someone who goes into bankruptcy because of a medical crisis. Let me tell you about some people in Illinois.

Joyce Owens raised a son and a foster son and took care of her husband. She worked full time as a paralegal. Everything was fine with her family. She lived in Chatham, IL, 20 miles from my hometown. Then, in April 1997, her two sons Chris and Darrell were hit by a drunk driver. Darrell was killed. Chris, 27 years old, had a severed spinal cord and was rendered a quadriplegic.

Joyce was doing paralegal work at home because she wanted to stay there with her son Chris. He was in a wheelchair and needed help all the time. Slowly, working and caring for her son every day got to be too much and she was laid off.

Then in 2000, 3 years after the accident, her husband died of a heart attack. He had always told her: Don’t worry, I have life insurance. He did not. There was no life insurance. She was left to pay $200,000 in medical bills incurred by her quadriplegic son and the death of her husband.

How about that? Is that a moral failure? What did she do wrong morally? She worked her life to help her family, and when her son was in his worst condition, she did everything she could to help. And then she lost her husband as a helping hand. A moral failure? She tried to declare bankruptcy. Do you think she did not know she would have lost her home—the home that was set up for her quadriplegic son.

So there she faces the dilemma. There is a lien on her home for the medical bills. She will not give it up because she cannot think of another place where her son can be taken care of. So what does it mean? A lifetime of $200,000 in debt for a woman who is doing her level best to take care of her family. She is one of the victims of this bankruptcy law.

Under this bill, if she went to bankruptcy court, she would lose her home. She would not have enough equity in it to keep it. What is she going to do with this property? He is now over 30 years old. She has dedicated the rest of her life to him.

Senator KENNEDY says, if you face that tragedy in your family, we are going to protect you. But it is all said and done, you get $150,000 worth of home after your medical bills are wiped out. Is this such an outrage to say to the credit card companies, to say to the financial companies: You ought to be a little bit more concerned about Joyce Owens of Chatham, IL?

This is a good woman, a good mother, a good wife, from a good family, struggling every day, who is going to be hammered by this bill. She is no moral failure. She, in my view, is a moral standard for all of us to live up to. And this bill is going to penalize her because some Members of Congress think the credit card industry deserves more profit at her expense.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. DURBIN. I am happy to.

Mr. KENNEDY. Because this is a dramatic family circumstance—I think any of us who have listened have found this is too often not the exception but too often is the rule. But aren’t there other provisions in this legislation to preserve those homes that are not just the homes of someone who has sacrificed so much to preserve the home for the home of their son, but that this legislation, as it exists now, has protections for homes that are worth many, many, many, many more times that will escape any kind of threat from the perspective of the homestead exemption? And could the Senator explain to me how we can possibly pass a piece of legislation that is so unfair to some families and gives such extraordinary benefits to others? Where is, possibly, the equity and the fairness?

As a member of the Judiciary Committee, does the Senator not wonder
why in the world those who have been the principal sponsors of this legislation have not tried to address that during all the time we have been considering it, whether it was when we considered it 4 years ago or when we considered it in the committee markup? There was no attempt to do that. There was a strong effort by our friend and colleague Senator Kohn, who did an outstanding job with our last legislation that was before us. I am very hopeful he will offer a similar amendment this time.

But how could we possibly allow a system that is going to take that home from that family the Senator has outlined, and at the same time permit half a dozen different States to be able to have individuals shelter hundreds of thousands of dollars worth of real estate?

Mr. DURBIN. I thank the Senator from Massachusetts. I think people living in Illinois are some of the luckiest people in this country. I think it is a beautiful State. I am proud to represent it. But for Joyce Owens’ situation, if she faced the same tragedy with her family and they lived in Florida, Texas, or Kansas, she could keep her home, but why? Well, because the States have different standards—all the States.

What Senator KENNEDY says is, this is national legislation, and we should have a national standard to protect families’ homes when they face a medical crisis.

In my State, you cannot protect much, if any, of a home. That is why Joyce Owens will be paying off these bills and facing debt collectors and harassment the rest of her natural life. She has no way out.

The Senator is exactly right; if you happen to live in one of these three States, you hit the jackpot. Do you know what some of the real sharp people did? They declared bankruptcy! Bowie Kuhn got to keep his mansion. Joyce Owens cannot even file for bankruptcy because she has that flexibility and that authority. I welcome the opportunity to submit with the Senator from Illinois a legal technical analysis of that amendment that will reflect clearly the fact that those guardsmen and reservists who were nowhere to be found when they served their country and face bankruptcy at home.

Here is a chance for some of our colleagues who talk long and hard about feeling the pain of ordinary families to do something. The Kennedy amendment is something to say, to say that in the bankruptcy court, we will acknowledge the disasters that families face across America because of medical bills, and we will do something about it. I salute Senator for his leadership, and I look forward to passing the amendment.

Mr. KENNEDY. I see my colleagues, and I want to hear from them. But I welcome the fact that the Senator has brought up the issue of the National Guard and Reserve. There are some in this body who think that with the acceptance of the Sessions amendment we have protected the Guard and Reserve. That is absolutely wrong. The Sessions amendment only refers to the expenditures of health care after the individual has already been submitted to the means test, and it only applies to future expenditures of health care by the Guard or the Reserve. It is my understanding that the trustee already has that flexibility and that authority. We have protected the Guard and Reserve. Those who cited illness as a cause of bankruptcy, those who already declared bankruptcy, those who were nowhere to be found when they served their country and face bankruptcy at home.

You say to yourself, my friends on the other side of the aisle, surely in your home States you have people like this. You must be able to find them if you get outside this bubble we live in and speak to people in the real world. Senator KENNEDY is speaking to people in the real world, and this is what he is hearing. This is what I hear, and what Senator OBAMA and others hear. That is why his amendment is so important.

Yesterday, we lost an amendment that said if you were serving in the Guard or Reserve, activated to duty in Iraq, and you go over there to serve your country and risk your life for America, and you lose your business and go into bankruptcy because you are overseas serving America—I offered an amendment to say, at least give those soldiers a chance in bankruptcy to protect their homes.

Do you know what happened to that amendment? We lost it, 58 to 38. Many of the 58 Senators who voted against that amendment for the Guard and Reserve are the first ones waving the flag in the face of the President: How much we love our soldiers.

Where were they yesterday? These great lovers of the American military were nowhere to be found when they had a chance to do something for them when they serve their country and face bankruptcy at home.

Here is a chance for some of our colleagues who talk long and hard about feeling the pain of ordinary families to do something. The Kennedy amendment is something to say, to say that in the bankruptcy court, we will acknowledge the disasters that families face across America because of medical bills, and we will do something about it. I salute Senator for his leadership, and I look forward to passing the amendment.

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Mr. DURBIN. I thank the Senator from Massachusetts.

We let down the Guard and Reserve yesterday. Military families and groups supported my amendment, but 58 Senators voted against it. They decided that the men and women serving in the Guard and Reserve were not entitled to any breaks when it came to filing bankruptcy because as they were overseas their families and businesses failed. That was the decision yesterday. Fifty-eight Senators said, no, they are not entitled to any special help.

Today we have a chance to give a helping hand to people facing medical crises. Over half of the bankruptcies in America involve people who faced a medical crisis and were crushed by it. They turned to bankruptcy court. Senator Kennedy gives them a chance in that court to come out with dignity and to start their lives anew. He gives them a chance to keep their homes. Is this unreasonable? I don’t think it is. It is only fair. I gladly support the amendments of the Senator and thank him for offering them both.

I yield the floor.

The PRESIDING OFFICER (Mr. VITTER). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, a recent study by Professor Elizabeth Warren and her associates at Harvard exposes the flawed rationale for this legislation. According to Professor Warren, about 2 million Americans experienced medical bankruptcy, with half of all bankruptcy filings citing medical causes as a major factor. Among those who cited illness as a cause of bankruptcy, their average reimbursed medical costs since the start of their illness was nearly $12,000, even though more than three-quarters had health insurance at the onset of their illness.

Professor Warren’s study found that those who filed for medical bankruptcy did everything they could to keep from filing. In the 2 years before they actually declared bankruptcy, those who filed after suffering a serious illness or injury went through extensive sacrifices as they struggled to pay for their health care without insurance. One in five went without food. One-third had their electricity shut off.
five were forced to move. And many more went without needed health care or couldn’t fill a needed prescription. And 7 percent actually had to move an elderly relative to a less expensive home.

According to Professor Warren, families were bankrupted both directly by medical costs and indirectly from lost income when they were physically incapable of working. Diagnoses commonly named by those filing medical bankruptcy include heart disease, trauma or orthopedic problems, cancer, diabetes, pulmonary disease, childbirth related or congenital disorders, ongoing chronic illness, or mental disorders.

Interestingly, most medical bankruptcy filers had health coverage at the onset of their illness. More than three-quarters had coverage, and less than 3 percent voluntarily chose to go without insurance. The majority of those without insurance could not afford coverage while almost 1 in 10 could not obtain coverage because of pre-existing health conditions.

A significant loss of income or years of piling up medical debt because of ongoing medical needs frequently makes bankruptcy inevitable. The average out-of-pocket cost since the beginning of the filer’s illness was significantly higher, averaging $11,854, although many had much higher costs. The average out-of-pocket costs for those with cancer was $35,000, while those families dealing with neurological disorders averaged more than $15,500.

The Harvard study looks at the reality of people who file bankruptcy and what forces them into bankruptcy, and it shows that 50 percent of those debtors had significant medical debt. The proponents of this bill want to ignore this reality because it doesn’t fit in with their rhetoric about the bill.

My focus is on those people for whom medical debts and lost income due to illness were the primary factors in their bankruptcies. Their medical debts would have to equal 25 percent or more of their annual income or they have to have lost one month’s income due to their illness. This is what it means to be a medically distressed debtor under my amendment. Those families clearly deserve laws that will protect them. As currently written, this bill does not protect those who are forced into bankruptcy by a serious family illness.

The PRESIDING OFFICER. The Senator from New Jersey [Mr. CORZINE] proposes an amendment numbered 32.

Mr. CORZINE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with. The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The amendment is as follows:

(Purpose: To preserve existing bankruptcy protections for individuals experiencing economic distress as caregivers to ill or disabled family members)

On page 19, strike line 13, and insert the following:

monthly income.

(8) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion to set aside a relief from the stay under paragraph (2) if the debtor is an economically distressed caregiver."

On page 113, between lines 19 and 20, insert the following:

(4) by inserting after paragraph (14A), as added by this Act, the following:

(14B) ‘‘economically distressed caregiver’’ means a caregiver who, in any consecutive 12-month period before the date of the filing of the petition—

(A) experienced a reduction in employment for not less than 1 month to care for a family member, including a spouse, child, sibling, parent, grandparent, aunt, or uncle; or

(B) who has incurred medical expenses on behalf of a family member, including a spouse, child, sibling, parent, grandparent, aunt, or uncle, that were forced into bankruptcy by a disease. He is in a long-term care situation. He will be there for as long as he is able to sustain himself with this tragic disease. They have four young...
daughters, 11, 7, 2, and 6 weeks old. She is the sole caregiver. She has $40,000 in medical bills, with untold numbers ahead of her. The financial strain for her and her children will put her into bankruptcy. Is this a lady who ought to go directly to chapter 19 because she doesn’t meet the median income standard? It is inconceivable in my mind that we are prepared to let those who are doing very well in life set up these protection trusts that we know about, which protect the wealthy who have fancy homes and homestead rebate situations, and the young woman in Blackwood cannot protect herself, her four daughters, and take care of her husband. This is outside of the realm of reason, and it doesn’t make sense economically for the country because what is going to happen is this individual is going to be on charity care or Medicaid to take care of the medical bills of her husband, who has Lou Gehrig’s Disease. They are going to turn somewhere, and we are going to pay for it. We have taken away the opportunity for that individual to take care of her family. And $257 billion worth of long-term caregiving is the estimate for this society, and we are going to put that at risk through this bill. We ought to amend that. We ought to have standards set with regard to individuals who are giving care to their families and those they are responsible for and in the estimation of the S.25,000 folks who declare bankruptcy each year and make sure they are not forced into chapter 13. This is a mistake. It is essential that people recognize what we are doing here in a practical sense—undermining that safety net provided to families and individuals. I hope my colleagues will support my amendment and support Senator Kennedy’s because the broader question of medical care is a driving force in over 50 percent on all of the bankruptcies in this country.

It is hard to imagine that we are going to put folks into this indigent servitude, which is only going to lead to most of them using other social services in the country and will rack up even higher costs in Medicaid and charity care. The cost is going to come out, and the credit card companies are going to benefit. It doesn’t seem to be a sensible economic practice.

Mr. President, if the Senator will yield, those who have been proponents say: Look, we have these spendthrifts who use these credit cards and go to the malls and exceed their credit, and there has to be accountability and responsibility to make sure they are going to effectively be dealt with. So we have, allegedly, this legislation. It has been pointed out during the course of the debate that even the credit card companies say it is less than 10 percent of all filers that fall in to this spendthrift category. A lot of the situations that have studied bankruptcy over a period of time have actually put it at 4 or 5 percent. Nonetheless, we are passing this legislation that is going to have the impact that the Senator has mentioned in terms of those who are involved in long-term care or those who are elderly and have three times the bankruptcies today then they did in the past, with the average income for spendthrifts, seniors, large spendthrifts. But the tragedy is that they run into the health care challenges, cancer or stroke, and they run up these medical bills, and they will end up losing their homes and their lives virtually being destroyed.

Does the Senator not agree that we ought to be able to fashion pretty easy legislation to deal with those who are involved in the excesses of spending in relationship to credit, and we ought to have accountability for those people? But that isn’t what this bill is, is it? That isn’t what this legislation is really all about, is it? Doesn’t the Senator agree with me that we could fashion in a bill who are taking advantage that are out there? But this bill isn’t it. I would be interested in the Senator’s view, as somebody who has had great experience and a background in understanding both credit and the financial world, I think his views on this would be enormously valuable.

Mr. CORZINE. The Senator from Massachusetts asks the correct question. What is the problem we are addressing here? Is it a narrow problem of some abuses of the credit system—and the estimates I see are 10 percent or less—and when we address that, are we encompassing far too many people who are situationally disadvantaged by how the bankruptcy system would work in future circumstances?

The Reserve and Guard folks who the Senator from Illinois talked about, the people who are dealing with an out-of-control cost structure in our medical system or long-term caregivers—4 million folks are coming in for bankruptcy thousands of miles from their principal place of business, these companies were gaming the system. They chose bankruptcy courts out of necessity with their lives and their family’s lives. Why isn’t this bill addressing the systemic issue with regard to bankruptcy and the real issue of the economy?

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Mr. DAYTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows: (Purpose: A specified limit on the rate of interest that can be charged on any extension of credit to 30 percent)

The amendment is: (a) CAP ON INTEREST CHARGEABLE.—A creditor who extends credit to any consumer shall not impose a rate of interest in excess of an annual rate of 30 percent with respect to the credit extended.

(b) PREEMPTION OF STATE LAW.—The provisions governing rates of interest under subsection (a) shall preempt all State usury laws.

(c) EXEMPTION TO PREEMPTION.—If a State imposes a limit on the rate of interest chargeable to an extension of credit that is less than the limit imposed under subsection (a), that State law shall not be preempted and shall remain in full force and effect in that State.

Mr. DAYTON. Mr. President, I salute my colleague, Senator KENNEDY, for his powerful and heroic statements today on behalf of the people of America who do not have the time or the money to come to Washington or hire expensive lobbyists to press their causes in the Senate. He has championed their concerns for decades now.

I am very proud to have been a member of that short while ago, listening to him speak the truth about this legislation, which is a totally one-sided assault on real Americans, the folks we see out there in our States who cannot be here because they are working, because they have earned a decent living. They have a middle-income living, but they are not getting rich, and they are not taking advantage of programs, but they have suffered the kind of personal misfortunes Senator KENNEDY, Senator DURBIN, and others have described—serious illnesses, illnesses to themselves, to their spouses, or to their children. But they do not have health coverage, or they actually find out now they have health coverage, but the gaps in that coverage are so large or the copayments are so high that they run up debts they cannot afford.

We can talk about people who lost their jobs and often, therefore, their health coverage, which means they have added economic misfortune on to a health crisis. They are the targets of this legislation, the victims of this legislation. It is self-entitled the Bankruptcy Abuse Prevention and Consumer Protection Act. This bill is a consumer protection act, believe me, the other car of America are in very serious trouble. This is a Credit Card Company Protection Act. The poor credit card companies of America are the innocent victims, we are being told, if we believe what we are hearing from the other side, of some supposed mass fraud. Having listened to you, in the 8 years since this legislation was first introduced, the number of credit card solicitations in this country has doubled to 5 billion a year. Between 1993 and 2000, the amount of credit extended to people in this country grew from $77 billion to almost $3 trillion.

During the 8 years of the existence of this legislation, the bankruptcy filings in America have dropped 17 percent, and the credit card company profits have increased by 163 percent, from $11.5 billion to over $30 billion in profits last year. Does that seem like an industry that is facing a financial crisis or is being taken advantage of by people who are not in good standing? Absolutely not. In fact, the opposite. In fact, the opposite is that the credit card companies are taking advantage of Americans, not the other way around.

Some courts around the country have demanded that the credit card companies disclose the amount that remains to be repaid from what was actually borrowed and how much are the fees, the penalties, and the interest rates on the unpaid balance. Are all these creditors charging what the interest rates conventionally charged and the terms and conditions that are written into these agreements, many of the credit card companies are actually billing two times or more than the interest rate that is actually borrowed or remains to be paid. Often now it is higher than that.

Here is a form of a loan operation in my home State of Minnesota called Money Center. Their slogan is: "We make it easy all right. Their annual interest charge is 384 percent. But that is a bargain compared to Check and Go in Wisconsin. Their annual interest charge is 553 percent. Both of them combined do not equal the interest rate that is charged by the County Bank of Rehoboth Beach, DE, whose annual interest rate is 1,095 percent of annual interest charged on the amount that is borrowed. Now that is real abuse. That goes down the road of predatory lending. That is terroristic lending. Yet this bill before us does nothing about those lenders' abuses that drive far more people into bankruptcy than what we are hearing about from the other side today.

This legislation does nothing about hospitals and other health care providers who charge uninsured patients much more than they charge their insured patients, or those covered by programs such as Medicaid or Medicare, and then turn around and charge exorbitant interest rates on top of on bills of tens of thousands of dollars to the very people they are supposed to be helping who cannot possibly afford, with moderate incomes, to repay those kinds of costs.

That overcharge for the uninsured is why an overnight stay at a Virginia hospital costs $6,000 if someone is on Medicaid, but it costs $29,000 if it is Paul Shipman who has a heart attack and is uninsured. That is why a woman named Rose Schaffer, who is now being harassed by a hospital collection unit after she suffered a heart attack, said:

The hospital saved my life, but now they are trying to kill me.

This bill also does nothing about the abuses of bankruptcy laws that allow large corporations to declare bankruptcy, dump their pensions and their profits, and then emerge from bankruptcy and leave thousands of innocent victims. I met with some of them just this last week in my State of Minnesota. It is heartbreaking. It makes you want to cry, and then it makes you so angry at the injustice that has occurred to good, hard-working men and women who have worked all their lives, played by the rules, did everything they are supposed to do, did their part, helped build these companies, and now they are retired and the companies go into bankruptcy, such as mining companies. As one of the workers said: A company gets the mine, and we get the shaft. The company comes out of bankruptcy court proceedings and it is profitable having left pension obligations and its health obligations to retirees—people who are betrayed, abandoned, and left destitute with no recourse whatsoever.

Those are the terrible and huge abuses of bankruptcy laws that are destroying lives in Minnesota and across this country and are leaving American taxpayers with billions of dollars of unfunded pension obligations that they are going to have to pay rather than the companies that incurred them. This legislation before us does nothing about addressing those abuses.

A spokesperson for the distinguished chairman of the Senate Finance Committee, the author of this legislation, Senator GRASSLEY, said on behalf of Senator GRASSLEY, when he recently reintroduced the legislation:

People who have the ability to repay some or all of their debts should not be able to use bankruptcy as a financial planning tool so they can get away with free riding. People who have the ability to repay some or all of their debts should not be able to use bankruptcy as a financial planning tool so they can get away with free riding.

I do not think any of us would disagree with that; I certainly would not. Then I see these companies using bankruptcy law as a financial planning tool, as a corporate car wash where they can go through and clean their ledgers of these obligations to workers and retirees and come out, reestablish profitability, and these men and women, the American workers, are left behind with nothing.

Again, that is an injustice enough by itself, but the other result is the taxpayers pay the bill. This bill does nothing about that. So my amendment accomplishes health benefit protection clause to the bill that otherwise does not deserve the name. It would limit the maximum annual interest that could be charged by anyone, any lender, to 30 percent.

Now, that tells us how bad things are in this country, that a 30-percent interest charge would actually be a reduction. Right now inflation has been running less than 2 percent annually. The
current rate for a 3-month Treasury bill is 2.75 percent. The prime lending rate is 5½ percent. Thirty percent as a ceiling of what could be charged annually is still consumer abuse, but it is a lot better than 384 percent or 1,095 percent. So that is what this amendment would do. It would set a limit of the annual interest rate that could be charged by any lender to 30 percent.

If somebody believes it is not profitable for them to lend money, for whatever reason, likelihood of repayment, whatever else, that it is not profitable at a 30-percent annual interest, I say it is not a wise loan for the lender and it is not a wise loan for the borrower.

We have too many people in this country who are taking advantage of others and charging these astronomical, shameful, disgraceful, and they ought to be illegal, rates of interest and taking advantage of those people, driving them deeper into debt, many of those that my colleagues have cited as being the culprits in this situation, the nonhealth care borrowers who are running up these credit card debts.

If someone is paying 394-percent interest advantage, they are going to run up that debt very fast. If someone is paying 1,095-percent interest on anything they have borrowed, believe me, anybody in this country is going to be needing to file for bankruptcy very fast. This bill does not even mention those abuses.

This amendment would put a real consumer protection clause into this bill and for that reason, as well as basic justice, we should do what this body is supposed to do, which is to stand up and protect Americans. I urge my colleagues to give it their support. I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I call up amendment No. 19.

The PRESIDING OFFICER. The objection to setting aside the pending amendments.

Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN], for herself, Mr. Kyl, and Mr. Brownback proposes an amendment numbered 19.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To enhance disclosures under an open end credit plan)

Beginning on page 473, strike line 14 and all the matter through page 482, line 24, and insert the following:

Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end of the section the following:

"(15 U.S.C. 1637(b)) is amended by adding at all that follows through page 482, line 24, and

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(Purpose: To enhance disclosures under an open end credit plan)

Beginning on page 473, strike line 14 and all the matter through page 482, line 24, and insert the following:

"(A) IN GENERAL.—A credit card issuer shall provide, with each billing statement provided to a cardholder in a State, the following:

(1) A written statement in the following form: 'Minimum Payment Warning: Making only the minimum payment will increase the interest you pay and the time it takes to repay your balance.'

(2) Either of the following:

(I) A written statement in the form of and containing the information described in Item (aa) or (bb), as applicable, as follows:

"(aa) A written 3-line statement, as follows: 'A one thousand dollar ($1,000) balance will take 4 years and 3 months to pay off at a total cost of two thousand five hundred ninety dollars and thirty-five cents ($2,590.35). A two thousand five hundred dollar ($2,500) balance will take 3 years and 9 months to pay off at a total cost of seven thousand seven hundred thirty-three dollars and twenty-four cents ($7,333.24). A seventy thousand dollar ($70,000) balance will take 2 years and 9 months to pay off at a total cost of four hundred sixty-two thousand dollars and ninety cents ($462,090.00). This information is based on an annual percentage rate of 17 percent and a minimum payment of 2 percent or ten dollars ($10), whichever is greater.' In the alternative, a credit card issuer may provide a written statement illustrating the approximate number of months and the total cost of repaying the cardholder's account. The statement provided shall be immediately preceded by the statement required by clause (i).

(bb) Either of the following:

(II) A written statement in the following form: 'For an estimate of the time it would take to repay your balance, making only minimum payments, and the total amount of those payments, call this toll-free telephone number: (Insert toll-free telephone number).'. This statement shall be provided immediately following the statement required by clause (ii)(I). A credit card issuer is not required to provide this statement if the disclosure required by clause (ii)(II) has been provided.

(III) The toll-free telephone number shall be available between 8 a.m. and 9 p.m., 7 days a week, and shall provide consumers with the opportunity to speak with a person, rather than a recording, from whom the information described in subclause (i) may be obtained.

(IV) The Federal Trade Commission shall establish not later than 1 month after the date of enactment of this paragraph a debt counseling plan to illustrate the approximate number of months that it would take and the approximate total cost to repay an outstanding balance if the consumer pays only the required minimum monthly payments and if no other additional charges or fees are incurred on the account, such as additional extension of credit, voluntary credit insurance, late fees, or dishonored check fees by assuming all of the following:

"(aa) A significant number of different annual percentage rates.

(bb) A significant number of different account balances, with the difference between sequential examples of balances being no greater than $100.

(cc) A significant number of different minimum monthly payment amounts.

(dd) That only minimum monthly payments are made and no additional charges or fees are incurred on the account, such as additional extension of credit, voluntary credit insurance, late fees, or dishonored check fees.

(IV) A creditor that receives a request for information described in subclause (I) from a cardholder through the toll-free telephone number disclosed under subclause (I), or who is required to provide the information required by clause (ii)(II), may satisfy the creditor's obligation to disclose an estimate of the time it would take and the approximate total cost to repay the cardholder's balance by disclosing only the information specified in the table described in subclause (III). Including the full chart along with a billing statement does not satisfy the obligation under this paragraph.

(V) DEFINITIONS.—In this paragraph:

"(I) OPEN-END CREDIT CARD ACCOUNT.—The term 'open-end credit card account' means an account in which consumer credit is granted by a creditor or by a person to whom the creditor reasonably contemplates repeat transactions, the creditor may impose a finance charge from time to time on an unpaid balance, and the amount of credit that may be extended to the consumer during the term of the plan is generally made available to the extent that any outstanding
balance is repaid and up to any limit set by the creditor.

‘‘(ii) RETAIL CREDIT CARD.—The term ‘retail credit card’ means a credit card that is issued by or on behalf of a retailer, or a private label credit card, that is limited to customers of a specific retailer.

‘‘(C) EXEMPTION.—

‘‘(i) AMOUNT OF NOT LESS THAN TEN PERCENT.—This paragraph shall not apply in any billing cycle in which the account agreement requires a minimum payment of not less than 10 percent of the outstanding balance.

‘‘(ii) NO FINANCE CHANGES.—This paragraph shall not apply in any billing cycle in which finance charges are not imposed.’’

Mrs. FEINSTEIN. I ask unanimous consent to add Senator BROWNBACK’s name to this amendment as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, this amendment is offered on behalf of the Senator from Arizona, Mr. KYL, and myself. Because Senator KYL has an urgent matter to which I will make a brief statement and then turn it over to Senator KYL, and then I will wrap up. I ask unanimous consent to be able to do that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, today 144 million Americans have credit cards and they are charging more debt than they have in the past. Let me give one example of that. Credit card debt between 2001 and 2002 increased 8 1/2 percent. Between 1997 and 2002, it increased 36 percent, and between 1992 and 2002, it increased by 173 percent. Forty to 50 percent of all credit card holders make only the minimum payment. I am a supporter of the bankruptcy bill, but here is the rub: Individuals get six, seven, or eight different credit cards. A minimum payment is required, and then end up with debt rolling over their shoulders like a tsunami. That happens in case after case. So that is the predicate for this amendment, for Senator KYL’s amendment, but it is less onerous than the amendment of Senator AKAKA. I will explain that, but first I defer to my cosponsor, the Senator from Arizona.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Arizona is recognized.

Mr. KYL. Mr. President, I thank the Senator from California for referring because she only made a minimal statement. I join her in speaking in favor of this amendment and laying it before our colleagues. The point of the bankruptcy reforms is to try to help people get into a position to pay their obligations freely contracted and to try to make sure that creditors get as much of what they are owed as possible. Part of that is to try to help people not get into situations where they are not going to be able to pay their debts, and that is the basic philosophy of this amendment.

One can go too far and put conditions on companies such as credit card companies, for example, that are so onerous that they cannot possibly comply. People want to have ease of dealing with credit cards, but one can also get into a lot of trouble with credit card debt, as everybody acknowledges. It can get away from a person if they are not careful. What this amendment does is to borrow from a California statute that was declared invalid in California by a Federal court only because it was preempted by the Federal law, the Truth In Lending Law, which we are giving the States, because the same provision would apply again in California and to the other States as well. It requires the companies that offer these cards, when they find someone is paying the minimum amount on a monthly basis, to let them know what will happen or what can happen if they continue to do that, which is essentially that a person is going to end up paying a lot of interest and they are going to end up with a huge debt at a certain point in time and they are not aware of. They need to be aware of it. So we are going to tell the person either hypothetically, if it is not possible to do it on an individual basis, or individually, what the consequences of their paying this minimum amount are, a way to try to help people understand what they are doing and thereby better arrange their affairs so they can pay their debts, and therefore the creditors get paid. That is a win-win for everybody.

We have tried to strike the right balance. I think the legislation that was offered by Senator AKAKA was simply seen as unworkable and that is why I opposed it. The concept is not bad; it is that the execution of it would not be possible. We think this strikes a better balance. If our colleagues can demonstrate that somehow or other this is impossible to do, we invite them to demonstrate that. We think it strikes the right balance and yet achieves both of the objectives: people keep their affairs straight and making sure all of the creditors get paid.

We will have more to say, but I do only have a moment. I thank Senator FEINSTEIN for her leadership on this issue, for bringing it to my attention and for helping to pursue it today.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I thank the Senator from Arizona for his cosponsorship on this important and also for his friendship as well.

We have talked about credit card debt increasing. Let me talk a little bit about what it is today. It has increased from about $251 billion in 1990 to over $790 billion in the year 2000. That is an increase of 300 percent.

There has been a dramatic rise in personal bankruptcies during these same years. In 1990 there were 718,107 personal bankruptcies. In 2000 that number had increased to 1,217,972 personal bankruptcy filings. In 2004 it went up again, to 1,563,145 personal bankruptcy filings. Many of these personal bankruptcies are from people who get a credit card. It looks alluring. They do not recognize what a 17-, 18-, 19-percent interest rate can do. They pay just the minimum payment. They pay it for 1 year, 2 years—they have more cards, they get another card, they get another card, they do the same thing.

They get 2 or 3 years down the pike and they find that the interest on the debt is such that they can never repay those cards, and they do not know what to do about it.

We say that the credit card companies have some responsibility. During the first 6 months of the minimum payments of the balance, the credit card companies, under this amendment, would just put forward what they negotiated to put forward in California. There are a couple of options, and it is just really incremental debt sizes. If you have $1,000 worth of debt, and you make the minimum payment, this is what happens. If you have $2,500 worth of debt or $5,000 worth of debt, this is what happens. So there is that scheme and that is in the underlying bill. Or another one, which is $250, $500, or $750 in debt.

After that, if the consumer makes only minimum payments for 6 consecutive months, then this is where the bill comes in. The credit card company is responsible for letting the individual know essentially how much interest they have, and disclose in each subsequent bill the length of time and total cost which is required to pay the debt plus interest.

People have to know this. If they are a minimum-payment person, they have to know what it means to make those minimum payments over a substantial period of time.

The amendment would also require that credit card companies be responsible to put out a 800 number, included on the monthly statement, where consumers can call to get an estimate of the time it would take to repay their debt, if only minimum payments, and the total amount of those payments. If the consumer makes only minimum payments for these 6 months they, then, receive the 800 number and they can begin to get involved and understand it.

Senator KYL pointed out the differences between our bill and the Akaka amendment. The underlying bill, as I said, provides only for basic disclosure. This amendment does not require credit card companies to disclose to card holders exactly how much each individual card holder will need to pay, based on his or her own debt, if a card holder is only making minimum payments.

As I said, what we do is after 6 months of these basic minimum payments, then the credit card company must let the individual know: You have X dollars remaining on your debt, the interest is Y, and your payout time will take Z, or whatever it is.

We think this is extraordinarily important. We believe it will minimize
bankruptcies. This, I suppose, is what I deeply believe. When companies charge very substantial interest rates, they have an obligation to let the credit card holder know what those minimum payments really mean, in terms of the ability to make minimum payments to completely pay back credit—how long it takes. I have people close to me I have watched, with six or seven credit cards, and it is impossible for them, over the next 10 or 15 years, to pay off the debt if they continue making just minimum payments. Therefore, they have to find a way to resolve that debt. To date, you have two recourses.

One recourse is you go into a counseling center and they can repackage all this debt for you and put it into one and somehow work out an agreement with the credit card company. I tried to do this for someone. As a matter of fact, the credit card company would not agree to any reduced payment. Or they go into bankruptcy.

There are millions of bankruptcy filings show that this is, indeed, a problem. If we are going to have a bankruptcy bill, and I certainly support a bankruptcy bill, it is also important that the credit card companies play their role. That is, if you make a minimum payment, and your interest is 17, 18, 19 percent or even 21 percent, here is what it means. For the length of time you will be paying your bill and what it will cost to pay that bill. I think you would have people who are more cautious, which I believe is good for the bankruptcy courts in terms of reducing their caseload, and also good for American consumers.

I join with Senators Kyl and Brownback in presenting this amendment, which is a kind of compromise to the Akaka amendment, in hopes that the Senate will accept it.

I yield the floor.

The PRESIDING OFFICER (Mr. Martinez). The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I thank Senator Feinstein for her comments. As I see it, we have probably a couple of little difficulties with amending the Truth in Lending Act—the Banking Committee has jurisdiction over that—how we will go forward. I do agree with the Senator from California that the plain fact is that credit card companies are not interested in getting reliable credit card holders not to pay on time—because they would be making 18 percent or whatever percent interest—if they are reliable people and they pay their debts. So I think sometimes their disclosure is not clear enough on the minimum payment. They put the minimum payment in big print and the total amount due is printed small because I think sometimes they don’t really want people to pay it early. Some attention should be given to that, and I would consider their amendment.

Let me repeat what we are about here. We have been hearing all day, virtually, about health care bankruptcies as if this bankruptcy bill does not provide relief for people who have health care debts. It certainly does. What we are about is to reform the procedure of Federal bankruptcy courts in America. All about bankruptcy courts, bankruptcy courts. They handle the petitions of people who have incurred debts that they say are unable to repay. They would like to wipe out those debts, not owe anybody anything. Stop the phone calls, stop the lawsuits—nada—not pay what they owe.

We provide for that. As has been stated before, the last numbers we have, 1.6 million people have filed that way. I would say without doubt that a number of those people who have filed, quite a number, really needed that relief for whatever reason. They got themselves in serious financial trouble. It is interesting that people who manage the money care very carefully with how they spend. They don’t run off and buy new cars. They take care of their money carefully. They don’t usually end up in bankruptcy court—very seldom. Look around your neighbors, the people you know, don’t want to take care of their money. They don’t overdress. They drive a modest car. They take care of their money. They are not filling bankruptcy.

Some of them get into trouble through no fault of their own, no doubt. But I am just saying that.

There are advertisements all over America in newspapers and late night TV and cable: Come on down. Wipe out your debt. Pay what you owe. Just come on and talk to old Joe, your good, friendly bankruptcy attorney, and he will just wipe them all out.

Do you know what they tell them when they come in there? They say: Take out your credit card. I want you to take your paycheck that is coming in now, you pay that to me, pay my fee, and you put everything else on your credit card. Then when you are in bankruptcy court you just wipe that out and you don’t have to pay the credit card company.

That is the way it works. We know that. People are following the advice of their lawyer. Lawyers are giving them advice based on what the law allows them to do.

Mr. President, you are a lawyer. When you come in there, the law allows you to tell your client that is your best option and it is going to save them money. Then they do it. It is not illegal. I guess it can’t even be said to be unethical, because it is provided for under the Federal bankruptcy law that we in this Senate are responsible for creating, monitoring, and fixing when it is not working right. That is all I am saying. We are not here to deal with the uninsured on a bankruptcy reform bill. We are not here to fix all the language on bank lending and interest rate problems in America on a bankruptcy bill.

This legislation is now up for its fourth time in the Senate. We have already had four markups in Judiciary over 8 years. It is basically the same bill. It is time for us to have some reform. That is all we are saying.

I want to talk about the health care debt. I have to say it. We have had the testimonies of doctors. Then there was some of them who have been down here—not Senators Feinstein and Kyl—talking about credit card companies. When they give you money they are bad companies, as though they are the evil forces. I know they have a profit interest. I know they like to get that high interest rate. I know they are not unhappy if my mother sends in by mistake the minimum payment rather than the total debt due when she probably by mistake pays it.

That is just one form when they are particularly valuable, I suppose, in the course of this debate.

We are trying to create a system that allows us to fairly and responsibly wipe out people's debt so they don’t have to pay what they owe.

What about medical debt? If you have enough money to pay some of your debt, let me ask you: Should you pay your doctor, should you pay your hospital, or that paid the utilities? If other people are getting paid money, ought they not to be paid? That is in some sense what is being suggested here.

Let us take a look at what the deal is. This is to repeat, the deal is this: On this reform, people who file for bankruptcy who make above median income may be required by the bankruptcy court to pay at least a portion of what they owe based on their income as they file the bankruptcy. If their income is below median income, they wipe out all their debt, as they always have. There is a growing concern in America that doctors, lawyers, high-income people run up a bunch of debt, and they have decided they would rather wipe it out than to pay it back, and they go into bankruptcy court. Do you know they can do it? Now a person with a $200,000 a year salary can have $100,000 in debt and go into bankruptcy court and wipe out those debts today and not pay any of it, be free and clear.

Under this bill, they would say, Wait a minute. Your income is high enough. Over 5 years is all they can be made to repay what they owe; and people’s comments. We are going to scale out what we think you can pay for at least 5 years so that those people you got money and services from will get something back. You don’t get to wipe out all of your debt. That is what we are talking about.

What the experts have told us in the Judiciary Committee, of which I am a
member, is that 80 percent of the people who file bankruptcy are below median income. Surprise, surprise. Most people who are filing bankruptcy have lower incomes. So 80 percent will not ever be in the higher level and not be required to pay back any of the debt. So whether they are medical debts, gambling debts, automobile repair debts, whatever those debts are. They won't be required to do that.

In addition, the bill provides for special cases and, even the court can still not make them have to pay back any of it. The expert witness we had in Judiciary Committee a few weeks ago said that based on his opinion and what he has studied, he felt probably an additional 7 percent would qualify there.

I submitted yesterday, and it was agreed to, the Sessions amendment to the bill that explicitly states health care can be a special circumstance that would cause a person not to go into chapter 7. And the court could find them to stay in chapter 7.

What Senator KENNEDY's amendment would do is provide protection for the rich. It would provide no protection, no benefits, for poor people making below median income. They do not get any benefit out of it. It is providing an amendment that says somebody making $200,000 or $300,000 a year won't have to pay a dime to his local hospital; won't have to pay his doctor bills; won't have to pay his pharmacy. Why? That is not right, in my view.

Not only that. It goes at the core of what this legislation is about—trying to bring some balance into the system to treat poor people fairly; let them wipe out a bit of their debt, and people with some income to pay it back. The court would require them to pay some of that back, depending on the level of that income. I think we need to think about that.

Let me say this: I have been around this bill now since I have been in the Senate. There is a Professor Elizabeth Warren who has been absolutely incredibly determined to defeat this bill. She has written op-eds, and she has distorted this legislation, in my view. She has not accurately stated the facts, and she has been given every opportunity. She was allowed to testify at the last hearing which I referred to. I want to comment on some things that I think are important which this professor ought to be aware of.

On the eve of our hearing, she announced this big, new survey that 54 percent of the people in bankruptcy courts—work in the bankruptcy courts. They monitor the bankruptcy courts. They try to watch out for fraud and abuse. They did a survey in 2000 to 2002 on medical cost as a factor in bankruptcy cases. They reviewed 5,203 chapter 7 cases from 48 States. Only slightly more than 5 percent of unsecured debt reported in those cases was medically related from actually looking at their bankruptcy filings.

When you talk bankruptcy, you fill out a form. You ask the court to wipe out these debts so you do not have to pay them, and you list your debts. If you do not list a debt, the court cannot wipe it out. Everyone today who chooses to file chapter 7 can wipe out their debts, but they have to list them. All we have to do to determine how much of the total existing debt is based on medical is to look at the files. That is what the U.S. Trustee did. They found 5 percent of the total debt was medically related. They also revealed in their study that 54 percent of the cases listed had no medical debts whatever. Fifty-four percent did not mention any medical debt—but a $25 bill to the doctor or a $50 bill to the pharmacist.

They noted that those who did have medical debts—and it has been suggested that Americans are crushed under huge medical bills; sometimes that happens, I do not deny that—they found that 90 percent of the cases that did have medical debts reported debts of less than $5,000. If you are making $75,000 or $80,000 a year, you might be able to pay back part of that. So why shouldn't they pay back a portion of it? There are a lot of reasons why lawyers who represent their clients think chapter 13 is not such a bad thing. In fact, it is in the interest of the client.

Those people I refer to in Alabama who voluntarily choose chapter 13 could choose chapter 7 without any hesitation if they thought it was better. Just because someone is moved into chapter 13 does not mean it is all bad. In fact, many people choose it for a variety of reasons.

Anyone with median income or below even above who has extensive medical bills will either be able to wipe
them all out if they are below median income; if they are above median income, they can be required to pay some of that debt back in monthly payments in a period not to exceed 5 years. That is fair. That is just. Who knows, it might help our hospitals keep their doors open, and help our credit card companies keep their doors open by having to close.

I feel strongly about this bill. Every issue that has come up now has come up previously. It is time to move forward. Let’s get this bill done, complete this work, and help improve the integrity of our bankruptcy system.

It also provides tremendous benefits for women and children. They have a much higher priority in bankruptcy for alimony and child support. It eliminates the obstructive use of bankruptcy court to block evictions, eliminates a lot of other abuses, and contains some attorney fees in ways that have not been good in the past. There is a lot that is helpful that will streamline our system and make it better.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I listened with some interest to my colleague and his description of the bankruptcy bill. I have felt for some long while, and have voted that way in the Senate, that the pendulum swung a bit too far in bankruptcy and needed to be adjusted some. I believe the last time we voted in the Senate was 5 years ago.

But I am concerned there is an effort on the floor of the Senate to turn back every single amendment that is being offered, believing that the only body of thought that has any merit at all is that which came out of the committee; that all of the proposals that are offered on the floor of the Senate somehow are without merit; that the adjustments or the approaches that might be helpful to some people who are more vulnerable are provisions without merit.

They may find, it seems to me, if they turn back all of these amendments, that there might not be so much support for the bankruptcy bill as there has been in the past.

Let me talk for a moment about this issue of credit cards. My colleague just spoke about the credit card companies. First of all, let me admit, I think there have been abusive bankruptcies. There is no question about that. It is just one of the reasons I believe the pendulum was swung a bit too far and probably should be brought back a bit. But there are two sides to all of this as well.

We have credit card companies these days that bill blast that country with credit cards, wall to wall. Go to a college campus and take a look at every mailbox. Credit card companies want to offer credit cards to people who have no income and no jobs. They say: Take our credit card. Take a second credit card. They blast out these credit cards.

My son was age 10 when he got a preapproved credit card, a submission from Diners Club. He was 10 years old.

So I called Diners Club. I said: It’s a good thing I got hold of it before my son did. He would have probably been in France. I guess a 10-year-old couldn’t travel. But the fact is, he probably would have been interested in doing something with that credit card.

They said: Well, it was a mistake. It was not a mistake. And it is not just Diners Club. Go through the whole list of credit cards. It is not a mistake that they are sending credit cards to people who have no income, people who have no jobs, people who do not have a prospect of income. Do you know why it is not a mistake? Because they take these giant mailing lists and they ship these preapproved credit cards to everybody, understanding that some people are going to get them who should not get them, and they won’t pay, and so they will just figure out how to deal with all that with higher charges to everybody else. At some point they will get relief from Congress, even, on bankruptcy issues.

It is not just credit cards. Go down the street someday and see the picture window that beckons you, in big red letters, “Buy now, pay later.” Come on, buy it. It doesn’t matter whether you can afford it or not, buy the product. Turn on the television set in the morning and hear the advertisement from the company that says: Bad credit? Come and see us. You have not been paying your bills? You have a problem on your credit report? Come and see us. We have credit available for you.

So there are two sides to all of this as well. Those who are blustering and pattering this country with credit cards and debt, those who know better, even as they do it, ought not come to this Congress and say: Well, now we have some problems. Now we have some defaults. We want you to tighten the bankruptcy laws.

I think if the majority decides that in every circumstance every amendment that is going to be offered in the Senate on these issues is going to be turned away, perhaps they will not have the robust vote on bankruptcy reform they expect.

SOCIAL SECURITY

Mr. President, I think this issue of bankruptcy in some ways ties to another very significant issue that we are debating in the Congress and will be debating across the country for months; this issue of Social Security. There are so many millions of Americans—tens of millions of Americans—often women, often in their seventies, eighties, and nineties, often living alone, whose only source of income is a Social Security payment each and every month. It is the difference between those who can put food, to buy prescription drugs, to pay rent, and their not having the ability to do those things.

You go back to 1935, when Franklin Delano Roosevelt signed the Social Security bill. Fifty percent of America’s senior citizens who reached retirement age were living in poverty. In this great country of ours, one-half of our elderly were living in poverty.

What a wonderful country this is in which to live. There is no question about that. We share this globe with 6 billion people—6 billion of them. It is only us who have the opportunity to live in this country. Six billion people are our neighbors. One-half of them have never made a telephone call. One-half of them live on less than $2 a day. A billion and a half people do not have access to clean, potable water every day. We are lucky enough to live here.

But just think, 70 years ago, in this great country, as we were building and creating and expanding our country, one-half of the people who reached retirement age were living in poverty. They helped build this country. They worked hard. They went to work every day. They did not complain. They did the best they could and reached that period of their lives where they had a decent income, retired, and retired in dignity because they were not working anymore. They were retired and living in poverty.

Well, this country did something about that, and it ought to be proud of it. Franklin Delano Roosevelt signed a bill called Social Security. Yes, the same people who are now skeptical about Social Security attacked him unmercifully. Social Security was decried as creeping socialism. It was decried as Government interference. The fact is, the Social Security Program created an insurance program that all workers paid into for the purpose of providing a stable insurance policy upon retirement that would always be there, a guaranteed benefit upon retirement that you could count on. And like that, the poverty rate among America’s senior citizens went from 50 percent to now slightly less than 10 percent.

This program has lifted tens of millions of Americans out of poverty. It has worked, and worked well. And as this Congress now talks about bankruptcy legislation, let us talk about this issue of that which has prevented so many people from having to file bankruptcy, and that is the Social Security Program that has provided stable, predictable, consistent, and dependable revenue from an insurance program when people retired from their jobs. It has worked, and worked well for over 70 years.

There were some who did not like it in the 1930s and 1940s. They were aggressively opposed to Social Security. Their ideas live on even today. They would like to take the Social Security system apart because they believe it is, in the words of one of the Senate conservatives, “the soft underbelly of the liberal welfare state.” Those are his direct words.
In 1978, President George W. Bush ran for Congress in Texas, and he said: Social Security will be broken in 10 years. So in 1978, President Bush said Social Security would be flat busted in 10 years, by 1988. Of course, he was not accurate. But he said back then we should go to private accounts in Social Security.

Now, all that says to me is that this is not about economics for this President, is about philosophy. I am not critical of him for that. He has every right to believe the Social Security system is somehow unworthy, ought to be taken apart, that it ought to be changed to a system of private accounts. The President has the right to believe that. He believed it back in 1978, and he manifested that belief even now as President.

But let’s understand, then, that this is not about economics. It is about philosophy. In fact, there is a memorandum dated January 3, which comes from the chief strategist in the White House on Social Security, and let me quote from it. This is from Peter Wehner, who is the chief strategist in the White House on Social Security planning: I don’t need to tell you that this will be one of the most important conservative undertakings of modern times.

Interesting, isn’t it? The first paragraph describes what is happening in the President’s proposal, about Social Security as “one of the most important conservative undertakings of modern times.” And if accomplished, it will be “one of the most significant conservative governing achievements ever.” Again, describing this issue as a “conservative undertaking.” Its success is a “conservative governing achievement.” And then he connects it to the commitment to the ownership society, control for individuals over their own lives, and so on. He says:

If we borrow $1–2 trillion to cover transition costs— That is the first place this shows up, which is an acknowledgment that everyone understands, that the President never talks about, that in order to go to transitions to private accounts, you have to borrow money—$1 to $2 trillion. That would be borrowing money on top of the largest debt this country has ever experienced. We have the largest fiscal policy deficit in history. We have the largest trade deficit in the history of this country right now. On top of that, the President would propose a $1 to $3 trillion—this says $2 trillion—but $1 to $3 trillion borrowing in order to set up private accounts. It is: Borrow money, put it in the stock market, cut benefits in the underlying Social Security Program—I will get to that in a moment in this memorandum—and hope that somehow it will all come out all right.

Let me read what is the most telling piece of the White House memorandum about the Social Security plan: For the first time in six decades, the Social Security battle is one we can win.

It is clear what he is saying. The White House memorandum of the strategy, No. 1, in the front end calls it a conservative undertaking, not just some policy debate about something that will strengthen the country, a conservative undertaking. Then he said: For the first time in six decades, the Social Security battle is one we can win.

What is that battle? Go back to Alf Landon in the 1930s, who decried Social Security, and bring it back every decade since then. That there are those who have never wanted Social Security, never liked Social Security, believe it is some sort of Government intrusion in people’s lives and they have always wanted to basically get rid of it. That is the battle.

The White House says: For the first time in six decades, the Social Security battle is one we can win.

Well, who wins when we decide to begin taking apart one of the most successful things that we have ever done in our history to lift people out of poverty? When you work you pay an insurance premium in your paycheck. It is called FICA and the “I” is for insurance. That is what it stands for. You know it that when you retire, Social Security payments will be there for you. They don’t belong to someone else, they belong to you. They are yours. And it is not just the old age benefit or the retirement benefit. If you have trouble in the sense that there are disability benefits. If along the way the principal wage earner dies and you have children under the age of 18, there are survivor benefits. All of that is available to those workers who are paying these premiums month after month.

It is really interesting and—for me at least—a bit disturbing that we have turned in this country to a debate about me, me, and me: When is it going to be my turn? Forget about the other guy, how about me?

I think both political parties contribute to this country. The notion of self-reliance, coming from the pioneers on the homestead, breaking sod, building log cabins, rolling up their sleeves, doing for themselves, herding cattle on the open range, hard work every day, self-reliance, I understand all that. It is a wonderful ethic that helped build this country. But there is more than that, much more because those pioneers on the prairie, the pioneers who homesteaded the prairies where I come from in southwestern North Dakota knew there was more than self-reliance and rolling up your sleeves and handling it yourself. It was also about building a community, building your churches and roads and schools and building the rural electric co-ops to move electricity to the farms. It was about fighting things that were more than just yourself, being part of a fact that is bigger than yourself, fighting for women’s rights, worker rights, for equal rights, for minority rights. All of that is also a part of the legacy that has improved this country and lifted it.

Now we come back to this mantra almost every day—centered now around Social Security—what about me, what about mine. I want mine right now.

For the first time in six decades, the Social Security battle is one we can win. . . .

It is not a momentous time that we are talking about in Social Security. But let’s understand, then, that this is not about economics, it is about philosophy. In fact, there is a memorandum of the strategy, No. 1, in the front end calls it a conservative undertaking, not just some policy debate about something that will strengthen the country, a conservative undertaking. Then he said: For the first time in six decades, the Social Security battle is one we can win.

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Union Address. In the year 2018, the Social Security system will not be taking in less money than it spends. That was the allegation the President made. Not true, just flat not true. According to Social Security actuaries, if we have a very low rate of economic growth, much below that which we experienced in the previous 75 years, if we have that low rate of economic growth, by the year 2042, we will have less revenue coming in to the Social Security system from both payroll taxes and accrued interest on the assets than we will need to be paying out. The Congressional Budget Office says that year is 2052. That is almost a half century from now.

Pick the one you like. In any event, we do not have a crisis in Social Security. It is not going to take major surgery or a major adjustment to make Social Security whole for the long term. Our job ought to be to work together to find a way to strengthen and preserve Social Security for the long term and then strengthen and improve on the other two elements of retirement security. One is pensions, and that is to encourage more employers to offer pensions because only half of American workers are now covered. The second is private investment accounts such as IRAs and 401(k)s outside of Social Security and pensions. We can, should, and—I hope—will do much more in incentivizing those kinds of investments. Job No. 2 is to find a way to control Social Security spending. Believe me, there is a lot of waste, of fraud, of error going on in the Social Security system. Some of that is caused by the government, some of it is caused by contractors, tell them to bring a bag of nails to Afghanistan, they ask for 50,000 pounds of nails and then deliver 15,000. That is not the right size. People driving $85,000 brand new trucks. If they run out of gas or something happens to them, they leave the truck and let somebody torch it. Halliburton is alleging 14,000 meals a day to our soldiers when, in fact, they are only serving 14,000 meals. They are overbilling us by 28,000 meals a day. It is unbelievable, the massive waste, fraud, and abuse going on.

At a hearing a couple of weeks ago, we had people with pictures that showed they have massive cash in vaults and they say if you are going to pay contractors, tell them to bring a bag of cash and they will take care of it. We are talking about the massive wasting of taxpayers’ money going to these sole-source contracts for billions of dollars and nobody cares.

My colleague from Illinois introduced a resolution in translation last year on this subject. I talked to him yesterday about an amendment I wanted to introduce on this bill and am going to introduce in the morning, and he will join me. This is a very important issue.

Mr. DURBIN. Mr. President, I would like the people following this debate to understand what is being said. We have spent billions of dollars on the war in Iraq, and I voted for every penny of it. If it were my son or daughter over there, I would give them everything they needed to get their mission accomplished and come home safely. I ask the Senator from North Dakota, how many official committee hearings and investigations have there been in Congress looking into the sole-source, multibillion-dollar contracting the Senator has referred to?

Mr. DORGAN. The Senator from Illinois introduced a resolution last year on this subject. I talked to him yesterday about an amendment I wanted to introduce on this bill and am going to introduce in the morning, and he will join me. This is a very important issue.

Mr. DURBIN. If the Senator will yield for another question, the amendment he is going to offer, which I have worked on as well and am honored to join him as a cosponsor, is modeled after the Truman Commission that was created during World War II. Isn’t it true that Harry Truman, a Democratic President from Missouri, ordered this investigation into what he called profiteering during the war at the expense of soldiers and taxpayers, and was literally examining the practices of a Democratic President, Franklin Roosevelt, with that commission, so that here he was, a Democrat, saying he had a higher responsibility to the taxpayers and soldiers. He was going to investigate the activities of the War Department under a Democratic President. I ask the Senator, was that not the case?

Mr. DORGAN. The Senator from Illinois is correct. President Truman got in his car, as a matter of fact, and began driving around the country to investigate the millions of dollars that was going on. He came back and said there is something rotten here; a massive amount of waste is going on. He convinced Congress to create the Truman Commission, which was an investigative committee. And he was a Democrat. And there was a Democrat in the White House, but that didn’t stop him from investigating.

In this circumstance today, we have a Republican in the White House, Republicans controlling the House and Senate, and they have no interest in doing any oversight hearings. Our colleagues asked the committee; Will you do an oversight hearing on the issues? The answer is no. I have additional examples. How about $7,500 a month rent for an SUV in Iraq? How about Halliburton charging a dollar more for every gallon of gas, compared to what the Department of Defense could have obtained from its own supply office? How about two guys who show up in Iraq having no money and very little experience and decide they are going to be contractors? They decide to bid on contracts, and they win one. Somebody delivers a suitcase full of $2 million in cash and they are off and running. They soon get over $100 million in contracts. Some of their employees became whistleblowers because they said what was going on was crooked. These people were taking forklift trucks off an airport they were supposed to be driving around the country inspecting them and repainting them and selling them back. They sold them to the Coalition Provisional Authority. Who is that? The American taxpayer. The Justice Department says it won’t join in a false claims action because defrauding the Coalition Provisional Authority in Iraq is not the same as defrauding the American taxpayers. It is unbelievable, the lengths to which some of these people will go to avoid looking truth in the eye.

There is massive waste, fraud, and abuse. Billions of dollars is being abused and wasted and nobody seems to give a whit about it. Senator DURBIN
from Illinois introduced legislation, which I was happy to support, in the last Congress on this subject. I don’t believe that got a hearing and certainly didn’t get to the President’s desk. My sense is that in any way we can, in every way we can, on behalf of the American taxpayer, we need to do this. It undermines our support for American soldiers if we don’t have oversight. Do you think American soldiers want to be stuck in Iraq doing what their country asked them to do only to find out that those serving them meals are overbilling by 28,000 meals a day, or are double-charging for hauling gasoline in? This makes no sense. The minute you raise any of these things with the one party in this town, they say you are being totally partisan. Well, no, I think we are being a little bit like Harry Truman here. He had the guts to look truth in the eye and say when something going on is rotten, when the American taxpayers are being bilked, tax money is being pilfered, somebody ought to stand up and stop it.

I intend to offer this amendment in the morning. I am proud of the work my colleague has done as well. I have spoken longer than I intended. The Senator from Florida wishes to speak. Let me say that I will be back in the morning to offer this amendment.

I yield the floor.

Mr. NELSON of Florida. Mr. President, as we debate the merits on this bankruptcy bill, I offer an amendment, and I believe it is critical to improving this piece of legislation. This amendment will create an exemption from the requirements of this bankruptcy bill for victims of identity theft. The goal of this amendment is, if you have had your identity stolen and charges have been run up on you because your identity was stolen, and if that causes you to go into bankruptcy, then you are going to have an exemption from the provisions of this legislation that said you would not be able to file bankruptcy.

It is carefully tailored as an amendment. It would not apply to every single identity theft victim. Rather, it would require identity theft victims to show that they were defrauded out of the minimum dollar amount.

There is an epidemic of identity theft that has plagued millions of Americans. There are 60 Senators in this Senate. In Orlando, I met with six of those victims of identity theft. One of them was an elderly mother who was there with her daughter who, upon the passing of her husband of half a century, the daughter taking over all the financial records, and paying her mother’s bills—her mother had always provided for the children’s needs, so when the daughter started getting these credit card bills on the mom’s credit card of $5,000 and $10,000, she paid them. It was not until a store owner in California, on the other side of the country from where this couple lives in Cocoa, FL, an alert store owner called and said: We want to make sure that you are willing to have this charge of $26,000 charged to your mother’s credit card. Your mother is sitting right here in the store in San Francisco to ring up this charge. The daughter, of course, replied: My mother is sitting right here with me in Florida. Obviously, someone is masquerading as my mother. What about job applications, what about Social Security numbers and bank accounts. What about DNA tests, what about the records of all kinds of different medical tests?

This is the alarming theft that is occurring today, and it is not being done with the hammer and crowbar of a typical thief. It is being done by sophisticated methods and we are living in this technological age.

Listen to these alarming statistics. The Federal Trade Commission says 10 million Americans were affected by identity theft last year. Identity theft is now the most common fraud perpetrated on consumers. In 2004, identity theft accounted for 39 percent of consumer fraud complaints, the Federal Trade Commission tells us. And a figure that will blow your mind is that identity theft cost the United States $2 billion last year.

Because identity thieves misuse people’s personally identifiable information, some individuals are denied jobs, they are arrested for crimes they did not commit, or they face enormous debts that are not their own.

Last week, in Orlando, I met with six of those victims of identity theft. One of them was an elderly mother who was there with her daughter who, upon the passing of her husband of half a century, the daughter taking over all the financial records, and paying her mother’s bills—her mother had always provided for the children’s needs, so when the daughter started getting these credit card bills on the mom’s credit card of $5,000 and $10,000, she paid them. It was not until a store owner in California, on the other side of the country from where this couple lives in Cocoa, FL, an alert store owner called and said: We want to make sure that you are willing to have this charge of $26,000 charged to your mother’s credit card. Your mother is sitting right here in the store in San Francisco to ring up this charge. The daughter, of course, replied: My mother is sitting right here with me in Florida. Obviously, someone is masquerading as my mother. What about job applications, what about Social Security numbers and bank accounts. What about DNA tests, what about the records of all kinds of different medical tests?

This phenomenon of identity theft is happening. We saw it in a big case called ChoicePoint, an Atlanta, GA, company that had hundreds of thousands of records of other people, such as I mentioned, Social Security numbers and bank accounts. What about job applications, what about Social Security numbers and bank accounts.

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her mom to the tune of $40,000, and be-cause of that stolen identity, she can never get that back.

What happens if that is a debt that would drive a person like that into bankruptcy? Should that be used against them to prevent them from being able to file bankruptcy? I do not think we want to do that in this legislation.

The law does not require creditors to automatically erase a person's debt arising from identity theft. Creditors sometimes refuse to erase these debts or they do not want to do so. I have faced investigations to drag on for years. This leaves some identity theft victims with no choice but to file for bankruptcy.

Let me give some more examples. Last year, a Pennsylvania woman was victimized by a brazen identity thief. This thief was actually renting a room in the lady's house. The identity thief stole her checks, her bank card, her personally identifiable financial information. Then the thief used that information to wipe out the lady financially. A few months later, in October, a collection agency in my home in Illinois saying: DURBIN, we finally caught you. I do not know if you thought you could get by with this forever. We knew we would find you. You owe our company in Denver, CO, $2,000. I said: I have never been to your company's place in Denver, CO. I have never done business with you. It turned out to be someone using my name and my Social Security number, who had run up several thousand dollars in charges with a credit card. Our office in Denver took the day off, but I was lucky. I sorted it out. There are some stories that have come to my office, and I am sure to the Senator's office as well, where it took years before they finally came to the bottom of it.

So I ask the Senator from Florida, for those people who were victims of identity theft, maybe a credit card where charges were run up out of sight, tell me exactly what the Senator's amendment, he is saying if the debts are being addressed not by the credit card industry so this does not become a loophole that somebody can get out of following the law and be irresponsible about filing bankruptcy. We have even put it in the amendment that there has to be a threshold for the person who would have this exemption because of identity theft. For example, it would have to be a claim against the credit card industry so this does not become a loophole that somebody can get out of following the law and be irresponsible about filing bankruptcy. We have even put it in the amendment that there has to be a threshold for the person who would have this exemption because of identity theft. For example, it would have to be a claim against the credit card industry so this does not become a loophole that somebody can get out of following the law and be irresponsible about filing bankruptcy. We have even put it in the amendment that there has to be a threshold for the person who would have this exemption because of identity theft. For example, it would have to be a claim against the credit card industry so this does not become a loophole that somebody can get out of following the law and be irresponsible about filing bankruptcy. We have even put it in the amendment that there has to be a threshold for the person who would have this exemption because of identity theft. For example, it would have to be a claim against the credit card industry so this does not become a loophole that somebody can get out of following the law and be irresponsible about filing bankruptcy. We have even put it in the amendment that there has to be a threshold for the person who would have this exemption because of identity theft. For example, it would have to be a claim against the credit card industry so this does not become a loophole that somebody can get out of following the law and be irresponsible about filing bankruptcy. We have even put it in the amendment that there has to be a threshold for the person who would have this exemption because of identity theft. For example, it would have to be a claim against the credit card industry so this does not become a loophole that somebody can get out of following the law and be irresponsible about filing bankruptcy.
economic misfortune; maybe that small business they were running fails because they are gone serving America in the Armed Forces. When we offered that amendment the Senator from Florida may recall that yesterday several Senators voted against it, many of whom will be the first to welcome these guardsmen and reservists with open arms, thank you for your service to our country. Now Senator Kennedy has an amendment pending which says, what about the category of Americans who have overwhelming medical bills because of a medical condition they never could have anticipated and they get trapped in bankruptcy? Can we take that into consideration and not hit them as hard as others? Can we take their homes away from them at the end of the day? Now the Senator comes in with another category, which I think is equally legitimate, victims of identity theft.

If I understand the Senator from Florida, he is following in the same line of argument, and that is the bankruptcy court should not be blind to reality, to the reality of the guardsmen and reservists serving our country and paying a heavy price at home in terms of their personal finances. Nor should this bill be insensitive to a single mother raising children, diagnosed with breast cancer, who as a waitress with another job cannot pay off her medical bills, or in the Senator’s case an elderly person whose identity was stolen and charged were run up beyond anything that she could handle.

It is my understanding that what you are saying is this law should be sensitive to the realities of people who are doing the right thing but are being victimized, either by medical illness or by identity theft. Is that the intention of the Senator?

Mr. NELSON of Florida. The Senator is correct. Indeed, this amendment is saying that under the circumstances, where a person, through no fault of their own, because they have been preyed upon by larceny, by a thief, and bills have been run up because their identity is stolen and doing the right thing are being victimized, either by medical illness or by identity theft. Is that the intention of the Senator?

Mr. DURBIN. Mr. President, there is hardly one of us who has not heard a story that goes as follows: An elderly widow is living in her family home. Her children have moved out. She is getting up in years, but she is happy in her home, exactly where she wants to be. She is more complicated for her, and someone takes advantage of her. There is a knock on the door and someone says to her: I just took a look at your roof. You must realize, it is in terrible condition, and luckily I do roofing. I will be happy to repair your roof. Or, if you put vinyl siding on this old house, you could save so much on your heating bill. Or, did you notice that your basement foundation is starting to crack? That could be dangerous, and luckily I do the work.

You hear the story over and over, that person—I do not mean to pick on elderly widows; it could be a widow, too—says: Sure, that sounds happy to repair your roof. Or, if you put vinyl siding on this old house, you could save so much on your heating bill. Or, did you notice that your basement foundation is starting to crack? That could be dangerous, and luckily I do the work.

You hear the story over and over, that person—I do not mean to pick on elderly widows; it could be a widow, too—says: Sure, that sounds good. You seem like a nice, bright young man. Why doesn’t your company come in and fix my house.

They say: Great. Here is a little contract we would like you to sign to have the home improvements. They look at it and they say: It is a standard contract. They sign on the dotted line.

You have heard this story. Maybe someone in your family has been through this. Then what happens. The work turns out to be shoddy. They do not do what they are supposed to do. The charges are outrageously high. Then we take a look at the contract, and it turns out the contract creates a lien on the property, perhaps another mortgage on the property, perhaps a balloon payment, maybe interest rates that go right through the roof for the unsuspecting person. Pressure consumer finance companies behind these door-to-door con artists who write out these contracts and end up, when all is said and done, owning the home.

That is not an outrageous story I have told you. It is repeated over and over, day in and day out, in my home State of Illinois and around the country. That is why I am proposing this amendment. This is called predatory lending. You know what predator is: the animal that goes out trying to devour its prey. Predatory lenders do just that. This amendment is designed to penalize the growing number of high-cost predatory mortgage lenders who lead vulnerable borrowers down the path to foreclosure and bankruptcy. It is about balance, something this bankruptcy bill desperately needs.

If we are going to change the bankruptcy laws because too many people go to bankruptcy court, then we must also address predatory lending, which I have described, which is driving too many vulnerable Americans into bankruptcy court. If we are going to make that door to the bankruptcy court harder for consumers to open, then we must also make sure we are not protecting predatory creditors that force consumers to knock on that door.

There is no uniformly accepted definition of predatory lending. It is a lot like the old Supreme Court saying: I will know it when I see it. But high-pressure consumer finance companies have cheated unsophisticated and vulnerable consumers out of millions of dollars using a variety of lending practices. Let me give examples of what they are: hidden and excessive fees and interest rates; lending without regard to the borrower’s ability to pay; repeatedly refinancing a loan over a short period of time without any economic gain, known as loan flipping; committing outright fraud and deception, such as intentionally misleading borrowers about the terms of the loan. Automobile industry have gouged consumers with interest rates as high as 50 percent with assessments for credit insurance, repair warranties, and hidden fees, adding thousands of dollars to the cost of an otherwise inexpensive used car. Pawn shops in some States have charged annual rates of interest of 240 percent or more. I could give you a lot more description of these predatory lending practices. Let me just tell you a few stories.

My colleagues who were listening to this debate know I have offered this before. They are likely to say: Here
comes DUREN again with the same old amendment. I am here again as I was in a previous Congress because this problem is still with us today. The last time I called up this amendment on debate on a bankruptcy bill we lost by one vote. This problem has only become more acute since the Senate defeated that amendment.

As predatory mortgage lending increases, it continues to target lower income women, minorities, and older Americans. In 1998, Senator Grassley of Iowa, my friend and colleague and the author of the bankruptcy bill, held a hearing in the Senate Special Committee on Aging looking into predatory lending. At the hearing, this is what a former career employee of that industry had to say.

Listen to how he described his customers:

My perfect customer would be an uneducated woman who is living on a fixed income, who has lost her deceased husband's pension and Social Security, who has her house paid off, is living off credit cards but having a difficult time keeping up her payments, and who must make a payment in addition to her credit card payments.

This witness acknowledged that unscrupulous lenders specifically market their loans to elderly widows, blue-collar workers, people who have not graduated with higher education, people on fixed incomes, non-English speaking, and people who have significant equity in their homes.

That statement was made in 1998. Yet 7 years ago, six years later, February 2004, the Special Committee on Aging held another hearing on the same subject. At this hearing, held just 1 year ago, this is what a witness from the Government Accountability Office said:

Consistent observational and anecdotal evidence, along with limited data, indicates that for a variety of reasons, elderly homeowners, minority, and blue-collar workers, people who have not graduated higher education, people on fixed incomes, non-English speaking, and people who have significant equity in their homes.

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So has the problem of predatory lending gone away, as my opponents might argue? No. It has gotten worse.

What is going on since we first considered this in the Senate?

The AARP Litigation Foundation, which files lawsuits to help seniors, has been party to seven lawsuits since 1998 involving allegations of predatory lending against more than 50,000 elderly Americans. As of February 2004, six of their lawsuits have been settled, and one is still pending.

Minorities are still being targeted by these unscrupulous lenders as well.

According to the Center for Responsible Lending, Hispanic Americans are two and a half times more likely than whites to receive a refinancing loan from one of these lenders. African Americans are more than four times more likely to be targeted.

Let me share a credible article from the Los Angeles Times of February 2004 by Ameriquest, one of the largest subprime lenders. This article includes statements about how they tricked a minority, Sara Landa, from East Palo Alto, CA. She speaks Spanish and limited English.

She entered into a settlement with one of the companies, Equity Now. After that, it was alleged that Ameriquest employees tricked her into signing a mortgage that required her to pay almost $2,500 a month, far more than her income from cleaning houses. All the negotiations were in Spanish. All the loan documents were in English. The only thing she ever received from Ameriquest in Spanish was a foreclosure notice. It is amazing.

In this same article, you will find statements from many ex-employees of the same company. This company, Ameriquest, is giving as an example of how they treated people. He said that the drive to close deals and grab six-figure salaries led many of his fellow employees astray. Listen to what he said. He said:

They forged documents, hyped customer's credit worthiness, they signed the mortgages with hidden rates and fees.

Two other former employees said borrowers were often solicited to refinance loans that were not even 2 years old. This happened even though Ameriquest pledged in 2000 not to solicit customers for at least 2 years. They completely ignored that pledge.

Nearer one in nine mortgages made by Ameriquest last year was a refinance on an existing loan less than 2 years old. There are numbers there.

Former Kansas City Ameriquest employees described another predatory practice by the same company where they would fabricate borrowers' incomes and falsify appraisals.

Lisa Taylor, a former loan agent from Sacramento, said she witnessed documents being altered as she walked around the vending machine that people were using as a tracing board, copying borrowers' signatures on an unsigned piece of paper.

If you think there are isolated examples, exaggerated stories, let me refer you to a 2004 GAO study that found that this is a prevalent problem in the subprime mortgage industry—this predatory lending. They found plenty of indications that predatory mortgage lending was a major and growing problem in the year 2004.

According to the 2004 study, in the past 5 years, there have been a number of major settlements resulting from government enforcement actions. I will mention a few.

Household International agreed to pay up to $184 million to homeowners across America to settle allegations by States that it used unfair and deceptive lending practices.

In September 2002, Citigroup agreed to pay $240 million to resolve FTC and private party charges that Associates First Capital Corporation engaged in a program of widespread abusive lending practices.

In March 2000, First Alliance Mortgage Company settled with the Federal Trade Commission, six States, and the AARP to compensate borrowers more than $60 million because of their deceptive practices to lure seniors. An estimated 26 percent of the 8,700 borrowers in that suit were elderly.

These are documented. While some victims of predatory lending are lucky enough to receive compensation because of these lawsuits, many more have fallen to predatory lenders, and they never can turn to our legal system for help.

Here is an astonishing statistic. Mr. President, 1 in 100 conventional loans ends in foreclosure, but 1 in 12 subprime predatory loans end in foreclosure. While it might be expected, these loans, because they are made with less creditworthy borrowers, would result in an increased rate of foreclosure, but the magnitude of the differences tells us that there is more at stake here than just the credit-worthiness of the borrower.

The Senate Banking Committee held a hearing in July 2001. At that hearing, a report from the Center for Responsible Lending was released which showed the predatory lending practices cost American borrowers an estimated $5.1 billion annually.

Let me tell you why I am offering this amendment. Imagine, if you will, that it is your mother, father, grandmother, or grandfather alone in their home, and they signed this home improvement loan or signed this refinance, which you learn about months later. You say: Grandma, you didn't tell me that you had somebody come in and do some work, and you didn't tell me you had signed these papers. Did anybody read them?

No. He seemed like such a nice man, and he told me it was a standard form.

And you take it over to your family attorney. He says: My goodness. What your grandmother signed here is a re-mortgaging of the property. She owned the home, and now, by buying vinyl siding, she has remortgaged her property and promised to pay back just a few hundred dollars a month to start with, but in a matter of a year or two, it explodes. The balloon pops, and it turns into a $2,000-a-month payment.

How is she going to pay it? Let us assume the worst circumstance—she doesn't pay. The mortgage is foreclosed on. She is about to lose her home, and she files for bankruptcy. She has no mortgage of her grandfather alone in their home, and they signed this home improvement loan or signed this refinance, which you learn about months later. You say: Grandma, you didn't tell me that you had somebody come in and do some work, and you didn't tell me you had signed these papers. Did anybody read them?

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No. He seemed like such a nice man, and he told me it was a standard form.
to try to get out from under this burden. Guess who shows up at the bankruptcy court. The same predatory lender shows up saying: We own whatever she owns. She signed this mortgage.

Is it fair? Is it fair for somebody to take a loan on the basis of a predation mortgage, that takes advantage of elderly people, and then be protected in the bankruptcy court? I don’t think so.

If we are going to hold people coming into bankruptcy court who file for bankruptcy and then try to go back to the high moral standard of paying back their debts, should we not hold the creditors walking into bankruptcy court to a similar high moral standard that they must have followed the law, that they must have engaged in this highly regulated, moral conduct?

The amendment I am offering prohibits a high-cost mortgage lender from collecting on its claim in bankruptcy court if the lender extends credit in violation of existing law. The Home Ownership and Equity Protection Act of 1994, which is part of the Truth in Lending Act.

I am not reinventing the law. I am just saying when you issued this mortgage, you violated the law. You took advantage of people by violating the law. You cannot then go in court and say protect me with the law. You cannot have it both ways. If you broke the law to incur this debt, you can’t go in court and ask for the law to protect you to collect the debt.

That seems to me to be just. If you were legal in the way you treated this person, then you can use the law in enforcing your debt. If you were illegal in the way you treated this person, you can’t go into court and use the law to collect on that illegally based debt. That is simple.

When an individual falls prey to lenders and files for bankruptcy seeking last resort help, the claim of the predatory lender can be allowed against a debtor. If the lender failed to comply with the requirements of the Truth in Lending Act for high-cost mortgages, the lender has no claim in bankruptcy court. The law has long recognized the doctrine of unclean hands where a party to an illegal agreement is not able to recover damages from other parties to such an agreement because the claimant itself was the party to an illegality.

My amendment is not aimed at all subprime lenders. The amendment will have no impact whatever on honest lenders who make loans that followed the law even if the loans carry high interest rates or high fees. Instead, it is directed solely at the bottom feeders, the scumbags, the predator lenders. My amendment reinforces current law and will help ensure that predatory lenders do not have a second chance to victimize their customers by seeking repayment in a bankruptcy proceeding.

Second, this amendment is not aimed at technical violations of the Truth In Lending Act. The violations must be material. I specifically made that change in my language to address some rhetoric raised in the first debate.

Third, the amendment does not amend the Truth In Lending Act. There is no question as to whether the Senate has any jurisdiction. We do not change the Truth In Lending Act. I point out the bankruptcy bill does amend that act in some parts. My amendment absolutely does not.

Some may argue the amendment is unnecessary because current law is sufficient. I disagree. I recognize Congress has passed numerous laws that Federal agents and regulators have used to combat predator lending, but predatory lending is on the rise. Many Americans are being cheated and duped by these unscrupulous business people.

President Bush has attempted to promote home ownership as part of the vision of an ownership society. I applaud President Bush. Why in the first time we purchased a home was a turning point in our lives. We started to look at the world a lot differently. This was our home, on our block, in our neighborhood, in our town. It is an important part of everybody’s life. I support President Bush. I support the scoring practices in the lending industry, we will be promoting not an American dream, but an American nightmare for thousands of homeowners.

Let me say one more word. The last time I offered this amendment, the most stunning thing I learned was that the major financial institutions in America, the big boys, the blue chips, the best in the industry, oppose my amendment. You think, a minute why would the best financial institutions in America oppose an amendment to stop people from cheating and violating the law in issuing mortgages? I never quite understood. Maybe their logic was if we let this amendment in where some of the worst lenders are held to the standard, then maybe the Government will take a closer look at us, too, so let’s be opposed to all amendments. Let’s try to protect every everybody in the industry even if what they are doing is fundamentally unfair and even illegal. That is the best argument I can come up with.

I urge those in the financial industry who may be following this debate and desperately trying to see this bill pass, please be honest about this. Do you want to protect the subprime lenders, these predatory lenders who are engaged in the worst practices in your business? Why in the world would you want them to stay in business? Why wouldn’t you want to protect them in court when they give lending a bad name, which is your business?

There are an awful lot of examples I can give. Let me mention a few cases before I close. Alfonzo Hardaway owned a home in Pennsylvania for 28 years. Raised his family there, went through a divorce there, his parents died there, but he no longer lives there. As of summer, he was living in a homeless shelter. Why? Because in 1999 a home remodeler and subprime lender convinced Mr. Hardaway to take a home equity loan for $35,000 at 13-percent interest to redo his kitchen windows and doors. When the home remodeling business faltered, he defaulted on his loan, his home was sold at a sheriff’s sale and he was evicted in March of 2004. The loan is with The Associates, a large subprime lender later bought by Citigroup 2 years ago paid $215 million in fines for usurious lending. That was documented in the Pittsburgh Post-Gazette.

There are many other examples. I mention one or two of particular interest. Hershey and arranged almost every single fraud known as “house flipping.” Ms. Wragg, a retired school aide, found the home of her dreams in a little neighborhood in Brooklyn. It was a classic brick house with a porch, a backyard. She had not originally set out to be an owner, but her eyes drifted to an advertisement offering the home of her dreams. She began her journey.

Now, 2 years later, she said that journey has turned into a nightmare. Her life savings has been wiped out due to her house she could never afford. The house was appraised at far more than it was worth and Ms. Wragg was given two mortgages she would never have qualified for, paying costs more than double her income. She blames the mortgage company, the appraiser, the lawyer who represented her, and United Homes, LLC, of Briarwood, Queens, the company that owned the home, placed the second mortgage.

When Mr. President, I ask the quorum call be rescinded. The bill clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. Frist). The clerk will call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.
The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, I ask unanimous consent that at 4:55 today, the Senate proceed to vote in relation to the following amendments: Kennedy No. 28, and Corzine No. 32; provided further that prior to the first vote there be 10 minutes equally divided for debate, and that there be 2 minutes equally divided for debate prior to the second and third vote. I further ask consent that no second-degree amendments be in order to the above amendments prior to the vote.

The PRESIDING OFFICER. Is there objection?

Mr. REID. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts.

AMENDMENTS NO. 28 AND 29

Mr. KENNEDY. Mr. President, I yield myself 4 minutes.

Mr. President, in America, we believe that if you work hard, meet your family responsibilities, then you should be able to provide for your family. You should be able to afford a decent home for your family in a safe neighborhood. You should be able to send your children to college and have them graduate with a degree. And you should be able to save for a comfortable retirement after years of disciplined saving and careful planning. That is the American dream. It is a dream of opportunity, of fairness, of infinite hope for the future.

But in recent times, average Americans have had to work harder and harder to fulfill their hopes and dreams. In just the past 4 years, housing prices are up 33 percent, college tuition is up 35 percent, and health care costs are up 59 percent. Families are counting their pennies. And now this Republican Congress wants to make it even harder with this bankruptcy bill.

Corporate CEOs can force their companies into bankruptcy and enrich themselves, but they are not held accountable. This bill ignores their irresponsible actions. But an average American facing cancer can lose everything under this bill: their home, their savings, their hopes, their dreams. They get no second chance.

One day, you are doing well. You have done all the right things. Your family is healthy and happy. And the next day, you discover that you have cancer, and even though you have health insurance, you are left with $35,000 in medical bills. You cash in your savings. You sell your second car. You sell your mother’s wedding ring. You take out a second mortgage on your home. But it still is not enough. Half the Americans in bankruptcy face this exact situation. Their illness was bad enough, but now their medical bills are destroying their lives, and this bill adds further injury to their pain.

CEOs are not held responsible for their companies’ bankruptcies. Look at Enron, WorldCom, and Polaroid. But this bill requires average citizens to pay and pay and pay, even when you do not have a dime to your name. And who is first in line to get your money? The credit card companies. They do not care if you are sick. They demand your money immediately.

My amendments would give those facing illness a real second chance. One amendment says, if you are sick, you do not have to lose your home. It says that if illness forces you into bankruptcy, at least $100,000 in equity that you have built up in your home is yours—no matter what. Fat cats who go into bankruptcy do not lose their mansions. They can build palaces in Florida and Texas, and the bankruptcy courts cannot touch them. So my amendment says, if you get sick, you should at least get some protection for your home, too.

My other amendment says that if your medical bills force you into bankruptcy and they exceed 25 percent of your income, you are subject to this bill’s harsh provisions. You are not penalized under its so-called means test, which would require you to keep paying down on your bills even when you cannot afford it.

Let’s give our fellow Americans a chance. They will do their part to rebuild their lives. We should help them, not hurt them.

I urge my colleagues to support these amendments.

I withhold the remainder of my time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. There is 1 minute 11 seconds.

Mr. KENNEDY. How much time is there for the other side?

The PRESIDING OFFICER. Five minutes 30 seconds.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the time of the quorum call be charged to the other side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that no second-degree amendments be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, how much time is left on this side?

The PRESIDING OFFICER. There is 2 minutes 38 seconds.

Mr. SESSIONS. I would like to comment on Senator Corzine’s amendment No. 32 to exempt “economically distressed caregivers” from the means test. I remind all of my colleagues that people who are economically distressed and have incomes below the median income already will be protected from the means test. Secondly, I point out that page 10 of the bill is explicit that expenses people incur for the care and support of an elderly, chronically ill or disabled member of their household or their children, or a grandparent, or an elderly, chronically ill disabled member of their household, even if they have very high income. This means that the bankruptcy bill we have drafted will still allow people who take care of their sick and aging family members to file for bankruptcy under chapter 7, the chapter that allows you to completely wipe out all your debts.

Let me read directly from page 10 of the statute. In other words, the amendment is covered by the legislation. It came up in committee. We talked about it, and it was adopted. When we talk about monthly expenses, you are trying to determine if your income level exceeds median income level and whether you can afford to pay anything back if you owe some of your debts and you have a higher income. So it reads:

In addition, the debtor’s monthly expenses may include, if applicable, the continuation of actual expenses paid by the debtor that are reasonable and necessary for the care and support of an elderly, chronically ill, or disabled household member or member of debtor’s immediate family (including parents, grandparents, siblings, children, and grandchildren of debtor, the dependents of the debtor, and the spouse of the debtor in a joint case who is not a dependent) and who is unable to pay such reasonable and necessary expenses.

So we have dealt with that. We tried to consider these things and be reasonable as we calculated this. There was a concern expressed in committee that people might not be able to pay back any of the money because they have debts as a caregiver. That is taken care of already in the statute.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield my remaining time to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CORZINE. May I inquire how much time is available?

The PRESIDING OFFICER. There is 58 seconds available.

Mr. CORZINE. Let me start by saying, I do not understand why we are trying to solve a problem on large swaths of our society in the case of the economically distressed caregivers—there were $4.1.25 million in bankruptcy last year—why we think 5 percent of the population or 10 percent of the population of those people are. It is not only that the bankruptcy laws need to have a whole adjustment in how we approach putting people into bankruptcy to take
care of a small percentage of individuals, when in fact including the consideration of deductions of expenses that would go under chapter 13, why we don’t want to encourage families to take care of their individuals. I hope my colleagues will support the Corzine amendment which takes care of economically distressed caregivers.

AMENDMENT NO. 28

The PRESIDING OFFICER. The question is on agreeing to amendment No. 28.

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Pennsylvania (Mr. SANTORUM).

Mr. DURBIN. I announce that the Senator from Connecticut (Mr. DODD) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 39, nays 58, as follows:

[Rollcall Vote No. 17 Leg.]

YEAS—39

Akaka    Feingold    Mikulski
Allen    Feinstein    Murray
Baucus    Harkin    Nelson (FL)
Bingaman    Jeffords    Obama
Boxer    Kennedy    Perry
Byrd    Kerry    Reed
Cantwell    Kohl    Reid
Collins    Laurenccie    Rockefeller
Conrad    Lautenberg    Salazar
Currie    Leahy    Sarbanes
Dayton    Levin    Schumer
Dorgan    Lieberman    Stabenow
Durbin    Lincoln    Wyden

NAYS—58

Alexander    DeMint    McCain
Allard    Dole    McConnell
Allen    Domenici    Nelson (NM)
Bennet    Ensign    Roberts
Bond    Enzi    Sessions
Brownback    Frist    Shelby
Bunning    Grassley    Smith
Burns    Gregg    Snowe
Burr    Hagel    Specter
Casper    Hatch    Stevens
Chambliss    Hatch Nuness
Colburn    Inhofe    Thomas
Coats    Isakson    Thune
Coleman    Johnson    Vitter
Cornyn    Lott    Voinovich
Craig    Logue    Warner
Crapo    Martinez    NOT VOTING—3

Dodd    Inouye    Santorum

The amendment (No. 28) was rejected.

VISIT TO THE SENATE BY MEMBERS OF THE COMMITTEE ON AGRICULTURE OF THE CANADIAN GOVERNMENT

Mr. BURNS. Mr. President, I present the Honorable David Tkachuk, Senator Joyce Fairbairn, and Senator Lan Gustafson, who are Members of the Senate in Canada and members of the Senate Agricultural Committee. Welcome.

[Applause.]

Mr. BURNS. I yield the floor.

AMENDMENT NO. 29

The PRESIDING OFFICER. There will now be 2 minutes of debate equally divided on Kennedy amendment No. 29.

The majority leader is recognized.

Mr. FRIST. Mr. President, I ask unanimous consent that the remaining votes of this sequence be limited to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, for the information of our colleagues, we do have two more votes. I cannot yet announce about votes later tonight, but we will do it shortly after the second vote. We would like to continue business, but as soon as we finish that second vote we will be making an announcement as to the future plans tonight. There are two stacked votes.

Tomorrow morning, in all likelihood, we will have debate, and then late in the morning we will have some stacked votes as well. Again, I will say more about that tonight.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, in this bankruptcy bill, in several States there are the protections for homesteads of multimillion dollar homes. All this amendment says is that if one has severe medical problems that are going to drive one into bankruptcy, they will be able to have a protection for up to $150,000 in home equity. We know that approximately 50 percent of the total bankruptcies are medically related, and what we are saying is that in those cases where we have the high costs of health care, because of cancer or the sickness of a child, we will carve out a homestead for $150,000 and protect that homestead. That is what this amendment does. We have the protections for much larger homesteads in a number of States. Let us protect our families.

The PRESIDING OFFICER. Who yields time? The Senator from Alabama.

Mr. SESSIONS. Mr. President, there is a great deal of misinformation out about the impact of health care expenses on bankruptcy. Let me just say what the Department of Justice, U.S. Trustee Program, has found by examining 5,000 petitions, where you state exactly what the debts are, that 54 percent of the bankruptcies do not mention health care at all. They say, of the ones that mention health care, only 10 percent show it over $5,000. And of the total debts shown on those forms, only 10 percent represent health care debts. That is No. 1.

No. 2, this bill absolutely protects people and allows them to bankrupt and wipe out their medical debts. If you are below median income, all of it
take care of a family member in need, you can never be put in chapter 13 and pay back some of your debts, even if your income is $500,000 a year.

I think Senator LEAHY offered the amendment in committee. On page 10 it says:

(II) In addition, the debtor’s monthly expenses (including, but not limited to, the continuation of actual expenses paid by the debtor that are reasonable and necessary for care and support of an elderly, chronically ill, or disabled household member or member of the debtor’s immediate family (including parents, grandparents, siblings, children and grandchildren of the debtor, the dependents of the debtor, the spouse . . .

And so forth. It is provided for in the bill. This amendment will give an absolute exemption no matter what the person’s income is. It absolutely should be voted down.

Mr. CORZINE. This amendment deals with the economically distressed caregivers. There are 44 million of those in America. Mr. President, $257 billion is saved each year by family caregiving. If we value families, we ought to protect them under the harsh changes we are implementing here. I hope people will say we want to reward that. There are 7 million bankruptcies a year from distressed caregiving. This is one where family values and all of the things that people claim they care about are represented. This ought to be carved out from the bankruptcy reform. I hope my colleagues will support this.

I ask not for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. FRIST. Mr. President, for the information of our colleagues, this will be the last rollcall vote tonight. We will continue debate tonight on amendments. It is my position that we have taken votes on those amendments—not first thing in the morning but late morning or very early afternoon.

Mr. REID. Mr. President, I hope people on our side, if they have amendments to offer, will offer the amendments tonight. If they are bankruptcy-related amendments, we would like to have them tonight.

The PRESIDING OFFICER. The question is on agreeing to the amendment. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. MCCONNELL. The following Senator was necessarily absent: the Senator from Pennsylvania (Mr. SANTORUM).

Mr. DURBIN. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 37, nays 60, as follows:

** rollcall Vote No. 18 Leg.**

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** NAYS—60 **

| Alexander  | Crapo  | Lugar  |
| Allard      | DeMint | Martines |
| Allen       | DeWine | McCain  |
| Baucus      | Doles  | McConnell |
| Bennett     | Domenici | Markowski |
| Bingaman    | Ensign | Nelson (NH) |
| Brownback   | Frist  | Sessions |
| Bunning     | Graham | Shelby  |
| Burns       | Grassley | Smith |
| Burr        | Gregg  | Snowe   |
| Carper      | Hagel  | Specter |
| Chafee      | Hatch  | Stevens |
| Chambliss   | Hatchett | Summum   |
| Coburn      | Inhofe | Talent  |
| Cochran     | Isakson | Thomas  |
| Coleman     | Jeffries | Tsong   |
| Corzine     | Johnson | Vitter  |
| Cornyn      | Kyl    | Voynovich |
| Craig       | Lott   | Warner  |

[NOT VOTING—3]

Biden  Inouye  Santorum

The amendment (No. 32) was rejected.

** AMENDMENT NO. 24 **

** THE PRESIDING OFFICER. The Senator from West Virginia. **

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent to set aside the pending amendments and call up my amendment No. 24.

** THE PRESIDING OFFICER. Without objection, it is so ordered. **

The clerk will report.

The bill clerk read as follows:

"The Senator from West Virginia [Mr. ROCKEFELLER], for himself and Mr. LEAHY, proposes an amendment—"

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with. THE PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

"(Purpose: To amend the wage priority provision and to amend the payment of insurance benefits to retirees.)"

Beginning on page 496, strike line 29 and all that follows through page 499, line 2, and insert the following:

** SEC. 1401. EMPLOYEE WAGE AND BENEFIT PRIORITIES. **

Section 507(a) of title 11, United States Code, as amended by section 212, is amended—

(1) in paragraph (4)—

(A) by striking "within 90 days"; and

(B) by striking "but only to the extent and all that follows through each individual or corporation" and inserting "but only to the extent of $15,000 for each individual or corporation:"; and

(2) in paragraph (5)(B)(1), by striking "multiplied by" and all that follows through "loss and inserting "multiplied by $15,000;"

** SEC. 1401A. PAYMENT OF INSURANCE BENEFITS OF RETIREE. **

(a) In General. Section 1141(j) of title 11, United States Code, is amended to read as follows:

"(j)(1) No claim for retiree benefits shall be limited by section 502(b)(7)."

"(2)(A) Each retiree whose benefits are modified pursuant to subsection (e)(1) or (g) shall have a claim in an amount equal to the value of the benefits lost as a result of such modification. Such claim shall be reduced by the amount paid by the debtor under subparagraph (B).

"(B)(1) In accordance with section 1129(a)(13)(B), the debtor shall pay the retiree with a claim under subparagraph (A) an amount equal to the cost of 18 months of premium on behalf of the retiree at the time of the debtor. A sufficient number of the dependents of the retiree under section 602(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1162(3)), which amount shall not exceed the amount of the claim under subparagraph (A).

"(ii) If a retiree under clause (i) is not eligible for continuation coverage (as defined in section 602 of the Employee Retirement Income Security Act of 1974), the Secretary of Labor shall determine the amount to be paid by the debtor to the retiree based on the 18-month cost of a comparable health insurance plan.

"(C) Any amount of the claim under subparagraph (A) that is not paid under subparagraph (B) shall be a general unsecured claim.

(b) CONFIRMATION OF PLAN.—Section 1129(a)(13) of title 11, United States Code, is amended to read as follows:

"(13) The plan provides—"

"(A) for the continuation after its effective date of the payment of all retiree benefits (as defined in section 1114), at the level established pursuant to subsection (e)(1) or (g) of section 1114, at any time before the confirmation of the plan, for the duration of the period the debtor has obligated itself to provide such benefits; and

"(B) that the holder of a claim under section 1114(j)(2)(A) shall receive from the debtor, on the effective date of the plan, cash equal to the amount calculated under section 1114(j)(2)(B)."

(c) RULEMAKING.—The Secretary of Labor shall promulgate rules and regulations to carry out the amendments made by this section.

Mr. ROCKEFELLER. Mr. President, over the last years, as the economy came down from the highs of the 1990s, we have seen devastating corporate bankruptcies and how they can affect workers and their families. I have seen that in my State and we have all seen that in our States. From the enormous Enron bankruptcy at the end of 2001 to the bankruptcies in my State, Ohio, and Pennsylvania, of Wheeling-Pitt, Weirton Steel, Horizon Natural Resources, and involving also Kentucky, every bankruptcy has brought heartache for workers who had dedicated themselves to employers, many of them for many years.

In many cases, employees and retirees have very limited ability under bankruptcy to recover their wages, to recover their severance or any benefits they are due when companies seek protection from their creditors. Workers deserve better. And as we debate changes to our Nation’s bankruptcy laws, Congress needs to consider this Senator’s judgment, these injustices.

Today I am offering an amendment to strengthen the rights of workers and retirees in bankruptcy. I am very
pleased that Senator LEAHY, the distinguished ranking Democrat on the Senate Judiciary Committee, is an original cosponsor of this amendment.

I ask unanimous consent to add Senators DATTON and OBAMA as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROCKEFELLER. Specifically, the amendment will do two things. First, it would allow employees to recover more of their lost benefits when they declared bankruptcy. Second, it will ensure that retirees whose promised health insurance is taken away receive at least some compensation for their lost benefits.

In the simplest terms, employees sell their labor to companies. They toll away in offices and plants and factories and mills and mines because they are promised that at the end of the day they will receive a certain compensation. Many workers then have a difficult time recovering what is owed to them by their employer when their company, as so often happens these days, files for bankruptcy.

Under current law, employees are entitled to a priority claim of up to $4,925. That is it. The legislation we are debating would increase that claim to $10,000, which is better. But even that figure is usually not enough to cover the backlogged vacation time in loss, severance pay, or payment benefits the employees are owed for work done prior to the bankruptcy. Congress needs to update the amount of the priority claim to ensure that more workers are able to receive what is rightfully theirs. My amendment, thereby, would increase the priority claim to $15,000. So we are basically going from $5,000 to $15,000.

My amendment would also eliminate the accrual time period for calculation of priority claims. In too many cases, employers are not able to receive the full amount of the priority claim because the bankruptcy courts have interpreted the accrual period very strictly. Judges do not agree that promised severance pay for accrued vacation time was all earned in the last 90 or 100 days before bankruptcy, even when it might have been. Because there is no uniformity in the way these benefits are earned or paid, the location of the bankruptcy changes the way workers are treated. The results in costly and time-consuming litigation. Determination of the accrual of benefits. Eliminating the accrual time period streamlines the application of the wage priority and allows employees to recover more of what they have earned.

Another important type of compensation that workers earn is the right to enjoy certain benefits when they retire. Pensions, life insurance, or health compensation to retirees. Each retiree would be entitled to a payment equal to the cost of purchasing comparable health insurance for a period of 18 months. Of course, 18 months of health insurance coverage is a lot less than many of these retirees are losing, but it can ease the transition as retirees try to make alternative plans, and it will allow companies in some circumstances to alter the health coverage offered to retirees. However, it would require that the company pay at least some minimum level of compensation to retirees.

Under my proposal, each retiree would be entitled to a payment equal to the cost of purchasing comparable health insurance for a period of 18 months. Of course, 18 months of health insurance coverage is a lot less than many of these retirees are losing, but it can ease the transition as retirees try to make alternative plans, and it will allow companies in some circumstances to alter the health coverage offered to retirees. However, it would require that the company pay at least some minimum level of compensation to retirees.

My amendment would also allow companies to essentially rescind compensation if the company seeks to break its promise to provide health insurance. Under current law, these retirees receive what is called a general unsecured claim for the value of the benefits they lost. As any creditor will tell you, a general unsecured claim is essentially worthless in bankruptcy. It means you are at the end of the line and there are not enough assets to go around. This law allows companies to essentially rescind compensation that retirees have earned with virtually no responsibility. Of course, that is a great deal for the company, but it is spectacularly unfair to the retirees.

Recognizing that so-called legacy costs can often be inhibiting for a company that is trying to emerge from bankruptcy. My amendment would still allow companies in some circumstances to alter the health coverage offered to retirees. However, it would require that the company pay at least some minimum level of compensation to retirees.

Under my proposal, each retiree would be entitled to a payment equal to the cost of purchasing comparable health insurance for a period of 18 months. Of course, 18 months of health insurance coverage is a lot less than many of these retirees are losing, but it can ease the transition as retirees try to make alternative plans, and it will allow companies in some circumstances to alter the health coverage offered to retirees. However, it would require that the company pay at least some minimum level of compensation to retirees.

I encourage my colleagues to support this amendment.

Mr. JOHNSON. Mr. President, I rise to discuss my opposition to the Durbin amendment to S. 256, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2005.

I have tremendous respect for my colleague from Illinois, and believe he has only the best of intentions with this amendment, which would exempt members of the armed forces from the means testing required under the bill before us.

I have the most profound respect for our servicemen and women, and for our Nation's veterans. Many of you know that my oldest son is a member of the Armed Forces, and saw active duty in Iraq with the 101st Airborne. But with all due respect, I believe this amendment could in fact harm America's soldiers.

Two years ago, we spent a great deal of time reauthorizing the Fair Credit Reporting Act, the statute governing our Nation's credit granting system. This system is the finest in the world and has essentially opened up access to credit to working Americans throughout this country, regardless of race, gender, marital status, physical location, medical condition, or profession. If someone has the ability to pay, then the credit system allows underwriters to grant credit to that individual without bias.

S. 256 is carefully crafted so we don't reintroduce possible bias into this system. It would be unacceptable to undo the system which has opened doors of opportunity to millions of Americans who in the past who had experienced bias due to certain protected factors.

Under Senator DURBIN's amendment, military personnel filing for bankruptcy would be exempt from the means test and would automatically
qualify for a Chapter 7 filing, regardless of whether that person has the ability to repay part of his or her debt. If this amendment were to pass, potential creditors would have a legitimate concern that loans to military personnel could require different underwriting standards. This could well mean higher interest rates for our soldiers and veterans. Even more disturbing, this would introduce bias into the system against soldiers and veterans. The result, and clearly not what this amendment envisions.

The Senator from Illinois raises a concern that none of us should turn our backs on; and that is whether our servicemen and women are fairly compensated, and whether they have the resources they need, particularly during deployment, to take care of their families. I call on the Congress to look carefully at this issue, and to make sure we are doing right by our military personnel and veterans.

But I urge you not to remedy any possible injustices through the bankruptcy courts. Bankruptcy represents a long-standing commitment in this country to helping people get a fresh start. This principle has never been giving only certain people a fresh start: for example, only if you are a teacher, or a doctor or a soldier. If we started down that road, I’m not sure what would happen to most members of Congress, who tend to be lawyers.

The point is, this safety net should be available when a person truly cannot make his or her commitment, no matter who he or she is or what she does for a living.

No matter how noble the individual, no matter how compelling the story behind the economic need, the bankruptcy system must treat people equally and fairly.

This bill establishes a simple means test, which will affect approximately 10 percent of current filers. All it says is, after you’ve backed out all your current expenses, including your house payment, your car payment, your child care costs, your education costs, your utility costs, your medical costs, and a whole host of other items, if after backing out all these payments you have the ability to pay back some of your loans, then you should. That’s only right. That’s only fair. And it shouldn’t matter what your profession is.

Americans are an honorable people, and we work hard and play by the rules. If you can pay your debts, you should.

I am also troubled about the message this amendment sends about chapter 13 filings.

The implication is, do anything you can to avoid a repayment plan. The fact is, under the mechanism set forth in this bill, we have an unprecedented opportunity to help debtors rehabilitate their credit rating faster under the Bankruptcy Courts Trustee and we work hard and play by the rules.

The implication is, do anything you can to avoid a repayment plan. The fact is, under the mechanism set forth in the Bankruptcy Courts Trustee and we work hard and play by the rules.

I also pledge to work with the creditor community to help them understand how these new payment reports might help them evaluate a chapter 13 debtor.

An amendment that automatically steers debtors to chapter 7 is misguided and would give no thought to the potential benefits of a chapter 13 filing. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DEMINT. Mr. President, I seek unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. DEMINT. Mr. President, I seek unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISCHARGE PETITION—S.J. RES. 4

Mr. CONRAD. Mr. President, today pursuant to 5 U.S.C. 802(c), I have submitted a petition to discharge the Senate Committee on Agriculture, Nutrition, and Forestry from consideration of S.J. Res. 4, a joint resolution providing for congressional disapproval of the rule relating to risk zones for introduction of bovine spongiform encephalopathy, submitted by the Department of Agriculture under chapter 8 of title 5 of United States Code, the Congressional Review Act.

DISCHARGE PETITION

We, the undersigned Senators, in accordance with chapter 8 of title 5, United States Code, hereby direct that the Senate Committee on Agriculture, Nutrition, and Forestry be discharged from further consideration of S.J. Res. 4, a resolution providing for congressional disapproval of the rule submitted by the Department of Agriculture relating to risk zones for the introduction of bovine spongiform encephalopathy, and further, that the resolution be placed upon the Legislative Calendar under General Orders.


FOREIGN OPERATIONS APPROPRIATIONS

Mr. INHOFE. Mr. President, I know my friend from Kentucky played the key role III conference negotiations on H.R. 4818, the FY 2005 foreign operations appropriations bill, which were completed last year, and I ask if he is aware of language that was contained in the House report regarding World Compassion’s activities in Afghanistan. Mr. McCONNELL informs me that the House report encouraged the State Department to review a proposal from this organization.

Mr. INHOFE. My colleagues should know that as a supporter of this group, I continue to encourage the State Department to consider a proposal from World Compassion. This organization’s “Shelter, Support, and Skills Training for Afghan Refugee and Displaced Widows and Orphans” Program is an integrated plan that addresses the special needs of widows and children, many of whom are refugees and internally displaced persons. The program provides shelter, access to clean water,
psychosocial support and skills training to enable widows to gain the personal dignity of self-sufficiency.

I would also point out that village leaders have agreed to cooperate with World Compassion on this project. World Compassion has a long, successful track record of working with Afghans in other programs to provide for their basic needs, and it is my hope that the State Department will help them continue to do so.

Mr. MCCONNELL. I appreciate my friends and colleagues who are here today to highlight the activities of World Compassion and hope that the State Department acts on the recommendations from the House report.

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2005

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crime legislation. Each Congress, Senator KENNEDY and I introduce hate crimes legislation that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society. Likewise, each Congress I have come to the floor to highlight a separate hate crime that has occurred in our country.

On Monday, February 28, 2005, two men were severely beaten outside of their hotel room in New Mexico. According to police reports, they were targeted because of their sexual orientation. The two men, who were in an openly gay relationship, were followed back to the hotel by a group of people who were yelling antigay comments at the victims. The assailants than assaulted the two men and fled the scene. The incident is being investigated as a hate crime.

I believe that the Government’s first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

ASSAULT WEAPONS BAN

Mr. LEVIN. Mr. President, I am pleased to join Senator FEINSTEIN as a cosponsor of the legislation to authorize the assault weapons ban. I voted for the original 1994 assault weapons ban and for the amendment to reauthorize the ban in the 108th Congress.

When the 1994 assault weapons ban expired on September 13, 2004, criminals and terrorists gained potential easy access to 19 of the highest powered and most lethal firearms produced. In addition to banning 19 specific weapons, the assault weapons ban also prohibited the sale of semiautomatic weapons that incorporated a detachable magazine and two or more specific military features. These features included folding/telescoping stocks, protruding pistol grips, bayonet mounts, threaded muzzles or flash suppressors, barrel shrouds, or grenade launchers. Common sense tells us that there is no reason for civilians to have easy access to guns with these military style features.

During the 108th Congress, I joined with the majority of my Senate colleagues in adopting an amendment to reauthorize the assault weapons ban for another 10 years. The bill to which it was attached was later derailed. Despite the overwhelming support of the law enforcement community, the ongoing threat of terrorism, bipartisan support in the Senate, and the pleas of Americs who have already lost loved ones to assault weapons tragedies, the ban was allowed to expire, as the President and the Republican Congressional leadership were unwilling to act.

Despite what the National Rifle Association’s assertions that the ban is ineffective, unnecessary, and that guns labeled as assault weapons are rarely used in violent crimes, the need for the assault weapons ban is clear. Just last week, AK–47 assault rifles, like the ones included in the original assault weapons ban, were reportedly used in two separate shootings in Texas and California that left four people dead and four others injured, three of whom were police officers. In Tyler, TX, a gunman armed with an AK–47, wearing a military flak jacket and a bulletproof vest, opened fire outside a courthouse, killing his ex-wife and wounding his son. The ex-couple had already lost loved ones to assault weapons tragedies, the ban was allowed to expire, as the President and the Republican Congressional leadership were unwilling to act.

Unfortunately, assault weapons such as the ones reportedly used in these two shootings as well as many other similar assault weapons are once again being legally purchased and sold as a result of the expiration of the assault weapons ban. I again urge my colleagues to act to help prevent tragedies like these by enacting a common sense ban on assault weapons.

SENATOR HIRAM R. REVELS

Mr. OBAMA. Mr. President, I rise to recognize an important anniversary in the history of Congress.

One hundred and thirty-five years ago on this day, Hiram Revels was sworn in as a U.S. Senator from Mississippi. On that day, February 25, 1870, Senator Revels became the first African American to ever serve in the U.S. Congress.

But Hiram Revel’s story started in a place very far from Washington, DC. He was born to free parents in 1822 and grew up as an apprentice to a barber in North Carolina. But Hiram wanted to learn more and see more, and so he left for Indiana and then Ohio, where he furthered his education. He was soon ordained a minister by the African Methodist Church, and traveled to congregations all over the Midwest and the South until he finally ended up in Baltimore.

At the beginning of the Civil War, he helped recruit African-American troops for the Union, even serving as a chaplain for a Mississippi regiment of free Blacks. He stayed in Mississippi after the war, and continued serving as a pastor at various local churches. In 1868, and he ran and was elected alderman. Respected by both Whites and African Americans, he was soon elected as a Mississippi State senator. Then, in 1870, just 5 years after the end of the very war fought for his freedom, Hiram Revels was elected the first African-American U.S. Senator in history.

Like so many of our own, Hiram’s story is America’s story. The story of the seemingly impossible occurring in a land where good people will give everything to make it possible. The story of hope winning out against all odds. The story of one man’s improbable achievement paving the way for so many others.

Did Hiram ever know what he was destined for in that barber shop? When he was sweeping that floor in North Carolina and so many of his brothers and sisters were enslaved, did he ever dream that he would end up a U.S. Senator?

We don’t know. But we do know that he did dream of bigger things.

He dreamed of an education, and so even though many kids like him didn’t do it, he went to college. He dreamed of helping others, and so even though it involved sacrifice, he became a minister. He dreamed of a free America, and so even though it could have cost him his life, he joined the Union. And he dreamed of lifting up his community, and so even though it wasn’t done by people of his color, he ran for office.

He dreamed of making this world a better place, and in doing so, he found a place in history. And so we remember this day—his day—as a symbol of what is possible for those of us who are willing to make it so in this magical place we call America.

ADDITIONAL STATEMENTS

Mr. OBAMA. Mr. President, I rise to recognize and remember the life of Earl Langdon Neal.

Mr. Neal was one of the finest lawyers and civic leaders Chicago has ever had. As a friend to politicians, business leaders to college students, he was a trusted friend and inspiring mentor to many—including myself.
Earl earned his law degree from Michigan Law School in 1952. Following graduation, he served his country in the U.S. Army until 1955, when he returned to Chicago to join his father’s law firm,Neal & Neal.

On their very first case, Earl and his partner were forced to commute 170 miles from Chicago to Lincoln simply because there were no hotels in Lincoln that would accept African Americans. But he went anyway because, as his son has said, it wasn’t just a job for Earl—it was a way of life.

It was a way of life that led him to serve the city of Chicago as a special assistant corporation counsel responsible for countless land acquisition projects, including the Dan Ryan Expressway, O’Hare’s expansion, and the Chicago city colleges, a way of life that led him to start his own practice and earn a place on the University of Illinois board of trustees, a way of life that made almost every person who came to know him speak of him as a warm, compassionate man who put the well-being of his clients above all else.

Earl’s passion for his work wasn’t complicated. He simply looked around his community and wanted to make it better. And in so many ways, from the places he made possible, to the people’s lives he touched, he did. We honor his life, pray for his family, and will miss him dearly.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 11:23 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 45. Concurrent resolution recognizing the benefits and importance of school-based music education, and for other purposes.

S. Con. Res. 63. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust.

MEASURES REFERRED

The following concurrent resolution was read the first and the second times by unanimous consent, and referred as indicated:

H. Con. Res. 45. Concurrent resolution recognizing the benefits and importance of school-based music education, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

MEASURES PLACED ON THE CALENDAR

Pursuant to 5 U.S.C. 802(c), the Committee on Nutrition and Forestry was discharged from further consideration of the following joint resolution, and placed on the calendar:

S.J. Res. 4. A joint resolution providing for the acceptance of a statue of Sarah Winnemucca, presented by the people of Nevada, for placement in National Statuary Hall, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, and were referred as indicated:

EC–1154. A communication from the Secretary of the Treasury, transmitting, pursuant to law, a report entitled “Monetary Policy Report to the Committee on Banking, Housing and Urban Affairs.”

EC–1155. A communication from the Secretary of Commerce, Bureau of Consumer Protection, transmitting, pursuant to law, the report of a rule entitled “Approval and Promulgation of State Implementation Plans; Pennsylvania; Revised Format of 40 CFR Part 52 for Materials Handling Incorporated by Reference” (FRL No. 7843–2) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1156. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Revisions to California State Implementation Plan, Antelope Valley Air Quality Management District” (FRL No. 7871–1) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1157. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “List of Approved Spent Fuel Storage Casks: HI-STORM 100 Revision” (RIN35100–AH4) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1158. A communication from the Director, Office of Congressional Affairs, Nuclear Regulatory Commission, pursuant to law, the report of a rule entitled “List of Approved Spent Fuel Storage Casks: NUHOMS–24FT Revision” (RIN35100–AH83) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1159. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “List of Approved Spent Fuel Storage Casks: NUHOMS–24FT Revision” (RIN35100–AH83) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1160. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Revisions to California State Implementation Plans; Pennsylvania; Revised Format of 40 CFR Part 52 for Materials Handling Incorporated by Reference” (FRL No. 7843–2) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1161. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Revisions to California State Implementation Plan, Antelope Valley Air Quality Management District” (FRL No. 7871–1) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1162. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “List of Approved Spent Fuel Storage Casks: HI-STORM 100 Revision” (RIN35100–AH4) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1163. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “List of Approved Spent Fuel Storage Casks: NUHOMS–24FT Revision” (RIN35100–AH83) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1164. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Revisions to California State Implementation Plan, Great Basin Unified Air Pollution
Control District and Ventura County Air Pollution Control District’ (FRL No. 7872–4) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1168. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval and Promotion of Air Quality Implementation Plans; Minnesota; Revised Format of 40 CFR Part 52 for Materials Being Incorporated by Reference” (FRL No. 7875–5) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1169. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Hazardous Waste Management System: Identification and Listing of Hazardous Waste; Dyes and/or Pigments Production Waste; Standards of Performance for Newly Identified Wastes” (FRL No. 7875–4) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1170. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Appropriation on Approval of Air Quality Implementation Plans: North Carolina Update to Materials Incorporated by Reference” (FRL No. 7868–7) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1171. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval and Promotion of Air Quality Implementation Plans; Illinois; Material Disposal Sites and Designation of Total Reduced Sulphur From Kraft Pulp Mills” (FRL No. 7876–6) received on March 1, 2005; to the Committee on Environment and Public Works.

EC–1172. A communication from the Principal Deputy Associate Administrator, Office of Policy, Economics, and Innovation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Ocean Dumping; Designation of Ocean Dredged Material Disposal Sites and Designation of New Sites” (FRL No. 7877–9) received on March 1, 2005; to the Committee on Environment and Public Works.

S. 491. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to expand the definition of firefighter to include apprentices and trainees, regardless of age or duty limitations; to the Committee on Labor, Health, and Urban Affairs; to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the Federal Register and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent to the Federal Register for publication the enclosed notice stating that the national emergency blocking the property of persons undermining democratic processes or institutions in Zimbabwe is to continue in effect beyond March 6, 2005. The most recent notice continuing this emergency was published in the Federal Register on March 5, 2005 (69 FR 10313).

By Mr. LAUTENBERG, and Mr. CARPER:

Mr. LAUTENBERG. Mr. President, for the record, I would like to make a statement on behalf of myself, Mr. COLEMAN, Mr. DURBIN, Mr. DAYTON, Mr. PETERS, Mr. JOHNSON, Mr. LUTENBERG, and Mr. CARPER:

Mr. COHAN (for himself, Mr. COHCAN, Mr. LOTT, and Mr. RUNNINO):

Mr. AKAKA (for himself, Mr. COLINS, Mr. GRASSLEY, Mr. LEVIN, Mr. LEAHY, Mr. VONNOCH, Mr. LIEBERMAN, Mr. COLEMAN, Mr. DURBIN, Mr. DAYTON, Mr. PETERS, Mr. JOHNSON, Mr. LUTENBERG, and Mr. CARPER):
By Mr. CORZINE (for himself, Mr. BROWNSACK, Mr. DODD, Mr. DURBIN, Mr. FRINGOLD, Mr. LIEBERMAN, Mr. TAULT, Mr. DEWINE, and Mr. TORDEN); S. 495. A bill to impose sanctions against perpetrators of crimes against humanity in Darfur, Sudan, and for other purposes; to the Committee on Foreign Relations.

By Mr. SALAZAR:
S. 496. A bill to provide permanent funding for the payment in lieu of taxes program, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SALAZAR:
S. 507. A bill to revitalize our nation's rural communities by expanding broadband services; to the Committee on Finance.

By Mr. BURR, Mr. LANDRIEU, and Mr. LOTT;
S. 498. A bill to provide for expansion of electricity transmission networks in order to support competitive electricity markets, to ensure reliability of electric service, to modernize regulation and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DODD:
S. 509. A bill to amend the Consumer Credit Protection Act to ban abusive credit practices, enhance consumer disclosures, protect underage consumers, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

ADDITIONAL COSPONSORS

S. 8
At the request of Mr. ENZI, the name of the Senator from Georgia (Mr. ISAKSON) and the Senator from North Carolina (Mr. BURR) were added as cosponsors of S. 8, a bill to amend title 18, United States Code, to prohibit taking minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

S. 97
At the request of Mrs. FEINSTEIN, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 97, a bill to extend the special postage stamp for breast cancer research for 2 years.

S. 65
At the request of Mr. INHOFE, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 65, a bill to amend the age restrictions for pilots.

S. 132
At the request of Mr. SMITH, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 132, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for premiums on mortgage insurance.

S. 152
At the request of Mr. COLEMAN, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 152, a bill to amend title 38, United States Code, to require an annual plan on outreach activities of the Department of Veterans Affairs.

S. 211
At the request of Mr. PRYOR, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 211, a bill to facilitate nationwide availability of 2-1-1 telephone service for information and referral on human services, volunteer services, and for other purposes.

S. 250
At the request of Mr. ENZI, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 250, a bill to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act.

S. 268
At the request of Mr. HARKIN, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Kentucky (Mr. BUNNING), the Senator from Connecticut (Mr. DODD), the Senator from Illinois (Mr. DURBIN) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 268, a bill to provide competitive grants for training court reporters and closed captioners to meet requirements for realtime writers under the Telecommunications Act of 1996, and for other purposes.

S. 287
At the request of Mr. ENZI, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 287, a bill to require the Congressional Budget Office and the Joint Committee on Taxation to use dynamic economic modeling in the preparation of budgetary estimates of proposed changes in Federal revenue law.

S. 311
At the request of Mrs. CLINTON, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 311, a bill to amend title XIX of the Social Security Act to permit States the option to provide medical coverage for low-income individuals infected with HIV.

S. 329
At the request of Mr. CRAIG, the names of the Senator from Maine (Ms. COLLINS) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. 329, a bill to facilitate the sale of United States agricultural products to Cuba, as authorized by the Trade Sanctions Reform and Export Enhancement Act of 2000.

S. 334
At the request of Mr. DORGAN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 334, a bill to amend the Federal Food, Drug, and Cosmetic Act with respect to the importation of prescription drugs, and for other purposes.

S. 338
At the request of Mr. SMITH, the names of the Senator from Pennsylvania (Mr. SPECTER) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 338, a bill to provide for the establishment of a Bipartisan Commission on Medicaid.

S. 338
At the request of Ms. CANTWELL, her name was added as a cosponsor of S. 338, supra.

At the request of Ms. MIKULSKI, the names of the Senator from Alaska (Mr. STEVENS), the Senator from Connecticut (Mr. DODD), the Senator from Wisconsin (Mr. KOHL) and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of S. 380, a bill to revise certain requirements for H-2B employers and require submission of information regarding H-2B non-immigrants, and for other purposes.

S. 380
At the request of Ms. COLLINS, the names of the Senator from Alabama (Ms. SESSIONS) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 380, a bill to amend the Public Health Service Act to establish a State family support grant program to end the practice of parents giving legal custody of their seriously emotionally disturbed children to State agencies for the purpose of obtaining mental health services for those children.

S. 382
At the request of Mr. ENZI, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 382, a bill to amend title 18, United States Code, to strengthen prohibitions against animal fighting, and for other purposes.

S. 397
At the request of Mr. CRAIG, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 397, a bill to prohibit civil liability actions from being brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others.

S. 403
At the request of Mr. ENZI, the names of the Senator from Georgia (Mr. ISAKSON) and the Senator from North Carolina (Mr. BURR) were added as cosponsors of S. 403, a bill to amend title 18, United States Code, to prohibit transporting minors across State lines in circumvention of laws requiring the involvement of parents in abortion decisions.

S. 417
At the request of Mr. DORGAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 417, a bill to amend the Internal Revenue Code of 1986 to provide for a refundable wage differential credit for activated military reservists.

S. 424
At the request of Mr. BOND, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 424, a bill to amend the Public Health Service Act to provide for arthritis research and public health, and for other purposes.

S. 425
At the request of Mr. LEAHY, the name of the Senator from Vermont
(Mr. Jeffords) was added as a cosponsor of S. 425, a bill to authorize the Secretary of Agriculture to sell or exchange certain National Forest System land in the State of Vermont.

S. 492

At the request of Mr. Alexander, the names of the Senator from Arkansas (Mr. Pryor) and the Senator from Nebraska (Mr. Nelson) were added as cosponsors of S. 489, a bill to amend chapter 111 of title 28, United States Code, to limit the duration of Federal consent decrees to which State and local governments are a party, and for other purposes.

S. RES. 31

At the request of Mr. Levin, the names of the Senator from Delaware (Mr. Biden) and the Senator from Maryland (Mr. Sarbanes) were added as cosponsors of S. Res. 30, a resolution urging the Government of Canada to end the commercial seal hunt.

S. RES. 40

At the request of Ms. Landrieu, the name of the Senator from Indiana (Mr. Lugar) was added as a cosponsor of S. Res. 40, a resolution supporting the goals and ideas of National Time Out Day to promote the adoption of the Joint Commission on Accreditation of Healthcare Organizations’ universal protocol for preventing errors in the operating room.

AMENDMENT NO. 15

At the request of Mr. Akaka, the name of the Senator from Arkansas (Mrs. Lincoln) was added as a cosponsor of amendment No. 15 proposed to S. 256, a bill to amend title 11 of the United States Code, and for other purposes.

AMENDMENT NO. 19

At the request of Mrs. Feinstein, the name of the Senator from Kansas (Mr. Brownback) was added as a cosponsor of amendment No. 19 proposed to S. 256, a bill to amend title 11 of the United States Code, and for other purposes.

AMENDMENT NO. 24

At the request of Mr. Rockefeller, the names of the Senator from Minnesota (Mr. Dayton), the Senator from Illinois (Mr. Obama) and the Senator from Massachusetts (Mr. Kennedy) were added as cosponsors of amendment No. 24 proposed to S. 256, a bill to amend title 11 of the United States Code, and for other purposes.

AMENDMENT NO. 25

At the request of Mr. Rockefeller, the name of the Senator from Illinois (Mr. Obama) was added as a cosponsor of amendment No. 25 intended to be proposed to S. 256, a bill to amend title 11 of the United States Code, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. Specter (for himself, Mr. Santorum, and Mr. Leahy):

S. 491. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to expand the definition of firefighter to include apprentices and trainees, regardless of age or duty limitations; to the Committee on the Judiciary.

Mr. Specter. Mr. President, I seek recognition today to introduce the Christopher Kangas Fallen Firefighter Apprentice Act, a bill designed to correct a flaw in the current definition of “firefighter” under the Public Safety Officer Benefits Act.

On May 4, 2002, 14-year-old Christopher Kangas was struck by a car and killed while he was riding his bicycle in Brookhaven, PA. The local authorities later confirmed that Christopher was out on his bike that day for an important reason: Chris Kangas was a junior firefighter, and he was responding to a fire emergency.

Under Pennsylvania law, 14- and 15-year-olds such as Christopher are permitted to serve as volunteer junior firefighters. While they are not allowed to operate heavy machinery or enter burning buildings, the law permits them to fill a number of important support roles, such as providing first aid. In addition, the junior firefighter program is an important recruitment tool that introduces children to the Fire Department.

In fact, prior to his death Christopher had received 58 hours of training that would have served him well when he graduated from the junior program.

It is clear to me that Christopher Kangas was a firefighter killed in the line of duty. Were it not for his status as a junior firefighter and his prompt response to a fire alarm, Christopher would still be alive today. Indeed, the Brookhaven Fire Department, Franklin Township, and the Commonwealth of Pennsylvania have all recognized Christopher as a fallen public safety officer and provided the appropriate death benefits to his family.

Yet, while those closest to the tragedy have recognized Christopher as a fallen firefighter, the Federal Government has not. The U.S. Department of Justice (DOJ) determined that Christopher Kangas was not eligible for benefits because he was not acting within a narrow range of duties at the time of his death that are the measured criteria to be considered a “firefighter,” and therefore, was not a “public safety officer” for purposes of the Public Safety Officer Benefits Act.

In order to be eligible for benefits under the Public Safety Officer Benefits Act, an officer’s death must be considered the “direct and proximate result of a personal injury sustained in the line of duty.” Although the United States Code includes firefighters in the definition of “public safety officer” and specifies a firefighter as “an individual serving as an officially-recognized or designated member of a legally-organized volunteer fire department” in the definition of “line of duty”, DOJ has not yet determined the meaning of “line of duty.”

Most firefighters, including Christopher, became eligible for benefits because he was not acting within a narrow range of duties at the time of his death that are the measured criteria to be considered a “firefighter,” and therefore, was not a “public safety officer” for purposes of the Public Safety Officer Benefits Act.

The bill amends the definition of “firefighter” under the Public Safety Officer Benefits Act to include apprentices and trainees. The bill is an important opportunity to recognize Christopher Kangas and others like him as firefighters. The bill clarifies that all firefighters will be recognized as such “regardless of age, status as an apprentice or trainee, or duty restrictions imposed because of age or status as an apprentice or trainee.” The bill applies retroactively back to May 4, 2002 so that Christopher, as well as three others, can benefit from it.

I urge my colleagues to support this important legislation.

By Mr. Frist (for himself, Mr. Reid, and Mr. Lugar):

S. 492. A bill to improve access to safe water and sanitation for developing countries a specific policy objective of the United States foreign assistance programs, and for other purposes; to the Committee on Foreign Relations.

Mr. Frist. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 492

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 “Safe Water: Currency for Peace Act of 2005”.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Water-related diseases are a human tragedy, killing and debilitating millions of people annually, preventing millions of people from leading healthy lives, and undermining development efforts.

(2) Providing safe supplies of water, and sanitation and hygiene improvements would save millions of lives by reducing the prevalence of water-borne diseases, water-privation diseases, and water-related vector diseases.
(3) An estimated 1,800,000 people die of diarrhoeal diseases every year. Ninety percent of these people are children under the age of five who live in developing countries. Simple and affordable interventions, such as household water treatment and safe storage and effective hand washing with soap, reduce the burden of diarrhoeal disease by more than 40 percent.

(4) According to the World Health Organization, 88 percent of diarrhoeal disease can be attributed to unsafe water supply, and inadequate sanitation and hygiene.

(5) Around the world, more than 150,000,000 people are threatened by blindness caused by trachoma, a disease that is spread through poor hygiene, pollution, and aggravated by inadequate water supply.

(6) Chronic intestinal helminth infections are a leading source of global morbidity, including cognitive impairment and anaemia for hundreds of millions of children and adults. Access to safe water and sanitation and better hygiene practices can greatly reduce the number of these infections.

(7) Schistosomiasis is a disease that affects 200,000,000 people, 20,000,000 of whom suffer serious consequences, including liver and intestinal damage. Improved water resource management and infrastructure to prevent water contamination and improve sanitation and hygiene, and deworming treatment can dramatically reduce the number of these infections.

(8) In 2002, 2,600,000,000 people lacked access to improved sanitation. In sub-Saharan Africa, only 36 percent of the population has access to improved sanitation. In developing countries, only 31 percent of the population in rural areas has access to improved sanitation.

(9) Improved management of water resources can contribute to comprehensive strategies for controlling mosquito populations associated with life-threatening vector-borne diseases in developing countries, especially malaria, which kills more than 1,000,000 people each year, most of whom are children.

(10) Natural disasters such as floods and droughts threaten people's health. Floods contaminate drinking-water systems with industrial waste refuse, sewage, and human and animal excreta, which contaminate drinking-water systems with industrial waste refuse, sewage, and human and animal excreta, which can contaminate drinking-water systems with industrial waste refuse, sewage, and human and animal excreta, which can contaminate drinking-water systems with industrial waste refuse, sewage, and human and animal excreta, which can contaminate drinking-water systems with industrial waste refuse, sewage, and human and animal excreta, which can contaminate drinking-water systems with industrial waste refuse, sewage, and human and animal excreta, which contaminate drinking-water systems with industrial waste refuse, sewage, and human and animal excreta.

(11) The United Nations Population Fund report entitled ‘Water: A Critical Resource’ stated that ‘Nearly 500 million people [suffer from] inadequate water’. In many developing countries, especially in sub-Saharan Africa, where malaria is a leading source of global morbidity, which kills more than 1,000,000 people each year, most of whom are children.

(12) The participants in the World Summit on Sustainable Development, held in Johannesburg, South Africa, in 2002, agreed to the Plan of Implementation of the World Summit on Sustainable Development, which included a commitment to provide access to safe water and sanitation for the world’s population by 2020, specifically in developing countries. Under current trends, two-thirds of the world’s population may be subject to moderate to high water stress by 2025.

(13) Effective water management and equitable allocation of scarce water supplies for all uses will become increasingly important for meeting both human and ecosystem water needs in the future.

(14) At the World Summit on Sustainable Development, the United States announced its commitment to provide water and sanitation services to the world’s poor. The United States provided $970,000,000 over 3 years to increase access to safe water and sanitation services, improve the health of the world’s poor, and increase the productivity of water. During fiscal year 2004, the United States provided an estimated $187,000,000 in assistance to the Water for the Poor Initiative, including funds made available for reconstruction activities in Iraq, of which $386,000,000 was made available for safe drinking water and sanitation programs.

(15) During fiscal year 2004, the United States provided $49,000,000 in assistance for activities to provide safe drinking water and sanitation in sub-Saharan Africa, an amount that is equal to 6.5 percent of total United States foreign assistance provided for all water activities in the Water for the Poor Initiative.

(16) At the 2003 Summit of the Group of Eight in Evian, France, the members of the Group of Eight produced a plan entitled ‘Water: A Critical Resource’ that stated that a lack of water can undermine human security. The Action Plan committed the members of the Group of Eight to playing a more active role in providing international efforts to provide safe water and sanitation to the world’s poor by mobilizing domestic resources in developing countries for water infrastructure financing through the development and strengthening of local capital markets and financial institutions, particularly by establishing, where appropriate, at the national level, revolving funds that offer attractive, low-interest local currency financings, which allow communities to finance capital-intensive water and sanitation infrastructure projects over an affordable period of time.

(17) The G8 Action Plan also committed members of the Group of Eight to provide risk mitigation mechanisms for such revolving funds and pooled-financing that offer attractive, low-interest, local currency financings, which allow communities to finance capital-intensive water and sanitation infrastructure projects over an affordable period of time.

(18) The G8 Action Plan also committed members of the Group of Eight to provide risk mitigation mechanisms for such revolving funds and pooled-financing that offer attractive, low-interest, local currency financings, which allow communities to finance capital-intensive water and sanitation infrastructure projects over an affordable period of time.

(19) The G8 Action Plan also committed members of the Group of Eight to improving coordination and cooperation between donor countries, and such improved coordination and cooperation is essential for enhancing the benefits of donor initiatives.

(20) The G8 Action Plan also committed members of the Group of Eight to improving coordination and cooperation between donor countries, and such improved coordination and cooperation is essential for enhancing the benefits of donor initiatives.

(21) The G8 Action Plan also committed members of the Group of Eight to improving coordination and cooperation between donor countries, and such increased coordination and cooperation is essential for enhancing the benefits of donor initiatives.

(22) The G8 Action Plan also committed members of the Group of Eight to improving coordination and cooperation between donor countries, and such improved coordination and cooperation is essential for enhancing the benefits of donor initiatives.

(23) The G8 Action Plan also committed members of the Group of Eight to improving coordination and cooperation between donor countries, and such increased coordination and cooperation is essential for enhancing the benefits of donor initiatives.

(24) Developing sustainable financing mechanisms, including private sector financing, is critical to the long-term sustainability of improved water supply, sanitation, and hygiene.

(25) The annual level of investment needed to meet the water and sanitation needs of developing countries far exceeds the amount of Official Development Assistance (ODA) and spending by governments of developing countries. Innovative financing mechanisms such as revolving funds and pooled-financing have been effective vehicles for mobilizing domestic and private capital to finance water and sanitation projects in some developing countries. These mechanisms can serve as a catalyst for greater investment in water and sanitation projects by villages, small towns, and municipalities.

(26) Local currency.—The President may authorize the use of United States foreign assistance—

(1) to promote good health and economic development by providing assistance to existing access to safe water and sanitation, promoting water and sanitation, and improving the environment, and promoting global health and sanitation by encouraging private investment in water and sanitation infrastructure and services.

(2) promote, to the maximum extent practicable and appropriate, long-term sustainability in the provision of access to safe water and sanitation by encouraging private and public investment in water and sanitation infrastructure and services.

(c) Authorization.—

(1) In general.—To carry out the policies set forth in subsection (a), the President is authorized to furnish assistance, including health information and education, to advance good health and promote economic development by improving the safety of water supplies, expanding access to water and sanitation, promoting water and sanitation, and promoting healthy hygiene.

(2) Local currency.—The President may use payments made in local currencies under an agreement made under title I of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701et seq.) to provide assistance under this section, including assistance for activities related to drilling or maintaining wells.

SEC. 3. WATER FOR HEALTH AND DEVELOPMENT.

(a) In general.—Part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by inserting after section 106(c) the following new section:

**SEC. 104d. WATER FOR HEALTH AND DEVELOPMENT.**

(a) FINDING.—Congress makes the following findings:

(1) Access to safe water and sanitation and improved hygiene are significant factors in controlling the spread of disease in the developing world and positively affecting economic development.

(2) The health of children and other vulnerable rural and urban populations in developing countries, especially sub-Saharan Africa and South Asia, is threatened by a lack of access to safe water and sanitation and improved hygiene.

(3) Efforts to meet United States foreign assistance objectives, including those related to agriculture, the human immunodeficiency virus (HIV) and acquired immune deficiency syndrome (AIDS), and the environment will be advanced by improving access to safe water and sanitation, and by improving the sustainability of water and sanitation management throughout the world.

(b) Authorization.—The President may authorize the use of United States foreign assistance—

(1) to promote good health and economic development by providing assistance to existing access to safe water and sanitation, promoting water and sanitation management, and improving the environment, and promoting global health and sanitation by encouraging private and public investment in water and sanitation infrastructure and services.

(c) Authorization.—

(1) In general.—To carry out the policies set forth in subsection (a), the President is authorized to furnish assistance, including health information and education, to advance good health and promote economic development by improving the safety of water supplies, expanding access to water and sanitation, promoting water and sanitation, and promoting healthy hygiene.

(2) Local currency.—The President may use payments made in local currencies under an agreement made under title I of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1701et seq.) to provide assistance under this section, including assistance for activities related to drilling or maintaining wells.

AMENDMENT.—Section 104c of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1704c) is
amended by adding at the end the following new paragraph:

“(9) SAFE WATER.—To provide assistance under section 104D of the Foreign Assistance Act of 1961 to countries

SEC. 4. PILOT PROGRAM FOR WATER SUSTAINABILITY INFRASTRUCTURE DEVELOPMENT AND CAPACITY BUILDING.

(a) In General.—Section 104D of the Foreign Assistance Act of 1961, as added by section 3, is amended by adding at the end the following new subsection:

“...(d) PILOT CLEAN WATER SUSTAINABILITY INFRASTRUCTURE DEVELOPMENT PROGRAM.—

“(1) AUTHORITY FOR PILOT PROGRAM.—In order to study the feasibility and desirability of a program to assist countries that have a high proportion of the population that is susceptible to water-borne illnesses as a result of a lack of basic infrastructure for clean water and sanitation, the President, in close coordination with the Administrator of the United States Agency for International Development and the Director of the Overseas Private Investment Corporation, may establish a 5-year pilot program under which the President may—

“(A) provide for the issuance of insurance or guarantees, for direct investment or investment encouragement, or carry out special projects and programs for eligible investors to assist such countries in the development of safe drinking water and sanitation infrastructure programs; and

“(B) provide assistance to support the activities described in subparagraphs (A) through (D) of paragraph (2) for the purpose of—

“(i) carrying out the policy set out in subsection (a);

“(ii) maximizing the effectiveness of assistance provided under subparagraph (A);

“(2) ACTIVITIES SUPPORTED.—Assistance provided to a country under paragraph (1)(B) shall be used to—

“(A) assess the water development needs of such country;

“(B) design projects to address such water development needs;

“(C) develop the capacity of individuals and institutions in such country to carry out and monitor water development programs; for loan guarantees, provide for direct investment or investment encouragement, or carry out special projects and programs for eligible investors to assist such countries with the development of safe drinking water and sanitation infrastructure programs; and

“(D) provide long-term monitoring of water development projects.

“(3) GEOGRAPHIC LIMITATION.—The President may only provide assistance under the pilot program under paragraph (1) to a country based on consultation with Congress.

“(4) ADDITIONAL CRITERIA.—In making determinations of eligibility under this subsection, the President should give pref-

“(5) IMPLEMENTATION.—To the extent provided in appropriations acts, the President is authorized to provide assistance under the pilot program under paragraph (1) in the form of appropriate financial, municipal, health, and water management systems; and

“(6) TERMINATION.—Notwithstanding any other provision of law, the President is authorized to provide assistance under the pilot program under paragraph (1) in the form of appropriate financial, municipal, health, and water management systems; and

“(7) COORDINATION.—The President is auth-

SEC. 5. SAFE WATER STRATEGY.

(a) REQUIREMENT FOR STRATEGY.—The Secretary of State, in close coordination with the Administrator of the United States Agency for International Development and in consultation with other appropriate Federal agencies, appropriate international organizations, governments, United States nongovernmental organizations, and other appropriate entities, shall develop and implement a strategy to further the United States foreign assistance objective to promote economic development by promoting good health through the provision of assistance to expand access to safe water and sanitation, to promote sound water management, and to improve hygiene for people around the world.

(b) STRATEGY.—The strategy required by subsection (a) shall include—

“(1) an assessment of the activities that have been or are planned to be carried out, by the United States to improve hygiene or access to safe water and sanitation by underserved rural or urban poor populations of sub-Saharan Africa, or in countries that receive assistance from the United States Agency for International Development;

“(2) methods to achieve long-term sustainability in the provision of access to safe water and sanitation, the maintenance of water and sanitation facilities, and effective promotion of improved hygiene, in the context of appropriate financial, municipal, health, and water management systems;

“(3) methods to use United States assistance to promote and guide the implementation of initiatives, including the involvement of civil society, to further the objectives described in subsection (a);

“(4) methods to mobilize and leverage the financial, technical, and managerial expertise related to an activity described in subparagraphs (A) through (D) of paragraph (2)

“(9) REPORT TO CONGRESS.—The President shall annually prepare and submit to the Committee on Appropriations, the Committee on Foreign Relations, and the Committee on Energy and Commerce of the House of Representatives a report concerning the implementation of the pilot program under this subsection.

“(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective during the 5-year period beginning on the date of enactment of this Act.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated for each of the fiscal years 2006 through 2011 such sums as may be necessary to carry out this Act and the amendments made by this Act.

(b) OTHER AMOUNTS.—Amounts appropriated pursuant to the authorization of appropriations in subsection (a) shall be in addition to the amounts otherwise available to carry out this Act and the amendments made by this Act.

By Mr. GRASSLEY (for himself, Mr. COCHRAN, Mr. LOTT, and Mr. BUNNING)

S. 493. A bill to amend title II of the Higher Education Act of 1965 to increase teacher familiarity with the educational needs of gifted and talented students, and for other purposes; to the Committee on Health, Education, Labor, and Pensions:

Mr. GRASSLEY. Mr. President, I am reintroducing a bill I proposed in the last Congress to help prepare new teachers to recognize and meet the needs of gifted and talented students. According to the federally funded National Research Center on the Gifted and Talented, the large majority of gifted and talented students spend at least 80 percent of their time in a regular education classroom. Of course, gifted students are not gifted only 20 percent of the time. They are gifted all the time. Unfortunately, the lack of teacher preparation means that gifted students are not being challenged during much of the time they spend in the classroom. Their educational needs are not being met.

Unfortunately, there are many misconceptions about the needs of gifted children. You might say, “Why should we worry about these children? They
are the smart ones that the teacher doesn’t have to spend so much time on.” First of all, I’m not talking about your average straight A student who may learn the material easily, but much the same way as other students in the class. Gifted and talented children actually have a different way of looking at the world. They tend to have distinct approaches to learning and interacting socially, and they frequently learn at a different pace, and to different depths, than others their age. The bottom line is that gifted and talented children have unique learning needs that need to be met in order for them to achieve to their potential.

To illustrate this point, I would like to remind the Senate of an example I first cited two years ago while speaking on another piece of legislation related to gifted and talented students. It concerns a young elementary school student from Iowa City named Jose. Jose was fortunate that his parents had a tendency to act up in class. He got along with his classmates, but didn’t have many friends. Jose’s teacher had a real hunger for and talented programs, reforms of state certification and licensure requirements. I should point out that this change would not cost the taxpayers any additional money.

Under current law, Title II State grants are awarded directly to States and are to be used to reform State teacher preparation requirements. The law lists seven potential reforms under the allowable uses for grant funds. The first three allowable uses include: strengthening state requirements for teacher preparation programs to incorporate the needs of gifted and talented students into teacher preparation, and preparing teachers. In addition, my bill would also add allowable uses to these existing grants to provide an incentive for states and teacher training programs to incorporate the needs of gifted and talented students into teacher preparation programs. In other words, teachers are in their pre-service teaching programs and States to take a greater look at how they can improve teacher-preparation programs to integrate instruction on the unique needs of gifted learners.

Title II of the Higher Education Act already contains grants designed to enhance the quality of teacher preparation programs. My bill would simply add allowable uses to these existing grants to provide an incentive for states and teacher training programs to incorporate the needs of gifted and talented students into teacher preparation, and prepare teachers. In any event, I should point out that this change would not cost the taxpayers any additional money.

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Title II of the Higher Education Act already contains grants designed to enhance the quality of teacher preparation programs. My bill would simply add allowable uses to these existing grants to provide an incentive for states and teacher training programs to incorporate the needs of gifted and talented students into teacher preparation programs. In other words, the idea is not to require additional courses, but rather to discuss how to accommodate for the needs of gifted students throughout the teacher preparation curriculum when new teachers are learning how to present lessons.

Again, my bill does not create a new grant program and doesn’t cost any more money. It simply provides an incentive through existing grant programs to encourage States and teacher preparation programs to incorporate the needs of gifted and talented students into teacher preparation, and prepare teachers. In any event, I should point out that this change would not cost the taxpayers any additional money.

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protections, provide certain authority for the Special Counsel, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

Mr. AKAKA. Mr. President, today I rise to reintroduce the Federal Employee Protection of Disclosures Act, which was unanimously reported out of the Senate Homeland Security and Governmental Affairs Committee last year with strong bipartisan support. I am joined again by Senator Collins, chairman of the committee, whose focus on this issue and willingness to work with me in developing this legislation demonstrates how important it is to ensure that Federal employees are protected when they disclose government waste, fraud, and abuse. I am pleased to be joined by our committee’s ranking member, Senator Lieberman.

Once again, I am proud to have the support of Senator CHARLES GRASSLEY and Senator CARRIE LIEBERMAN, both of whom are longstanding advocates of Federal whistleblowers. My colleagues from Iowa and Michigan championed the 1989 Whistleblower Protection Act and have supported my legislation since 2001. Along with the strong bipartisan support of Senators LEAHY, VOINOVICH, COLEMAN, DURBIN, DAYTON, PERRY, JOHNSON, LAUTENBERG, and CARPER demonstrates the importance of this good government legislation.

Our legislation will strengthen the protections given to Federal whistleblowers and encourage employees to come forward to disclose government waste, fraud, and abuse. Providing meaningful protection to whistleblowers fosters an environment that promotes the disclosure of government wrongdoing and mismanagement that may adversely affect the American public. If Federal employees fear reprisals following the whistleblowing of the threats to the whistleblower, taxpayers, and, in notable instances, national security and our public health.

The most recent example is the disclosure by Dr. David Graham of the Food and Drug Administration, FDA, who exposed problems at the FDA regarding the safety of new pharmaceuticals and government operations, our national security, and the health of our citizens. I look forward to working with my colleagues to make this goal a reality.

I ask unanimous consent that the text of the bill be printed in the Record as follows:

S. 494

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. PROTECTION OF CERTAIN DISCLOSURES OF INFORMATION BY FEDERAL EMPLOYEES.

(a) Short title.—This Act may be cited as the “Federal Employee Protection of Disclosures Act”.

(b) clarification of disclosures covered.—Section 2302(b)(8) of title 5, United States Code, is amended—

(1) in subparagraph (A)—

(B) in clause (i), by striking “a violation” and inserting “or a substantial and specific danger to public health or safety; or”;

(C) in clause (ii), by striking “of funds, an abuse of authority, or a substantial and specific danger to public health or safety; or”;

and

(2) in paragraph (2)—

(C) in clause (i), by striking “of funds, an abuse of authority, or a substantial and specific danger to public health or safety; or”;

and

(3) by adding at the end the following:

“(C) any disclosure that—

(i) is made by an employee or applicant of information required by law or Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs that the employee or applicant reasonably believes is direct and specific evidence of—

(I) any violation of any law, rule, or regulation;

(II) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety; or

(III) a false statement to Congress on an issue of material fact; and

(ii) is made to—

(I) a member of a committee of Congress having primary responsibility for oversight of a department, agency, or element of the Federal Government to which the disclosed information relates and who is authorized to receive information of the type disclosed; or

(II) any other Member of Congress who is authorized to receive information of the type disclosed; or

(iii) an employee of Congress who has the appropriate security clearance and is authorized to receive information of the type disclosed.”

(c) Covered disclosures.—Section 2302(a)(2) of title 5, United States Code, is amended—

(1) in subparagraph (B)(ii), by striking “and” at the end;

(2) in subparagraph (C)(iii), by striking the period at the end and inserting “; and”;

and
152.1.500. Actions relating to security clear-
ances.

(a) In any appeal relating to the suspen-
sion, revocation, or other determination rel-
ating to a security clearance or access de-
termination, the Merit Systems Protec-
tion Board or any reviewing court—

(1) shall determine whether paragraph (8) or (9) of section 2302(b) was violated;

(2) may not order the President or the designee of the President to restore a security clearance or otherwise reverse a determina-
tion of clearance status or reverse an access determination, and

(3) subject to paragraph (2), may issue de-
claratory relief and any other appropriate relief.

(b)(1) If, in any final judgment, the Board or court declares that an access determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall conduct a review of that suspension, revocation, access determination, or other determination in question and submit its report to the Board or court judgment.

(2) Not later than 30 days after any Board or court judgment declaring that a security clearance suspension, revocation, access determination, or other determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall issue an unclassified report to the congres-
sional committees of jurisdiction (with a classified annex if necessary), detailing the circumstances of the security clearance suspension, revocation, other determination, or access determination. A report under this paragraph shall include any proposed agency action with regards to the security clearance or access determination.

(c) An allegation that a security clear-
ance or access determination was revoked or suspended in retaliation for a protected disclosure shall receive expedited review by the Office of Special Counsel, the Merit Systems Protection Board, and any reviewing court.

(d) For purposes of this section, correc-
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(b)(1) If, in any final judgment, the Board or court declares that an access determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall conduct a review of that suspension, revocation, access determination, or other determination in question and submit its report to the Board or court judgment.

(2) Not later than 30 days after any Board or court judgment declaring that a security clearance suspension, revocation, access determination, or other determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall issue an unclassified report to the congres-
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claratory relief and any other appropriate relief.

(b)(1) If, in any final judgment, the Board or court declares that an access determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall conduct a review of that suspension, revocation, access determination, or other determination in question and submit its report to the Board or court judgment.

(2) Not later than 30 days after any Board or court judgment declaring that a security clearance suspension, revocation, access determination, or other determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall issue an unclassified report to the congres-
sional committees of jurisdiction (with a classified annex if necessary), detailing the circumstances of the security clearance suspension, revocation, other determination, or access determination. A report under this paragraph shall include any proposed agency action with regards to the security clearance or access determination.

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ance or access determination was revoked or suspended in retaliation for a protected disclosure shall receive expedited review by the Office of Special Counsel, the Merit Systems Protection Board, and any reviewing court.

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dence that the employee engaged in some per-
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sure.
Board shall be filed in the United States Court of Appeals for the Federal Circuit. Notwithstanding any other provision of law, any petition for review must be filed within 60 days after the petitioner receives notice of the final order or decision of the Board.

(3) During the 5-year period beginning on the effective date of the Federal Employee Protection of Disclosures Act, a petition to review a final order or final decision of the Board alleging a violation of paragraph (8) or (9) of section 2302(b) shall be filed in the United States Court of Appeals for the Federal Circuit or any court of appeals of competent jurisdiction as provided under subsection (b)(2).

(4) Review Obtained by Office of Personnel Management.—Section 7703(d) of title 5, United States Code, is amended to read as follows:

"(d)(1) Except as provided under paragraph (2), this paragraph shall apply to any review obtained by the Director of the Office of Personnel Management. The Director of the Office of Personnel Management may obtain review of any final order or decision of the Board by filing within 60 days after the date the Director receives notice of the final order or decision of the Board, a petition for judicial review, in the United States Court of Appeals for the Federal Circuit if the Director determines, in his discretion, that the Board erred in interpreting a law, rule, or regulation affecting personnel management and that the Board's decision will have a substantial impact on a civil service law, rule, or regulation. In addition to the named respondent, the Board and all other parties to the proceedings before the Board shall have the right to appear in the proceeding before the Court of Appeals. The granting of the petition for judicial review shall be at the discretion of the Court of Appeals.

(2) During the 5-year period beginning on the effective date of the Federal Employee Protection of Disclosures Act, this paragraph shall apply to any review obtained by the Director of the Office of Personnel Management. The Director of the Office of Personnel Management may obtain review of any final order or decision of the Board by filing, within 60 days after the date the Director receives notice of the final order or decision of the Board, a petition for judicial review in the United States Court of Appeals for the Federal Circuit or any court of appeals of competent jurisdiction as provided under subsection (b)(2).

(k) Nondisclosure Policies, Forms, and Agreements.—

(1) IN GENERAL.—Each agreement in Standard Forms 312 and 4141 of the Government and any other nondisclosure policy, form, or agreement of the Government shall contain the following statement: "These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee protections created by Executive Order No. 12958; section 7212 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code (governing disclosures to Congress by members of the military); section 2302(b)(8) of title 5, United States Code (governing disclosures of illegality, waste, fraud, abuse, or public danger to national security); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) governing disclosures that could engage in covert intelligence activities or the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by such Executive order and such statutory provisions are incorporated into this agreement and are controlling."

(B) ENFORCEABILITY.—Any nondisclosure policy, form, or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee of an executive agency or a political subdivision, may contain provisions appropriate to the activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that such forms do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

(1) Clarification of Whistleblower Rights—Critical Infrastructure Information.—Section 214(c) of the Homeland Security Act of 2002 (6 U.S.C. 133(c)) is amended by adding at the end the following: "For purposes of this section, "nondisclosure of information" means information independently obtained information includes the disclosure of such information under section 2302(b)(8) of title 5, United States Code." (m) Advising Employees of Rights.—Section 2302(c) of title 5, United States Code, is amended by inserting ""after a finding that a protected disclosure was a contributing factor,"" after ""ordered if.""

(o) EFFECTIVE DATE.—This Act shall take effect 30 days after the date of enactment of this Act.

By Mr. CORZINE (for himself, Mr. BROWNBACK, Mr. DODD, Mr. DURBIN, Mr. FEINGOLD, Mr. LIEBMAN, Mr. TALENT, Mr. DEWINE, and Mr. COBURN):

S. 495. A bill to direct the government to combat perpetrators of crimes against humanity in Darfur, Sudan, and for other purposes; to Committee on Foreign Relations.

Mr. CORZINE. Mr. President, I rise today to introduce the Darfur Accountability Act. This is an issue that I and a number of my colleagues have as much passion about and as much conviction and concern as anything that we could speak about on this floor. As we stand here today, 225,000, maybe more, Darfurians in the Sudan have died over the last 2 years. A million and three quarters are displaced, living in camps. Senator BROWNBACK is a co-sponsor of the Darfur Accountability Act, along with Senators DEWINE, TALENT, DURBIN, FEINGOLD, LIEBMAN—a bipartisan basis. All believe strongly and passionately that we need to act now.

This bill, which we will be introducing today, provides the tools, the authorities to confront the crisis of humanity that is taking place in Darfur. It can be a reflection of our Nation's commitment to live up to the most solemn promise of our time and our Nation's values—to never stand by quietly while genocide rages in a part of the world. “Never again” is the rallying cry we have all heard from the tragedy of World War II, from the response and understanding of the tragedy of Rwanda and genocides across history. Man's horrific treatment of his fellow man in genocide must be stood up against, must be pushed back against. We must say no.

It has been more than 7 months since the resolution introduced by Senator BROWNBACK and myself declaring genocide passed the Senate. It has been more than 7 months since the House of Representatives passed a similar resolution. And it has been 6 months since Secretary of State Colin Powell made the same declaration.

Genocide continues. Just 1 month ago a U.N. commission confirmed a litany of atrocities that have become too familiar in this situation:

Governments and militias conducted indiscriminate attacks, including killing of civilians, torture, enforced disappearances, destruction of villages, rape and other forms of violence, plans and forced displacement throughout Darfur.

It has been going on for 2 years. The report stated that the atrocities were ""conducted on a widespread and systematic basis,"" and that the magnitude and large scale of some crimes against humanity, as well as their consistency over a long period of time, necessarily imply that these
crimes result from a central planning operation.’’

This is public policy in the Sudan—public policy. Maybe more compelling is a series of articles, two of which I will put into the RECORD, that are reflective of the public and transparent and dogged reporting by a New York Times columnist, Nicholas Kristof, which document completely the nature of the atrocities going on, including, unfortunately, some of the pictorial efforts that bring forth the certainty that the government is a belligerent, and for God’s sake, just to monitor it. Mr. Steidle said his single most frustrating moment came in December when the Sudanese government and the janjaweed attacked the village of Labado, which had 25,000 inhabitants. Mr. Steidle and his unit flew to the area in helicopters, but because they refused to let them enter the village—and also refused to stop the attack.

“It was extremely frustrating—seeing the village burn, hearing gunshots, not being able to do anything,’’ Mr. Steidle said. ‘‘The entire village is now gone. It’s a big black spot on the earth.

When Sudan’s government is preparing to send bombers or helicopter gunships to attack an African village, it shuts down the cell phone system so no one can send out warnings. Thus the international monitors know when a massacre is about to unfold. But there’s usually nothing they can do.

Mr. Steidle said the West, in administration, is providing food and medical care that is keeping hundreds of thousands of people alive. But we’re managing the genocide, not halting it.

‘‘The world is failing Darfur,’’ said Jan Egeland, the U.N. under secretary general for humanitarian affairs. ‘‘We’re only playing the humanitarian card, and we’re just witnessing the massacres.’’

President Bush is pushing for sanctions, but European countries like France are disgracefully cool towards ideas—and China is downright hostile, playing the same supportive role for the Darfur genocide that it did for the Khmer Rouge genocide.

Mr. Steidle has just quit his job with the African Union, but he plans to continue working in Darfur to do his part to stand up to the killers. Most of us don’t have to go to that extreme of risking our lives in Darfur—we just need to get off the fence and push our government off, too.

At one level, I blame President Bush—and, even more, the leaders of European, Arab and African nations—for their passivity. But if our leaders are acquiescing in genocide, that’s because we citizens are passive, too. If American voters cared about Darfur’s genocide as much as about, say, the Michael Jackson trial, then our political system would respond. One useful step would be the passage of the Darfur Accountability Act, to be introduced today by Senators Jon Corzine and Sam Brownback. The legislation calls for such sanctions as expanding the African Union force and establishing a military no-fly zone to stop Sudan from bombing civilians.

As Martin Luther King Jr. put it: ‘‘Man’s inhumanity to man is not only perpetrated by the vitriolic actions of those who are bad. It is also perpetrated by the vittiting inaction of those who are good.’’

Mr. CORZINE. Mr. President, we are truly at a historic moment. The U.N. Commission confirmed that these atrocities were continuing even as it was doing its investigation. By the way, when I spoke to the African Union, the U.S. State Department a report on human rights practices in countries around the world. The February 28 report reconfirmed our own Government’s view that what is taking place is genocide.

We have the responsibility that came out of the Holocaust to remember the horrors that lead to genocide. That is why we passed the genocide convention and, it is time to act. That is what this accountability act is all about. It has a lot of detail in it. But the fact is, it is time to act. Mr. Steidle could use a little more graphic language. We have no right to stand by while human life is being taken day after day and displacement is taking place day after day. All over this country, people of faith of all denominations, student groups, and people from all walks of life are speaking out about this in our churches, our community centers, everywhere. They expect our Government and the African Union to act. The time to act is now.

Let me describe the legislation, if I may. First, it reconfirms that genocide continues in Darfur. Last week, Human Rights reported new accounts of rapes, amputations, crucifixions, eyepitting, mutilations, and other atrocities. This needs to be dealt with. There is little doubt whatsoever that this continues. Again, I refer to the Kristof articles, which are very graphic in their explanation. Reflecting on time, I will not go through the details. There are many of these accounts.

There is no reason to turn our backs on this issue. Remember the Imperative: Never again. This legislation offers specifics about how the genocide should be stopped. There is no military no-fly zone in Darfur. This discussion about no-fly zones has been going on for the better part of a year. It is time to make sure that we as an international community, as a nation, stand up and say, ‘‘Let’s do something.’’

Recent reports state that as recently as January, the Government of Sudan used aircraft and helicopters to impose its desire in implementing its genocide of the people of Darfur along with the jinghawel militia. These are notorious about imposing this.

The legislation also lays out the report for the African Union mission in Darfur. In September of last year, the Senate passed an amendment by Senator DeWine and myself that sets aside $75 million in aid to the African Union so they could accelerate their monitoring and assistance on the ground in Darfur. So far, we have begun to use some of those resources. I think at this time that is about $55 million. Unfortunately, the authorization was for 3,300 African Union troops on the ground, but there are about 1,800 there today. This is 7 months after our efforts to get this done. We need to stop the killing now. That means we need to get the troops on the ground now; we have to spend the money now. It is absolutely time that we stand up and take notice and move on this issue.

The legislation also provides specifics about what should be done in a new U.N. Security Council resolution, including sanctions that have previously been threatened by the council but never imposed. For instance, we have an arms embargo against the government of Sudan. We have one in Darfur. So they can get the guns and military equipment into Khartoum, and I guess we think somehow they are not going to use it where they are actually taking the lives of the people of Darfur. It is crazy that we have such a limited and ineffectual arms embargo on Sudan. We need to act. It is clear that
we needed it last summer, and it is clear that we need it today.

I was offered the opportunity to visit Darfur last August during that 30-day period when the U.N. Security Council was examining whether Sudan was moving in the correct direction on some of the problems, get control of the jingaewalt, and actually respond to the international community’s imperative that they change their actions. It was clear then that the only thing that was moving the Sudanese Government was the threat of a non-existent, what the Bush administration was providing the people who were on the ground, but they had no real interest in stopping the jingaewalt or the tragedy on the ground in Darfur. None. It was only pressure from the outside that was going to have any impact on moving forward.

Unfortunately, from that moment on, we have stepped back. We said we were going to do things, and we did not. We had a tragedy continue and has accelerated in many places, particularly south Darfur. It is time to act.

I will save going through the rest of the pieces of legislation, but I hope my colleagues in mind that we have had over 200,000 deaths and one and three-quarter million people displaced, more or less. Nobody is certain of the numbers. Estimates are that 10,000 people die a month in Darfur. Do we have any idea what that means? It means, if you will, that we have “Rwanda 2” on our hands to act? Do we have to some incredible tragedy at a single point time for us to act? It is time to put down serious accountability requirements on the Government of Sudan and to act to stop the killing in Darfur. I can only say that there is nothing that reflects our moral values in this country more than standing up to genocide.

Our humanity is being challenged, the very essence of who we are as human beings. Genocide is evil. It should be stopped, and we should remember the imperative: Never again.

Yesterday, President Bush invited about 20 leaders in Congress to the White House for a briefing on his trip to Europe. It was an excellent briefing. We were all outraged at the end. I asked the President, with Steven Hadley close at hand: What are we going to do about Darfur? Sadly, the response was what I have heard over and over again from so many different sources: We are going to count on the African Union, a group of soldiers from Africa who are moving into the region. How many soldiers are moving into this region where helpless people are being killed? Their best estimates are 600. How big is this region? It is about the size of the State of Texas. How in the world can we expect to have an impact on this senseless killing?

That is why I am supporting this Darfur Accountability Act. This bill we are pushing seeks to prod the world to do what it needs to do to stop the genocide in Sudan. “Genocide” is a word this is rarely used in human history. There have been genocides against the Armenian people and the Jewish people during World War II, perhaps in Pol Pot’s times in Cambodia, and other times we can point to. Rarely do we use the word. It is a word that is freighted with responsibility. You cannot just say there is genocide in some part of the world and isn’t that a shame. We signed a genocide treaty that said once we detect a genocide, we go to international organizations—the Security Council, our friends in the Human Rights Council. So using the word “genocide,” as the Bush administration has done, is a good thing because it prods us to do something, but it is a challenge that we must meet on something this timely and important.

This act calls for the United States to call on the United Nations to immediately take action in Darfur. Some will say, well, that is pointless; Russia and China will veto any action in the Security Council, but we should force the issue to a vote. We should confront the Russians and the Chinese and ask them what they would do in light of this senseless killing.

The horrific stories keep piling up. The jingaewalt, the armed militias, running amok in Darfur are killing innocent people right and left. Sudanese aircraft strafed a village in southern Darfur, killing more than 100 men, women, and children. . . . according to Human Rights Watch. The world has witnessed this in Darfur. We know it has happened. We must do something about it. That is why I join my colleague in this request that we take action now, move this Darfur Accountability Act, join Senator CORZINE, join Senator BROWNBACK, and make this happen.

Let me also say this. My closest friend in politics was Paul Simon, who passed away. It is a challenge that I asked him for his humanitarian commitment to the poor people who are losing their lives in this conflict.

A little over a week ago in Chicago, I.I., we had the visit of a rather famous man. He was a man who none of us knew and, frankly, could not even pronounce his name. He came to tell a story. His name is Paul Rusesabagina. He is the manager of the hotel in Hotel Rwanda, which has become a very famous film. He had a luxury hotel in the midst of the terrible genocide. Because of his personal courage and the fact that he was willing to stand up, he saved over 1,200 lives of people who sought refuge in the hotel, who otherwise would have been hacked to death by the Rwandan genocide. He came to Chicago, to St. Sabinas Church on the South Side, where Father Michael Plager was his host. He told the story of Rwanda. It wasn’t just a reminiscence of history; he told us that we needed to look today to the genocides we face in the world. He pointed specifically to Darfur in Sudan.

He asked us what was asked of many during the Rwanda genocide: What will you do now that you know that innocent people are being killed by the hundreds of thousands? What will you do? Will you ignore it because it is so far away? Will you ignore it because it is Africa? Will you ignore it because it may call for sacrifice on the part of U.S. leadership?

It is a challenge he made to us, an interesting challenge from a man who literally risked his life to save others during a genocide. He asked us, in our comfort in America, whether we were willing to risk anything to save these victims in Darfur. He touched my soul, and I told him that when I get back to Washington, I will take to the floor of the Senate and raise this issue as often as I can. I will try everything I can find to move the United States into a stronger position of leadership.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 498

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 “Darfur Accountability Act of 2005”.

SEC. 2. DEFINITIONS.
In this Act:
(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means the Committee on For-
giern Relations of the Senate and the Committee on International Relations of the House of Representatives.
(2) AFRICAN UNION.—The term “Government of Sudan” means the Sudan People’s Liberation Army/Movement on January 9, 2005.
(3) ORGANIZATION OF AFRICAN UNION.—The term “Organization of African Union” means the Organization of African Union.
(4) SUDAN NORTH-SOUTH PEACE AGREEMENT.—The term “Sudan North-South Peace Agreement” means the comprehensive peace agreement signed by the Government of Sudan and the Sudan People’s Liberation Army/Movement on January 9, 2005.
(5) THOSE NAMED BY THE UN COMMISSION.—The term “those named by the UN Commission” means those individuals whose names appear in the sealed file delivered to the Secretary General of the United Nations by the International Criminal Tribunal for Darfur to the United Nations Secretory General.
(6) UN COMMISSION.—The term “UN Commission” means the International Commission of Inquiry on Darfur to the United Na-
tions Secretary General.

SEC. 3. FINDINGS.
Congress makes the following findings:
(1) On July 22, 2004, the House of Repre-
sentatives and the Senate declared that the atroc-
tsities occurring in Darfur, Sudan are genocide.
(2) On September 9, 2004, Secretary of State Colin L. Powell stated before the Committee on Foreign Relations of the Senate, “[w]hen we reviewed the evidence compiled by our team, along with other information available to the State Department, we concluded that genocide has been committed in Darfur and that the Government of Sudan and the [Janjaweed] bear responsibility—and geno-
cide may still be occurring.”
(3) President George W. Bush, in an address before the United Nations General Assembly on September 21, 2004, stated, “[a]t this hour, the Western world is witnessing crimes against humanity in Darfur that are so terrible they are beyond description.”
lution 1556, calling upon the Government of Sudan to disarm the Janjaweed militias and to apprehend and bring to justice Janjaweed leaders and their associates who have incited and carried out violations of human rights and international humanitarian law and car-
rried out other atrocities in the Darfur re-
gion.
(5) On September 18, 2004, the United Na-
tions Security Council passed Security Council Reso-
lution 1564, determining that the Government of Sudan had failed to meet its obligations under Security Council Resolution 1556, calling for a military flight ban in and over the Darfur region, demanding the names of Janjaweed militia members be arrested and arrested for verification, establishing an International Commission of Inquiry into violations of international humanitarian law and human rights laws, and threatening san-
tions should the Government of Sudan fail to fully comply with Security Council Resolu-
tions 1556 and 1564.
(6) United Nations Security Council Reso-
lution 1564 declares that if the Government of Sudan “fails to comply fully” with Security Council Resolutions 1556 and 1564, the Security Council shall consider taking “additional measures” against the Government of Sudan “as contemplated in Article 41 of the Charter of the United Nations, such as actions to affect Sudan’s petroleum sector or individual members of the Government of Sudan, the Sudanese military, or other organizations and elements of the Sudanese military, to obtain such full compliance and coopera-
tion.”
(7) United Nations Security Council Reso-
lution 1564 “welcomes and supports the intention of the African Union to enhance and augment its monitoring mission in Darfur” and “urges member states to support the deployment of peacekeepers, including by providing all equipment, logistical, financial, material, and other re-
ources necessary to support the rapid ex-
pansion of the African Union Mission.”
(8) On February 1, 2005, the United Nations released the Report of the International Commission of Inquiry on Darfur to the United Nations Secretary-General, dated January 25, 2005, which stated that, “[g]overnment forces and militias conducted indiscriminate attacks, including killing of civilians, torture, disappearances, destruction of villages, rape and other forms of sexual violence, pillaging and forced displace-
ment throughout Darfur,” that such “acts were committed on a widespread and systematic basis, and therefore may amount to crimes against humanity,” and that the “magnitude and large-scale nature of some crimes against humanity as well as their consistency over a long period of time, nec-
essarily imply that these crimes result from a central planning operation.”
(9) The Report of the International Com-
mision of Inquiry on Darfur to the United Na-
tions Secretary-General notes that, pursuant to its mandate and in the course of its work, the UN Commission informa-
ted the United Nations Security Council of “the consistent pattern of acts constituting violations of int-
national humanitarian law and international human rights law, including crimes against humanity and war crimes” and that the UN Commission has delivered to the Secretary-
General of the United Nations a sealed file of those named by the UN Commission with the recommendation that the “file be handed over to a competent Prosecutor.”

SEC. 4. SENSE OF CONGRESS.
It is the sense of Congress that—
(1) the atrocities unfolding in Darfur, Sudan, have been and continue to be geno-
cide;
(2) the United States should immediately seek passage at the United Nations Security Council of a resolution that—
(A) requires member states to freeze the property and assets of, deny visas to, and deny entry to—
(i) those named by the UN Commission;
(ii) family members of those named by the UN Commission;
(iii) any associates of those named by the UN Commission to whom assets or property of those named by the UN Commission were transferred on or after June 11, 2004;
(4) the United States should impose sanctions upon those individuals whose names appear in the sealed file delivered to the Secretary General of the United Nations by the International Criminal Tribunal for Darfur to the United Nations Secretary General; and
(5) the United States should not provide any person to whom assets or property of such person were transferred on or after June 11, 2004;
(6) the United States should support acc-
complishment of access to Darfur by the United Nations Security Council, pursuant to Chap-
ter VII of the Charter of the United Nations; and
(7) the United States should provide as-
cistance to the Government of Sudan other than assistance necessary for the implementa-
tion of the Sudan North-South Peace
Agreement, the support of the southern regional government in Sudan, or for humanitarian purposes in Sudan, unless the President certifies and reports to Congress that—

(A) the security council and other international organizations are being granted full, unimpeded access to Darfur and the Government of Sudan is providing full cooperation with humanitarian efforts;

(B) concrete, sustained steps are being taken toward demobilizing and disarming Janjaweed militias and any other militias supported or created by the Government of Sudan;

(C) the Government of Sudan is cooperating fully with the African Union, the United Nations, and all other observer, monitoring, and protection missions mandated to operate in Sudan;

(D) the United Nations Security Council and relevant countries, including the United States and other assistance to the African Union and other international organizations, are creating mechanisms for the enforcement of a no-fly zone in Darfur;

(E) the Government of Sudan permits the safe and voluntary return of displaced persons and refugees to their homes and rebuilds the communities destroyed in the violence in Darfur; and

(F) the Sudan North-South Peace Agreement is fully implemented and a new coalition government is created under such Agreement;

(2) The President should work with the African Union and other international organizations and nations to establish mechanisms for the enforcement of a no-fly zone in Darfur;

(3) the African Union should extend its mandate in Darfur to include the protection of civilians and proactive efforts to prevent violence, and member states should support fully the extension of such mandate;

(4) the Secretary of Defense, should raise the issue of the need to deploy an African Union force in Darfur and discuss with the United States and the European Union and other supporters of the African Union force on the needs of such force, including assistance for housing, transportation, communications, equipment, training and command and control assistance, and intelligence; and

(5) the Secretary of Defense, should report to the appropriate congressional committees a report describing the waiver and the reasons therefor.

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CONGRESSIONAL RECORD — SENATE
March 2, 2005

SECTION 5. IMPOSITION OF SANCTIONS.

(a) FREEZING ASSETS.—At such time as the United States has access to the names of those named by the UN Commission, the President shall take such action as may be necessary to immediately freeze the funds and other assets of those named, their family members, and any associates of those or whose names are named on or after that date. In requiring that any United States financial institution holding such funds and assets promptly report those funds and assets to the Office of Foreign Assets Control.

(b) VISAS BAN.—Beginning at such times as the United States has access to the names of those named by the UN Commission, the President shall deny visas and entry to—

(1) those named by the UN Commission;

(2) the family members of those named by the UN Commission; and

(3) anyone the President determines has been, is, or may be planning, carrying out, responsible for, or otherwise involved in crimes against humanity, war crimes, genocide, or involvement in Sudan.

(c) ASSET REPORTING REQUIREMENT.—Not later than 14 days after a decision to freeze the property or assets of, or deny a visa or entry to, a person, the President shall report the name of such person to the appropriate congressional committees.

(d) NOTIFICATION OF WAIVERS OF SANCTIONS.—Not later than 30 days before waiving the provisions of any sanctions currently in force with regard to Sudan, the President shall submit to the appropriate congressional committees a report describing the waiver and the reasons therefor.

SECTION 6. REPORTS TO CONGRESS.

(a) REPORTS ON STABILIZATION IN SUDAN.—The Secretary of Defense, shall report to the appropriate congressional committees on efforts to deploy an African Union force in Darfur, the capacity of such force to stabilize Darfur and protect civilians, the need for such force to succeed at such mission including housing, transportation, communications, equipment, technical assistance, in-kind contributions, and intelligence, current status of United States and other assistance to the African Union force, and additional United States assistance needed.

(b) REPORT ON THOSE NAMED BY THE UN COMMISSION.—At such time as the United States has access to the names of those named by the UN Commission, the President shall submit to the appropriate congressional committees a report listing such names.

(c) REPORTS ON ACCOUNTABILITY.—

(1) IN GENERAL.—No later than 30 days after the date of enactment of this Act and every 30 days thereafter, the President shall submit to the appropriate congressional committees a report on the status of efforts in the United Nations Security Council to ensure that prompt, fair, and impartial adjudication of those named by the UN Commission in a competent international court of justice.

(2) CONTENT.—The reports required under paragraph (1) shall describe—

(A) the status of any relevant resolution introduced in the United Nations Security Council;

(B) the policy of the United States with regard to such resolutions;

(C) the status of all possible venues for prompt, fair, and impartial adjudication of those named by the UN Commission, including whether such venues have the jurisdiction, personnel and assets necessary to promptly prosecute cases involving those persons; and

(D) any ongoing or planned United States or other assistance related to the prosecution or adjudication of cases involving those named by the UN Commission.

Mr. BROWNBACK. Mr. President, today with several bipartisan colleagues, Senator CORZINE and I introduced the Darfur Accountability Act of 2005. For nearly a year, this body has been aware of the ongoing genocide in Sudan. Last July we declared genocide in Darfur, followed shortly thereafter by the same declaration by former Secretary of State Colin Powell. Yet no concrete and measurable actions by the international community against the Government of Sudan for these egregious human rights violations. Some sources estimate that as many as 400,000 people have died as a result, and nearly 2 million have been displaced from their homes.

Yesterday I spoke on the Senate floor in an attempt to display the face of genocide. Photographs of scorched bodies, castrated men, dead children, and burned villages were provided to me by Nicholas Kristof of the New York Times. These photos do nothing less than display the cruel impunity of those committing genocide. The haunting reality is that the international community has failed on their promise of “never again.”

The United Nations should take immediate steps to end this genocide and Kofi Annan should lead the Security Council to pass an unequivocal resolution that will immediately change the situation on the ground. There is no longer an excuse; we must call this what this is, and we must immediately act to prevent further pillaging and death. I have called on Annan several times to lead or leave. He should pass a resolution with mechanisms to see that the impunity ends and if he fails to do so, resign in moral protest at the international community’s complicity and inaction.

Our bill, the Darfur Accountability Act of 2005, calls for several key measures to be taken, including: a multilateral arms embargo to include the government of Sudan; a no fly zone; bilateral sanctions; targeted sanctions including travel bans and the freezing of assets of criminals; accelerated assistance to AU monitoring troops, and several other items that will secure a peaceful Darfur.

I encourage my colleagues to join us in moving this bill through Congress. We do not have days or weeks to spare when millions of lives are in jeopardy. We cannot grant the government of
Sudan and the janjaweed more time to execute the African tribes in Darfur. I look forward to working with Senator CORZINE and other colleagues to see passage of this bill immediately.

By Mr. SALAZAR:
S. 496. A bill to provide permanent funding for the payment in lieu of taxes program, and for other purposes; to the Committee on Homeland Security and Governmental Affairs.

By Mr. SALAZAR:
S. 497. A bill to revitalize our nation’s rural communities by expanding broadband services; to the Committee on Finance.

Mr. SALAZAR. Mr. President, I rise to speak about two bills I am introducing today and to speak out in support of rural Colorado and rural America. The two bills—one to increase investment in broadband technology in rural areas, and another to permanently fund the payment in lieu of taxes program—are the first bills I am introducing in the 110th Congress. I am proud to be both targeted at rural Colorado.

Over 400 years ago, in 1598, my family helped found the oldest city in what is now these United States. They named the city Santa Fe—the City of Holy Faith—because they knew the hand of God would guide them through the struggles of survival in the ages ahead.

For the next four centuries, that faith in their future guided them to overcome extremely painful and challenging times. As humble and poor farmers, the circumstances of their lives forged the priceless and timeless values of my father Henry and mother Emma. And they instilled those values in their children.

My family has now farmed the same lands in southern Colorado, 110 miles north of Santa Fe, for almost 150 years. On that ranch, we did not have a telephone, and the power lines did not reach us until 1953. Although we were poor in material goods, we were rich in spirit. My parents were part of the World’s “greatest generation”—my father a proud veteran of World War II and my mother a proud servant in the War Department. Although neither had a college degree, they taught us about the values and the promise of America. All eight of their children became first-generation college graduates, inspired by their dedication to God, family, community, and country.

As Colorado’s U.S. Senator, I am proud of my values and roots in rural Colorado. Rural America is the heart of our great Nation.

The values my parents taught me are the fundamental values that make this country the place I am privileged to call home.

Unfortunately, the America where I grew up is vanishing, left behind by a Washington DC that has lost touch with the values that are important to the people of the heartland. I fear that rural Colorado, like the rest of rural America, has become “the forgotten America.”

Rural America has given up its sons and daughters to the cause of freedom without hesitation and in numbers that far exceed its proportion of the country’s population. It has worked quietly to put food on our tables, and remains humbly grounded, seeking neither praise nor reward.

Yet when the President reported on the State of the Union, there was not a word on the state of the more than 3,000 counties that make up rural America—not a word. And in the administration’s budget, the programs and investments vital to those communities—PILT, block grants, conservation programs, investments in animal and food safety, and investments in technology, schools and law enforcement—were drastically cut.

Last week, I traveled nearly 2,000 miles to every corner of Colorado and convened 17 meetings with elected officials representing Colorado’s 64 counties.

In those meetings, I heard the state of rural America in the words of the people who are fighting for their families everyday.

The state of rural America is sadly the state of the forgotten America. In rural communities, residents face lower incomes and are far more likely to be unemployed than people in urban and suburban areas.

In Crowley County, east of Pueblo, there is only one nurse practitioner to serve a county of 11,000 people. If you get sick in Crowley County, you have three choices: wait, go to the emergency room, or hope you get better.

In Routt County, veterans have to travel nearly 200 miles to Grand Junction to see a doctor in the VA clinic. A few months ago, there was no waiting list to see a doctor. Now, there’s a waiting list of 400, which means veterans in western Colorado wait 5 months to see a doctor.

The Dolores County Sheriff, Jerry Martin, has to make hiring decisions based not on public security demands but on the ability of his department to provide health care to the prospective employee. Health care premiums have risen 20 percent every year the last 3 years in Dolores County.

Across the State, people told me that their health care premiums dwarf their mortgage payments because in many rural areas they pay $400 per month for health insurance for their families.

Between 1996 and 2000, one in three of our rural schools saw its enrollment drop more than 10 percent. Though they continue to excel on State tests, too many of our rural schools have been forced to divert valuable resources to fulfill the unfunded mandates of No Child Left Behind.

In Kiowa, Moffat, and Custer Counties, our teachers are paid much less than teachers in the big cities. In Kit Carson County, whose teachers sometimes teach two and three subjects, only half of our teachers right now would meet new Federal standards requiring them to be certified for each subject.

And in the town of Rico, half of Main Street is boarded up: there’s a liquor store, but not much else. According to the Kansas City Federal Reserve Bank, that may be part of a larger trend: Main Street in rural Colorado is losing its storefronts at an alarming rate.

Compare those needs to the budget the Administration recently proposed.

While we are facing a shortage of qualified and trained health care employees, the administration budget this year cut health professions training by almost two thirds, $290 million.

While our State tries to deal with a devastating budget crisis, the Administration dramatically reduced funding for the Community Development Block Grants on which towns, from Greeley to Grand Junction to Denver, depend.

For the fifth year in a row, the Administration’s budget fails to fulfill the funding promises made in the No Child Left Behind law, but still heeds mandates on local schools.

Moreover, the proposed budget eliminates low-interest loans for students who have the grades but can’t afford to go to college and eliminates funding for vocational training that many rural Colorado students use.

The proposed budget cuts $250 million from one of the most successful small business investment programs and decimates USDA investments in rural economic development.

While we combat methamphetamine production and invest precious resources in meth lab clean up, the budget cuts Safe and Drug Free School grants, the COPS program by nearly $500 million, and State and local homeland security training programs by 60 percent.

I want to propose two small steps in my effort to reinvest in rural America. In coming months I intend to introduce measures to strengthen rural law enforcement, revitalize rural health care, invest in Main Street, strengthen rural education, help ensure efficient and equitable sharing of water resources and underscore the values that shape every rural community in Colorado.

The first bill is on the PILT program. I know that education in rural America is funded through a variety of means, including through resources passed to rural counties through the Payment in Lieu of Taxes program. The PILT program by nearly $500 million, and State and local homeland security training programs by 60 percent.

The idea behind the PILT program is simple. It makes sure that local communities in States like Colorado—States that have seen large parts of land set aside by the Federal Government for public use—do not lose valuable resources from foregone property taxes. Those resources fund programs from education to law enforcement.

Unfortunately, this year the administration’s budget is again proposing to cut that funding. Thanks to the efforts of my Democratic and Republican colleagues, such as Senator BINGMAN, some of that funding has been won back over the last several years, and I
am hopeful we will do so again this year.

But our local communities should not have to wait and wonder every year whether their resources for schools, roads and law enforcement will make it into the budget, and that is why I am introducing a bill to make permanent the funding for the payment in lieu of taxes program.

I am also introducing a bill to increase investment in broadband technology in rural communities. Bringing broadband to rural schools will give our students access to technology that millions of other students take for granted. With broadband will come world class research and access to AP courses at Colorado's universities. And with broadband we will see the economic development for which rural Colorado has been waiting.

The benefits of this investment do not stop in education and business. Telehealth is increasingly vital in rural America. We can't afford the doctor. ''Senator, you'd never believe how many times a year I have to take a sick person to the hospital.''

First, it will establish our Nation's first Rural Broadband Office to coordinate all Federal Government resources as they relate to broadband.

Second, it will help broadband providers keep pace with our rapidly changing technology.

And third, it calls on the Congress to live up to its responsibility to fully fund rural utilities.

It has been a long road that has carried me from that ranch in the San Luis Valley, growing up as one of eight siblings and later attending college and law school before having the privilege to serve in U.S. Senate.

In all of this, I have never forgotten where I come from. In my office, I have a sign on my desk that reads ''No Farms, No Food.'' Every day I look at it, and I am reminded of just how dependent we are on the people of rural Colorado, and in rural communities all across America.

At a meeting with leaders from Colorado's rancher community last month, a wheat farmer from southeastern Colorado told me this: ''Senator, you'd never believe how many farmers refuse to go to the doctor when they get sick. It's not that they aren't really sick. It's that they can't afford the doctor.''

Unfortunately, Mr. President, I do believe that wheat farmer, and I know rural America needs our help.

In America, the most powerful, prosperous, idealistic country the world has ever known, we can do better.

And protecting that way of life—in our churches and town halls, Main Streets and living rooms, ranches and independent drug stores—demands it. Together, we can make sure that no one anywhere in this country feels that he is part of a ''Forgotten America'' any longer.

I yield the floor.

Mr. CORZINE. Mr. President, I congratulate my colleague from Colorado. His maiden speech was as brilliant as his life has been. It is an honor to serve with him, when I think about the story of his family and its presence and contribution to this country and the power with which he speaks for those he represents in rural America. This will be one of many speeches that make a great impact on our country. I am honored to serve with him and congratulate him on his initial voyage.

Mr. SALAZAR. Mr. President, I appreciate the comments from the Senator from New Jersey.

I ask unanimous consent that the text of the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD.

SEC. 2. RURAL BROADBAND OFFICE. 

(a) In general.—There is established within the Department of Commerce, the Rural Broadband Office.

(b) Duties.—The Office shall coordinate all Federal Government resources as they relate to the expansion of broadband technology into rural areas.

(c) Report.—Not later than 1 year after the date of the enactment of this Act, and annually thereafter, the Rural Broadband Office shall submit a report to the Congress that:

(1) assesses the availability of, and access to, broadband technology in rural areas;

(2) provides the number of individuals using broadband technology in rural areas;

(3) estimates the unmet demand for broadband technology in rural areas; and

(4) sets forth a strategic plan to meet the demand described in paragraph (3).

SEC. 3. FULL FUNDING FOR RURAL BROADBAND SERVICES. 

It is the sense of Congress that the loan program established in section 4 of the Rural Electrification Act of 1936 (7 U.S.C. 901 et seq.), which is essential to the economic welfare of small communities and rural residents, be funded fully.

SEC. 4. EXPENDING OF BROADBAND INTERNET ACCESS EXPENDITURES FOR RURAL COMMUNITIES. 

(a) In general.—Part V of subchapter B of chapter 69 of title 31, United States Code, is amended by inserting after section 6905 the following new section:

"SEC. 191. BROADBAND EXPENDITURES FOR RURAL COMMUNITIES.

"(a) Treatment of Expenditures.—

"(1) In general.—A taxpayer may elect to treat any qualified broadband expenditure, which is paid in or incurred by the taxpayer as an expense which is not chargeable to capital accounts, which is so treated shall be allowed as a deduction.

"(2) Election.—An election under paragraph (1) shall be made at such time and in such manner as the Secretary may prescribe by regulation.

"(b) Qualified Broadband Expenditures.—

"(1) In general.—The term 'qualified broadband expenditure' means, with respect to any taxable year, any direct or indirect costs incurred and properly taken into account with respect to:

"(A) the purchase or installation of qualified equipment (including any upgrades thereto), and

"(B) the connection of such qualified equipment to any qualified subscriber.

"(2) Certain Satellite Expenditures Excluded.—Such term shall not include any costs incurred with respect to the launching of any satellite equipment.

"(3) Leased Equipment.—Such term shall include so much of the purchase price paid by the lessor of qualified equipment subject to a lease described in subsection (c)(2)(B) as is attributable to expenditures incurred by the lessee which would otherwise be described in paragraph (1).

"(c) When Expenditures Taken into Account.—For purposes of this section—

"(1) In general.—Qualified broadband expenditures with respect to qualified equipment shall be taken into account with respect to the first taxable year in which—

"(A) current generation broadband services are provided through such equipment to qualified subscribers, or

"(B) next generation broadband services are provided through such equipment to qualified subscribers.

"(2) Limitation.—

"(A) In general.—Qualified expenditures shall be taken into account under paragraph (1) only with respect to qualified equipment—
section—

RIER.—The term 'commercial mobile service

section 602(5) of the Communications Act of

vide commercial mobile radio service as de-

clause (i), which the equipment is capable of

subscribers within the area consisting only of

the number of potential qualified sub-

within the rural areas which the equipment

(a) the numerator of which is the sum of

(b) the commercial mobile service carrier,

(c) an open video system operator,

(d) a satellite carrier,

(e) a telecommunications carrier.

(f) any other wireless carrier, providing
current generation broadband services or
next generation broadband services to
subscribers through such qualified equip-
ment;

(g) any carrier or operator using any
other technology.

(2) PROVIDER OF SERVICES.—A provider
shall be treated as providing services to 1 or
more subscribers if—

(A) such a subscriber has been passed by
the provider's equipment and can be
connected to such equipment for a standard
connection fee.

(B) the provider is physically able to
deliver current generation broadband services or
next generation broadband services, as
applicable, to such a subscriber without mak-
ing more than an insignificant investment
with respect to such subscriber.

(C) the provider has made reasonable ef-
forts to make such subscribers aware of the
availability of such services.

(D) such services have been purchased by
1 or more such subscribers, and

(E) such services are made available to
such subscribers at average prices consis-
table to those at which the provider makes
available similar services in any areas in
which the provider makes available such services.

(13) QUALIFIED EQUIPMENT.—

(A) IN GENERAL.—The term 'qualified equip-
ment' means equipment which provides
current generation broadband services or
next generation broadband services—

(i) at least a majority of the time during
periods of maximum demand to each sub-
scriber who is utilizing such services, and

(ii) in a manner substantially the same as
such services are provided by the provider to
subscribers through equipment with respect
to which no reduction is allowed under sub-
section (a)(1).

(B) ONLY CERTAIN INVESTMENT TAKEN INTO
ACCOUNT.—Except as provided in subpara-
graph (A), only—

(i) extends from the last point of switch-
ting to the outside of the unit, building,
dwelling, or office owned or leased by a sub-
scriber in the case of a telecommunications
carrier,

(ii) extends from the customer side of
the mobile telephone switching office to a trans-
mission/receive antenna (including such an-
tenna) owned or leased by a sub-
scriber in the case of a commercial mobile service
carrier,

(iii) extends from the customer side of
the headend to the outside of the unit, building,
dwelling, or office owned or leased by a sub-
scriber in the case of a satellite carrier or other wireless
carrier, unless such other wireless carrier is also
a telecommunications carrier.

(C) PACKET SWITCHING EQUIPMENT.—Packet-
switching equipment, regardless of loca-
tion, shall be taken into account under sub-
paragraph (A) only if it is deployed in con-
nection with equipment described in sub-
paragraph (B) and is uniquely designed to
perform the function of packet switching for
current generation broadband services or
next generation broadband services, but only
if such packet switching is the last in a se-
ries of such functions performed in the trans-
mision of a signal to a subscriber or the first
in a series of such functions performed in
the transmission of a signal from a sub-
scriber.

(14) MULTIPLEXING AND DEMULTIPLEXING
EQUIPMENT.—Multiplexing and demulti-
plexing equipment shall be taken into account
under subparagraph (A) only to the extent it
is deployed in connection with equipment
described in subparagraph (B) and is uniquely
designed to perform the function of multi-
plexing and demultiplexing packets or cells of
data and making associated application
adaptations, but only if such multiplexing or
demultiplexing equipment is located between
packet switching equipment described in sub-
paragraph (C) and the subscriber's prem-
ises.

(15) QUALIFIED SUBSCRIBER.—The term
'qualified subscriber' means—

(A) a cable operator,

(B) a former cable operator, with respect
to the provision of current
generation broadband services,

(i) any nonresidential subscriber main-
aining a permanent place of business in a
rural area, or

(ii) any residential subscriber residing in
a dwelling located in a rural area which is
not a saturated market, and

(C) the provider has made reasonable ef-
forts to make such subscribers aware of the
availability of such services.

(D) MULTIPLEXING AND DEMULTIPLEXING

(E) the provider of such equipment is not
within 5 miles of any incorporated or
census designated place contain-
ing more than 25,000 people, and

(F) is not within a county or county
equalization area which has a population density
of more than 500 people per square
mile of land.

(RURAL SUBSCRIBER.—The term 'rural sub-
scriber' means an individual who is residing in a
dwelling located in a rural area or
nonresidential subscriber maintaining a
premise located in a rural area which is
not a saturated market, and

(E) (F) is not within a county or county
equalization area which has a population density
of more than 500 people per square
mile of land.

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scriber' means an individual who is residing in a
dwelling located in a rural area or
nonresidential subscriber maintaining a
premise located in a rural area which is
not a saturated market, and

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equalization area which has a population density
of more than 500 people per square
mile of land.

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nonresidential subscriber maintaining a
premise located in a rural area which is
not a saturated market, and

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nonresidential subscriber maintaining a
premise located in a rural area which is
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equalization area which has a population density
of more than 500 people per square
mile of land.

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dwelling located in a rural area or
nonresidential subscriber maintaining a
premise located in a rural area which is
not a saturated market, and

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equalization area which has a population density
of more than 500 people per square
mile of land.

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scriber' means an individual who is residing in a
dwelling located in a rural area or
nonresidential subscriber maintaining a
premise located in a rural area which is
not a saturated market, and

(E) (F) is not within a county or county
equalization area which has a population density
of more than 500 people per square
mile of land.

(RURAL SUBSCRIBER.—The term 'rural sub-
scriber' means an individual who is residing in a
dwelling located in a rural area or
nonresidential subscriber maintaining a
premise located in a rural area which is
not a saturated market, and

(E) (F) is not within a county or county
equalization area which has a population density
of more than 500 people per square
mile of land.
permanent place of business located in a rural area.

“(18) SATELLITE CARRIER.—The term ‘satellite carrier’ means any person using the facilities or service of a satellite system licensed by the Federal Communications Commission and operating in the Fixed-Satellite Service under part 25 of title 47 of the Code of Federal Regulations or the Direct Broadcast Satellite Service under part 100 of title 47 of such Code to establish and operate a channel of communications for distribution of signals, and owning or leasing a capacity or service on a satellite in order to provide such point-to-multipoint distribution.

“(19) SATURATED MARKET.—The term ‘saturated market’ means any census tract in which, as of the date of the enactment of this section—

“(A) current generation broadband services have been provided by a single provider to 85 percent or more of the total number of potential residential subscribers residing in dwellings located within such census tract, and

“(B) such services can be utilized—

“(i) at least a majority of the time during periods of maximum demand by each such subscriber who is utilizing such services, and

“(ii) in a manner substantially the same as such services are provided by the provider to subscribers in the census tract with respect to which no deduction is allowed under subsection (a)(1).

“(20) SUBSCRIBER.—The term ‘subscriber’ means any person who purchases current generation broadband services or next generation broadband services.

“(21) TELECOMMUNICATIONS CARRIER.—The term ‘telecommunications carrier’ has the meaning given such term by section 1(44) of the Internal Revenue Code of 1986.

“S. 498. A bill to provide for expansion of electricity transmission networks in order to support competitive electricity markets, to ensure reliability of electric service, to modernize regulation and for other purposes; to the Committee on Energy and Natural Resources.

Mr. BURR. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD, as follows:

S. 498

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 “Interstate Transmission Act of 2005”.

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

TITLE I—RELIABLE AND ECONOMIC TRANSMISSION INFRASTRUCTURE

Sec. 101. Transmission infrastructure investment.

Sec. 102. Open nondiscriminatory access.

Sec. 103. Electric transmission property treated as 15-year property.

Sec. 104. Disposition of property.

Sec. 105. Electric reliability standards.

TITLE II—PROTECTING RETAIL CONSUMERS

Sec. 201. Native load service obligation.

Sec. 202. Voluntary transmission pricing plans.

(2) TREASURY REGULATORY AUTHORITY.—It is the intent of Congress in providing the election to deduct qualified broadband expenditures under section 191 of the Internal Revenue Code of 1986 (as added by this section) to provide incentives for the purchase, installation, and connection of equipment and facilities offering expanded broadband access to the Internet for certain rural areas of the United States, as well as to residential users nationwide, in a manner that maintains competitive neutrality among various classes of providers of broadband services. Accordingly, the Secretary of the Treasury shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of section 191 of such Code, including—

(A) regulations to determine how and when a taxpayer that incurs qualified broadband expenditures satisfies the requirements of section 191 of such Code to provide broadband services, and

(B) regulations describing the information, records, and data taxpayers are required to provide the Secretary to substantiate compliance with the requirements of section 191 of such Code.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures incurred after the date of the enactment of this Act and before the date which is 12 months after the date of the enactment of this Act.

By Mr. BURR (for himself, Ms. LANDRIEU, and Mr. LOTT):
TITLE III—VOLUNTARY PARTICIPATION IN REGIONAL TRANSMISSION ORGANIZATIONS

Sec. 301. Promotion of voluntary development of regional transmission organizations, independent transmission providers, and similar organizations.

SEC. 2. FINDINGS.

Congress finds that—

(1) transmission networks are the backbone of reliable delivery of electric energy and competitive wholesale power markets;

(2) in-kind, enhancement, and improvement of transmission facilities, and rules of the road for using the facilities, are necessary to maintain and improve the reliability of electric service and to enhance competitive wholesale markets across the United States and competitive retail markets that have been adopted by nearly the States;

(3) to ensure reliable and efficient expansion, enhancement, and improvement of transmission facilities, the economics of the business of electric transmission and the Federal regulatory structures applicable to the facilities must be improved;

(4) Federal electricity regulatory policy should benefit consumers by providing incentives for infrastructure improvement and by removing barriers to efficient competition, and not by the imposition of market structures or costly mandates;

(5) slow, burdensome, or duplicative reviews of utility mergers are a disincentive to the efficient disposition of utility assets needed to ensure a reliable and efficient infrastructure;

(6) since efficient competition requires accurate price signals that reflect cost causation, parties that benefit from transmission upgrades should be required to pay for the upgrades;

(7) Federal regulation should not override the interests of local consumers or State laws that ensure reliable service and adequate transmission capacity to serve consumers;

(8) in regions where the formation of regional transmission organizations or similar entities have been formed voluntarily with oversight by the States, the Federal Energy Regulatory Commission should have clear authority to approve applications for the organizations that are consistent with the Federal Power Act (16 U.S.C. 791a et seq.);

(9) the States and electricity consumers in each region of the United States, and not the Federal Government, are in the best position to determine how the electric power systems serving their regions should be structured, including whether Regional Transmission Organization formation, traditional vertical integration, or other structures are cost effective for their region; and

(10) mandatory reliability rules, developed and embodied by a self-regulating electric reliability organization, are a vital component of a comprehensive policy to ensure a robust and reliable electricity grid.

TITLE I—RELIABLE AND ECONOMIC TRANSMISSION INFRASTRUCTURE

SEC. 101. TRANSMISSION INFRASTRUCTURE INVESTMENT.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by adding at the end the following:

"SEC. 215. TRANSMISSION INFRASTRUCTURE INVESTMENT.

"(a) Rulemaking Requirement.—Within 1 year after the enactment of this section, the Commission shall establish, by rule, incentive-based (including, but not limited to performance-based) rate treatments for the transmission of electric energy in interstate commerce by any public utility for the purpose of benefitting consumers by ensuring reliability and reducing the cost of delivered power by reducing transmission congestion. Such rule shall—

"(1) promote reliable and economically efficient transmission and generation of electricity by promoting capital investment in the enlargement, improvement, maintenance, and operation of transmission and migration of electric energy in interstate commerce;

"(2) provide a return on equity, determined using a variety of reasonable valuation methodologies, that attracts investment in transmission facilities (including related transmission assets) and prudently incurred costs for constructing transmission facilities;

"(3) encourage deployment of transmission technologies and other measures to increase the capacity and efficiency of existing transmission facilities and improve the operation of such facilities;

"(4) allow recovery of all prudently incurred costs necessary to comply with mandatory reliability standards issued pursuant to section 216 of this Act;

"(5) allow a current return in rates for construction work in progress for transmission facilities if the prudently incurred costs for constructing transmission facilities;

"(6) allow the use of formula transmission rates;

"(7) allow rates of return that do not vary with capital structure; and

"(8) allow a maximum 15-year accelerated depreciation on new transmission facilities for rate treatment purposes.

"(b) Additional Incentives for RTO Participation.—In the rule issued under this section, the Commission shall, to the extent permitted by law, provide additional incentives for each transmission company that joins a Regional Transmission Organization or Independent System Operator. Incentives provided by the Commission pursuant to such rule shall include—

"(1) recovery of all prudently incurred costs to develop and participate in any proposed or approved RTO, ISO, or independent transmission company;

"(2) recovery of all costs previously approved by a State commission which exercise jurisdiction over the transmission facilities prior to the utility's participation in the RTO or ISO, including costs necessary to honor preexisting transmission service contracts, in a manner which does not reduce the revenues the utility receives for transmission services for a reasonable transition period after the utility joins the RTO or ISO; and

"(3) recovery as an expense in rates of the costs prudently incurred to conduct transmission planning and reliability activities, including the costs of participating in RTO, ISO and other regional planning activities and design, study and other precertification costs involved in seeking permits and approvals for proposed transmission facilities.

The Commission shall ensure that any costs recoverable pursuant to this subsection may be recovered by such utility through the transmission rates charged by such utility or through the transmission rates charged by the RTO or ISO that provides transmission service to such utility.

"(c) Just and Reasonable Rates.—All rates approved under the rules adopted pursuant to this section, including any revisions to such rules, are subject to the requirement of sections 205 and 206 that all rates, charges, terms, and conditions be just and reasonable and not unduly discriminatory or preferential.

SEC. 102. OPEN NONDISCRIMINATORY ACCESS.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) is amended by inserting after section 211 the following new section:

"SEC. 211A. OPEN, UNREGULATED TRANSMITTING UTILITIES.

"(a) Transmission Services.—Subject to section 201(c), the Commission, if directed by a rule or order, require an unregulated transmitting utility to provide transmission services—

"(1) at rates that are comparable to those that the unregulated transmitting utility charges itself; and

"(2) on terms and conditions (not relating to rates) that are comparable to those under which such unregulated transmitting utility provides transmission services to itself and that are not unduly discriminatory or preferential.

"(b) Exemption.—The Commission shall exempt from any rule or order under this section any unregulated transmitting utility that—

"(1) sells no more than 4,000,000 megawatt-hours of electricity per year;

"(2) does not own or operate any transmission facilities that are necessary for operating an interconnected transmission system (or any portion thereof); or

"(3) meets other criteria the Commission determines to be in the public interest.

"(c) Local Distribution Facilities.—The requirements of subsection (a) shall not apply to facilities used for local distribution.

"(d) Exemption Termination.—Whenever the Commission, after an evidentiary hearing held upon a complaint and after giving consideration to reliability standards established under section 216, finds on the basis of a preponderance of the evidence that any exemption granted pursuant to subsection (b) unreasonably impairs the continued reliability of an interconnected transmission system, it shall revoke the exemption granted for that transmitting utility.

"(e) Application to Unregulated Transmitting Utilities.—The rate changing procedures applicable to public utilities under subsections (c) and (d) of section 205 are applicable to unregulated transmitting utilities for purposes of this section.

"(f) Remand.—In exercising its authority under paragraph (e) of this section, the Commission may request that the rate setting proceeding be remanded to a State commission for consideration.

"(g) Other Requests.—The provision of transmission services under subsection (d) does not preclude a request for transmission services under section 211.

"(h) Limitation.—The Commission may not require a State or municipality to take action under this section that would violate a private property bond rule for purposes of section 141 of the Internal Revenue Code of 1986 (26 U.S.C. 141).

"(i) Transfer of Control of Transmitting Facilities.—Nothing in this section authorizes the Commission to require an unregulated transmitting utility to provide transfer control or operational control of its transmitting facilities to an RTO or any other Commission-approved independent transmission organization designed to provide nondiscriminatory transmission access.

"(j) Definition.—For purposes of this section, the term ‘unregulated transmitting utility’ means an entity that—

"(1) owns or operates facilities used for the transmission of electric energy in interstate commerce; and

"(2) is an entity described in section 201(f)."

SEC. 103. ELECTRIC TRANSMISSION PROPERTY TREATED AS EXISTING FACILITIES.

(a) In General.—Subparagraph (E) of section 158(e)(3) of the Internal Revenue Code of
SEC. 105. ELECTRIC RELIABILITY STANDARDS.

(a) Definitions.—For purposes of this section:

(1) The term ‘bulk-power system’ means—

(A) facilities and control systems necessary for operating an interconnected electric energy transmission network (or any portion thereof);

(B) electric energy from generation facilities needed to maintain transmission system reliability.

The term does not include facilities used in the local distribution of electric energy.

(2) The terms ‘Electric Reliability Organization’ and ‘ERO’ mean the organization certified by the Commission under subsection (c) of the purpose of which is to establish and enforce reliability standards for the bulk-power system, subject to Commission review.

(3) The term ‘reliability standard’ means a requirement, approved by the Commission under this part, to provide for reliable operation of the bulk-power system.

(b) Jurisdiction and applicability.—(1) The Commission shall have jurisdiction, within the United States, over the ERO certified under subsection (a)(1) and any regional entities and operators of the bulk-power system.

(2) The Commission may approve, by rule, an Interconnection-wide reliability standard that addresses a specific matter if the Commission considers such a new or modified reliability standard appropriate to carry out this section.

(3) The final rule adopted under subsection (b)(2) shall include fair procedures for the identification and timely resolution of any conflict between a reliability standard and any function, rule, order, tariff, rate schedule, or agreement accepted, approved, or ordered by the Commission applicable to a transmission organization. Such transmission organization shall continue to comply with such function, rule, order, tariff, rate schedule, or agreement accepted, approved, or ordered by the Commission until—

(A) the Commission finds a conflict exists between a reliability standard and any such provision;

(B) the Commission orders a change to such provision pursuant to section 206 of this part; and

(C) the ordered change becomes effective under this part.

If the Commission determines that a reliability standard needs to be changed as a result of a conflict between such a reliability standard and any such provision, the Commission shall make the necessary change to such reliability standard to develop and file with the Commission a modified reliability standard approved by the Commission under subsection (d) if the ERO, after notice and an opportunity for a hearing—

(A) finds that the user, owner, or operator violates the reliability standard approved by the Commission under subsection (d) and

(B) files notice and the record of the proceeding with the Commission.

(2) A penalty imposed under paragraph (1) may take effect not earlier than 30 days after the ERO files with the Commission notice of the penalty and the record of proceedings. Such penalty shall be subject to review by the Commission, on its own motion or upon application by the user, owner, or operator that is the subject of the penalty filed within 30 days after the date such notice is filed with the Commission. Application to the Commission for review, or the initiation of any such proceeding with the Commission, shall not operate as a stay of such penalty, unless the Commission, after notice and an opportunity to be heard, shall impose, reinstate, or modify the penalty, and, if appropriate, remand to the ERO for further proceeding with the Commission.

(d) Certification.—Following the issuance of a Commission rule under section 206, any person may submit an application to the Commission for certification as the Electric Reliability Organization. The Commission may certify 1 such ERO if the Commission determines that such ERO—

(1) has the ability to enforce, subject to subsection (e)(2), reliability standards that provide for an adequate level of reliability of the bulk-power system; and

(2) has established rules that—

(A) assure its independence of the users and owners of the bulk-power system, while assuring fair stakeholder representation in the selection of its directors and balanced decisionmaking in any ERO committee or subordinate organizational structure;

(B) allocate equitably reasonable dues, fees, and other charges among end users for all activities under this section;

(C) provide fair and impartial procedures for enforcement of reliability standards through the imposition of penalties in accordance with subsection (e) (including limitations on activities, functions, or operations, or other appropriate sanctions); and

(D) provide for reasonable notice and opportunity for public comment, due process, openness, and balance of interests in developing reliability standards and otherwise exercising its duties; and

(E) provide for taking, after certification, appropriate steps to gain recognition in Canada and Mexico.

(e) Reliability Standards.—(1) The Electric Reliability Organization shall file each reliability standard or modification to a reliability standard that it proposes to be made effective under this section with the Commission.

(2) The Commission may approve, by rule or order, a proposed reliability standard or modification to a reliability standard if it determines that the standard is just, reasonable, not unduly discriminatory or preferential, and in the public interest. The Commission shall give due weight to the technical expertise of the Electric Reliability Organization with respect to the content of a proposed standard or modification to a reliability standard and to the technical expertise of a regional entity organized under this part; and in such case, the Commission shall not operate as a stay of such penalty, unless the Commission, after notice and an opportunity for a hearing, shall impose, reinstate, or modify the penalty, and, if appropriate, remand to the ERO for further proceeding with the Commission.

(3) The Electric Reliability Organization shall ensure that a proposal from a regional entity organized on an Interconnection-wide basis for a reliability standard or modification to a reliability standard to be applicable on an Interconnection-wide basis is just, reasonable, and not unduly discriminatory or preferential, and in the public interest.

(4) The Commission shall remand to the Electric Reliability Organization for further consideration a proposed reliability standard or modification to a reliability standard that the Commission disapproves in whole or in part.

(5) If the Commission, upon its own motion or upon complaint, may order the Electric Reliability Organization to submit to the Commission a proposed reliability standard or modification to a reliability standard that addresses a specific matter if the Commission considers such a new or modified reliability standard appropriate to carry out this section.

(6) The final rule adopted under subsection (b)(2) shall include fair procedures for the identification and timely resolution of any conflict between a reliability standard and any function, rule, order, tariff, rate schedule, or agreement accepted, approved, or ordered by the Commission applicable to a transmission organization. Such transmission organization shall continue to comply with such function, rule, order, tariff, rate schedule, or agreement accepted, approved, or ordered by the Commission until—

(A) the Commission finds a conflict exists between a reliability standard and any such provision;

(B) the Commission orders a change to such provision pursuant to section 206 of this part; and

(C) the ordered change becomes effective under this part.

If the Commission determines that a reliability standard needs to be changed as a result of a conflict between such a reliability standard and any such provision, the Commission shall make the necessary change to such reliability standard to develop and file with the Commission a modified reliability standard approved by the Commission under subsection (d) if the ERO, after notice and an opportunity for a hearing—

(A) finds that the user, owner, or operator violates the reliability standard approved by the Commission under subsection (d) and

(B) files notice and the record of the proceeding with the Commission.

(2) A penalty imposed under paragraph (1) may take effect not earlier than 30 days after the ERO files with the Commission notice of the penalty and the record of proceedings. Such penalty shall be subject to review by the Commission, on its own motion or upon application by the user, owner, or operator that is the subject of the penalty filed within 30 days after the date such notice is filed with the Commission. Application to the Commission for review, or the initiation of any such proceeding with the Commission, shall not operate as a stay of such penalty, unless the Commission, after notice and an opportunity to be heard, shall impose, reinstate, or modify the penalty, and, if appropriate, remand to the ERO for further proceeding with the Commission.

(3) The Electric Reliability Organization shall ensure that a proposal from a regional entity organized on an Interconnection-wide basis for a reliability standard or modification to a reliability standard to be applicable on an Interconnection-wide basis is just, reasonable, and not unduly discriminatory or preferential, and in the public interest.
“(3) On its own motion or upon complaint, the Commission may order compliance with a reliability standard and may impose a penalty against a user or owner or operator of the bulk-power system if the Commission finds, after notice and opportunity for a hearing, that the user or owner or operator of the bulk-power system has engaged in or is about to engage in any acts or practices that constitute or will constitute a violation of a reliability standard.

“(4) The Commission shall issue regulations to assure that the ERO to which the Commission makes an order under paragraph (1) may delegate authority to a regional entity for the purpose of proposing reliability standards to the ERO and enforcing reliability standards within that region. A regional entity shall have no authority under paragraph (1) directly to a regional entity consistent with the requirements of this paragraph.

“(5) The Commission may take such action as is necessary or appropriate against the ERO or a regional entity to ensure compliance with reliability standards or a Commission order affecting the ERO or regional entity.

“(5) The Commission may take such action as is necessary or appropriate against the ERO or a regional entity to ensure compliance with reliability standards or a Commission order affecting the ERO or regional entity.

“(6) Any penalty imposed under this section shall bear a reasonable relation to the seriousness of the violation and shall take into consideration the efforts of such user, owner, or operator to remedy the violation in a timely manner.

“(f) CHANGES IN ELECTRIC RELIABILITY ORGANIZATIONS.—The Electric Reliability Organization shall file with the Commission for approval any rule or proposed rule change, accompanied by an explanation of its basis and purpose. The Commission, upon its own motion or complaint, may propose changes of the kind required by any new or proposed rule or proposed rule change shall take effect upon a finding by the Commission, after notice and opportunity for comment, that the change is just, reasonable, not unduly discriminatory or preferential, is in the public interest, and satisfies the requirements of subsection (c).

“(g) CERTAIN TRANSMISSION RIGHTS.—The Commission may assign the ERO’s authority granted to, an electric utility to enforce reliability standards to the ERO and enforcing reliability standards within that region. A regional entity shall have no authority under paragraph (1) directly to a regional entity consistent with the requirements of this paragraph.

“(h) STATUS OF ERO.—The Electric Reliability Organization may, by reason of ownership of transmission facilities used predominately to supply its service obligations, be considered to be an electric utility.

“(i) EFFECT OF EXERCISING RIGHTS.—An entity that exercises rights granted under subsection (a) shall not be considered by such action as engaging in undue discrimination or preference under this Act.

“(j) DEFINITIONS.—For purposes of this section:

“(1) The term ‘distribution utility’ means an electric utility that has a service obligation to end-users or to a State utility or electric cooperative that, directly or indirectly, through 1 or more additional State utilities or electric cooperatives, provide electric service to end-users.

“(2) The term ‘load-serving entity’ means a distribution utility or an electric utility that has a service obligation.

“(3) The term ‘service obligation’ means a requirement applicable to, or the exercise of authority granted to, an electric utility under Federal, State or local law or under long-term contracts to provide electric service to end-users.

“(4) The term ‘State utility’ means a State or any political subdivision of a State, or
any agency, authority, or instrumentality of any 1 or more of the foregoing, or a corpora-
tion which is wholly owned, directly or indi-
rectly, by any 1 or more of the foregoing, com-
pany, or any combination of the foregoing; or

"(II) appropriate financial or physical rights; or

"(III) any other method of cost recovery or compensation approved by the Commission.

"(3) A plan submitted under this section shall apply only to—

"(A) a company, or interconnection agree-

ment executed or filed with the Commission before the date of enactment of this section; or

"(B) an interconnection agreement pending

rehearing as of November 1, 2003.

"(4) Nothing in this section diminishes or alters the rights of individual members of an RTO or ISO under this Act.

"(5) Nothing in this section shall affect the allocation of costs or the cost methodology employed by the Commission to allocate costs (including costs for transmission service related expansion or new generator interconnection) prior to the date of enactment of this section.

"(6) This section shall not apply within the area referred to in section 212(k)(2)(A).

"(7) The term 'transmission provider' means a public utility that owns or operates facilities that provide interconnection or transmission service in interstate com-
merce.

TITLE III—VOLUNTARY PARTICIPATION IN REGIONAL TRANSMISSION ORGANIZATIONS

SEC. 301. PROMOTION OF VOLUNTARY DEVELOP-
MENT OF REGIONAL TRANSMISSION ORGANIZATIONS, INDEPENDENT TRANSMISSION PROVIDERS, AND SIMILAR ORGANIZATIONS.

Part II of the Federal Power Act (16 U.S.C. 824 et seq.) as amended by section 202 is amended by adding at the end thereof the following new section:

"(a) IN GENERAL.—The Commission may

approve and encourage the formation of independent transmission organizations, inde-
pendent transmission providers, and similar organizations (referred to in this section as 'transmission organizations') for the purpose of enhancing the transmission of electric energy in interstate commerce. Among options for the formation of a transmission organiza-
tion, the Commission shall prefer those in which—

"(1) participation in the organization by trans-
mitting utilities is voluntary;

"(2) the form, structure, and operating en-
tity of the organization is approved by the
participating transmitting utilities; and

"(3) market incentives exist to promote in-
vestment for expansion of transmission fa-
cilities and for the introduction of new
energy technologies within the terri-
tory of the organization.

"(b) CONDITIONS.—No order issued under this Act shall be conditioned upon or require a
transmitting utility to transfer oper-
ational control of jurisdictional facilities to an independent transmission or
other transmission organization.

"(c) COMPLAINT.—In addition to any other
rights or remedies it may have under this
Act, any entity serving electric load that is
denied services by a transmission organiza-
tion that the transmission organization
makes available to other load serving enti-
ties shall be entitled to file a complaint with the
Commission concerning the denial of
such services. If the Commission shall find, after an evidentiary hearing on the record,
that unjust, unreasonable, unduly discriminatory,
or preferential, or contrary to the public in-
terest, the Commission may order the provi-
ders to carry out this Act and the amendments
thereof in a manner which is just and reason-
able and not unduly discriminatory or
preferential, or contrary to the public in-
terest, unreasonable, unduly discriminatory
or preferential, or contrary to the public in-
terest.

"(2) NOTICE OF RIGHT TO CANCEL.—The no-
tice referred to in paragraph (1) with respect
to a change in the rate of interest or to a
change in the rate of interest to which such rate is indexed—

"(A) may take effect before the beginning
of the billing cycle which begins not less
than 15 days after the obligor receives notice
of the billing cycle which begins not
less than 15 days after the obligor receives notice
of the rate increase; and

"(B) may apply to any outstanding balance
credit or account, or a credit plan, no increase in any annual
per cent rate of interest shall be
made by this Act.

"(3) EFFECTIVE DATE.—Nothing in this sec-
tion shall apply to existing agreements, or
by any means by which costs may be allocated
or methods by which costs may be allocated
and conditions that shall be in accordance
with this Act.

TITLE V—ABUSIVE PRACTICES

Subtitle A—Use of Default Clauses

SEC. 111. PRIOR NOTICE OF RATE INCREASES RE-
QUIRED.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

"be it enacted by the Senate and House of Rep-
resentatives of the United States of America in
Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

This Act may be cited as the "Credit Card Accountability Responsibility and Disclo-
sure Act of 2005" or the "Credit Card Act of 2005".

SEC. 2. REGULATORY AUTHORITY.

The Board of Governors of the Federal Re-
serve System may issue such rules or publish
such model forms as it considers necessary
to carry out this Act and the amendments
made by this Act.

TITLE VI—FREEZE ON INTEREST RATE TERMS AND FEES ON CANCELED CARDS

Section 127 of the Truth in Lending Act (15 U.S.C. 1637), as amended by this Act, is
amended by adding at the end the following:
SEC. 113. LIMITS ON FINANCE AND INTEREST CHARGES FOR ON-TIME PAYMENTS.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637), as amended by this Act, is amended by adding at the end the following:

"(j) PROHIBITION ON PENALTIES FOR ON-TIME PAYMENTS—

"(1) Prohibition on finance charges for on-time payments.—In the case of any credit card account under an open end consumer credit plan, no fee or other penalty may be imposed on the consumer in connection with the payment in full of the account balance, or any portion thereof, that is not the minimum required payment of the account balance.

"(2) Prohibition on cancellation or additional fees for on-time payments or payment in full.—In the case of any credit card account under an open end consumer credit plan, no fee or other penalty may be imposed on the consumer in connection with the payment in full of an existing account balance, or payment by the obligor to pay the minimum required payment, that is not the minimum required payment of an existing account balance.

SEC. 114. PROHIBITION ON OVER-THE-LIMIT FEES FOR CREDITOR-APPROVED TRANSACTIONS.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637), as amended by this Act, is amended by adding at the end the following:

"(k) LIMITATION ON IMPOSITION OF OVER-THE-LIMIT FEES.—In the case of any credit card account under an open end consumer credit plan, a creditor may not impose any fees on the obligor for any extension of credit made in a clear and conspicuous manner, in written form and at the time of the transaction, that will apply as a result of the failure of the obligor to meet such conditions.

"(l) FORM OF TABLE TO BE PRESCRIBED.—In the regulations prescribed under paragraph (c), the Board shall require that the disclosure of such information shall be in the form of a table that—

"(i) contains clear and concise headings for each item of such information; and

"(ii) provides a clear and concise form showing such item of information required to be disclosed under each such heading.

SEC. 211. DISCLOSURES RELATED TO "TEASER RATES".

Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by adding at the end the following:

"(m) Additional disclosures related to "teaser rates".—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following: "(11)(A) Repayment information that would apply if the outstanding balance or minimum required payment were increased by the amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made; and

"(ii) the monthly payments amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made.

SEC. 212. PAYOFF TIMING DISCLOSURES.

(a) In General.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1637(b)) is amended by adding at the end the following: "(11)(A) Repayment information that would apply if the outstanding balance or minimum required payment were increased by the amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made; and

"(ii) the monthly payments amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made.

"(b) Civil Liability.—Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended, in the designated paragraph following paragraph (4), by striking the second sentence and inserting in its place—"In connection with the disclosures referred to in subsections (a) and (b) of section 127, a creditor shall have a liability determined under paragraph (2) only for failing to comply with the requirements of section 125, 127(a), or paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 127(b), or for failing to comply with disclosure requirements under State law for any term or item that the Board has determined to be substantially the same meaning under section 111(a)(2) as any of the terms or items referred to in section 127(a), or paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 127(b)

"(c) FORM OF DISCLOSURE.—

"(i) IN GENERAL.—All of the information described in subparagraph (A) shall—

"(II) provides a clear and concise form showing such item of information required to be disclosed under each such heading.

"(E) REQUIREMENTS REGARDING LOCATION AND ORDER OF TABLE.—In prescribing the form of the table under subparagraph (D), the Board shall require that—

"(i) all of the information in the table, and not just a reference to the table, be placed on the billing statement, as required by this subparagraph; and

"(E) FORM OF TABLE TO BE PRESCRIBED.—In the regulations prescribed under paragraph (c), the Board shall require that the disclosure of such information shall be in the form of a table that—

"(i) contains clear and concise headings for each item of such information; and

"(ii) provides a clear and concise form showing such item of information required to be disclosed under each such heading.

"(F) BOARD DISCRETION IN PRESCRIBING ORDER AND WORDING OF TABLE.—In prescribing the form of the table under subparagraph (c), the Board shall require that—

"(i) employ terminology which is different from the terminology which is employed in subparagraph (A), if such terminology is easily understood and conveys substantially the same meaning';”.

"(b) CIVIL LIABILITY.—Section 130(a) of the Truth in Lending Act (15 U.S.C. 1640(a)) is amended, in the designated paragraph following paragraph (4), by striking the second sentence and inserting the following—"In connection with the disclosures referred to in subsections (a) and (b) of section 127, a creditor shall have a liability determined under paragraph (2) only for failing to comply with the requirements of section 125, 127(a), or paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 127(b), or for failing to comply with disclosure requirements under State law for any term or item that the Board has determined to be substantially the same meaning under section 111(a)(2) as any of the terms or items referred to in section 127(a), or paragraph (4), (5), (6), (7), (8), (9), (10), or (11) of section 127(b)

"(c) FORM OF DISCLOSURE.—

"(i) IN GENERAL.—All of the information described in subparagraph (A) shall—

"(ii) the monthly payments amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made.

"(vi) the monthly payments amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made.

"(b)(i) Subject to clause (ii), in making the disclosures under subparagraph (A) the creditor shall apply the interest rate in effect on the date on which the disclosure is made until the date on which the balance would be paid in full.

"(ii) The interest rate in effect on the date on which the disclosure is made is a temporary rate that will change under a contractual provision applying an index or formula subsequent to the date on which the disclosure is made for as long as that interest rate will apply under that contractual provision, and then apply an interest rate based on the index or formula in effect on the applicable billing date.

"(c) FORM OF DISCLOSURE.—

"(i) IN GENERAL.—All of the information described in subparagraph (A) shall—

"(ii) the monthly payments amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made.

"(vi) the monthly payments amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made.

"(b)(i) Subject to clause (ii), in making the disclosures under subparagraph (A) the creditor shall apply the interest rate in effect on the date on which the disclosure is made until the date on which the balance would be paid in full.

"(ii) The interest rate in effect on the date on which the disclosure is made is a temporary rate that will change under a contractual provision applying an index or formula subsequent to the date on which the disclosure is made for as long as that interest rate will apply under that contractual provision, and then apply an interest rate based on the index or formula in effect on the applicable billing date.

"(c) FORM OF DISCLOSURE.—

"(i) IN GENERAL.—All of the information described in subparagraph (A) shall—

"(ii) the monthly payments amount that would be required for the consumer to eliminate the outstanding balance in 36 months if no further advances are made.
SEC. 212. REQUIREMENTS RELATING TO LATE PAYMENT DEADLINES AND PENALTIES.—

(a) In general.—Section 127 of the Truth in Lending Act (15 U.S.C. 1637), as amended by this Act, is amended by adding at the end the following:

"(l) REQUIREMENTS RELATING TO LATE PAYMENT DEADLINES AND PENALTIES.—

"(1) Late payment deadline and postmark date required to be disclosed.—In the case of a credit card account under an open end consumer credit plan under which a late fee or charge may be imposed due to the failure of the obligor to make payment on or before the due date for such payment, the periodic rate required under subsection (b) with respect to the account shall include, in a conspicuous location on the billing statement:

"(A) the date on which the payment is due or, if different, the date on which a late payment fee will be charged, together with the amount of the fee or charge to be imposed if payment is made after that date;

"(B) the date by which the payment must be postmarked, if paid by mail, in order to avoid the imposition of a late payment fee with respect thereto; and

"(C) a statement that no late fee may be imposed in connection with a payment made by mail which was postmarked on or before the payment due date of the account.

"(2) Disclosures in interest rates for late payments.—If 1 or more late payments under an open end consumer credit plan are accepted from the obligor in person, the periodic rate required under subsection (b) with respect to the account shall include conspicuous notice of such fact, together with the applicable penalty annual percentage rate, in close proximity to the disclosure required in paragraph (1) of the date on which payment is due under the terms of the account.

"(3) Requirements relating to postmark date.—

"(A) In general.—The date included in a periodic statement pursuant to paragraph (1)(B) with regard to the postmark on a payment shall allow, in accordance with regulations prescribed by the Board under subparagraph (B), a reasonable time for the consumer to make the payment and a reasonable time for the delivery of the payment by the due date.

"(B) Board regulations.—The Board shall prescribe guidelines for determining a reasonable period of time for making a payment and delivery of a payment for purposes of subparagraph (A), except under consultation with the Postmaster General and representatives of consumer and trade organizations.

"(C) Payment at local branches.—If the creditor, in the case of a credit card account referred to in paragraph (1), is a financial institution which maintains branches or offices at which payments on any such account are accepted, the consumer, in the case of an obligor in person, the date on which the obligor makes a payment on the account at such branch or office shall be considered as the date on which the payment is made for purposes of determining whether a late fee or charge may be imposed due to the failure of the obligor to make payment on or before the due date for such payment, to the extent that such payment is made before the close of business of the branch or office on the business day immediately preceding the due date for such payment.

TITLE III—RESPONSIBILITIES IN BANKRUPTCY

SEC. 311. AMENDMENTS TO THE BANKRUPTCY CODE.

(c) Title 11, United States Code, is amended by adding at the end the following:

"(iv) the term ‘medically distressed debtor’ means a debtor who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition, had medical expenses for the debtor, a dependent of the debtor, or a member of the

TITLE IV—PROTECTION OF YOUNG CONSUMERS

SEC. 411. EXTENSIONS OF CREDIT TO UNDERAGE CONSUMERS.

(a) Section 127 of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended by inserting after paragraph (5), as added by this Act, the following:

"(b) APPLICATIONS FROM UNDERAGE CONSUMERS.—

"(i) PROHIBITION ON ISSUANCE.—No credit card may be issued to, or open end credit shall be extended to, an individual who has not attained the age of 21, unless the consumer has submitted a written application to the card issuer that meets the requirements of subparagraph (B).

"(ii) APPLICATION REQUIREMENTS.—An application to open a credit card account by an individual who has not attained the age of 21 as of the date of submission of the application shall require—

"(I) the signature of the parent, legal guardian, or other party in interest who has legal responsibility for the consumer, or any other individual having a means to repay debts incurred by the consumer in connection with the account, indicating joint liability for the consumer in connection with the account before the consumer has attained the age of 21;

"(II) submission by the consumer of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account; and

"(III) proof by the consumer that the consumer has completed a credit counseling course of instruction by a nonprofit budget and credit counseling agency approved by the Board for such purpose.

"(c) Minimum requirements for counseling agencies.—To be approved by the Board under subparagraph (B)(ii), a credit counseling agency shall, at a minimum—

"(I) be a nonprofit budget and credit counseling agency, the majority of the board of directors of which are qualified professionals,

"(II) have been in operation for at least 10 years, and

"(III) be a member in good standing of the National Foundation for Credit Counseling, Inc.

"(d) PROVISIONS RELATING TO THE TAKING OF CONSIDERATION.—The provisions of subsection (a), and this subsection shall apply to a consumer who is under 21 years old, but such consumer is not prohibited from entering into a credit arrangement with a creditor under an open end credit plan or credit card plan under any other provision of law.

"(e) Card issuer actions.—In the case of a credit card account under an open end credit plan, as defined in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)), the card issuer may not charge any fee to cover the cost of providing a statement for purposes of section 127(c)(6) if the requirements of such section are not met.

AMENDMENTS SUBMITTED AND PROPOSED

SA 28. Mr. KENNEDY proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes.

SA 29. Mr. KENNEDY proposed an amendment to the bill S. 256, supra.

SA 30. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 31. Mr. DAYTON proposed an amendment to the bill S. 256, supra.

SA 32. Mr. CORZINE (for himself, Ms. MURKOWSKI, and Mr. LAUTENBERG) proposed an amendment to the bill S. 256, supra.

SA 33. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 34. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 35. Mr. NELSON, of Nebraska submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 36. Mr. KOHL submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 37. Mr. NELSON, of Florida (for himself, Mr. DURBIN, Mr. SCHUMER, and Mrs. CLINTON) proposed an amendment to the bill S. 256, supra.

SA 38. Mr. DURBIN proposed an amendment to the bill S. 256, supra.

SA 39. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 40. Mr. PRYOR submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

SA 41. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 256, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 28. Mr. KENNEDY proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

On page 19, between lines 13 and 14, insert the following:

"(8)(A) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion under paragraph (2) if the debtor is a medicinally distressed debtor.

"(B) In this paragraph, the term ‘medically distressed debtor’ means a debtor who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

"(i) had medical expenses for the debtor, a dependent of the debtor, or a member of the

SA 29. Mr. KENNEDY proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

On page 19, between lines 13 and 14, insert the following:

"(8)(A) No judge, United States trustee (or bankruptcy administrator, if any), trustee, or other party in interest may file a motion under paragraph (2) if the debtor is a medicinally distressed debtor.

"(B) In this paragraph, the term ‘medically distressed debtor’ means a debtor who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

"(i) had medical expenses for the debtor, a dependent of the debtor, or a member of the
SA 29. Mr. KENNEDY proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

On page 191, between lines 11 and 12, insert the following:

SEC. 322A. EXEMPTION FOR MEDICALLY DISTRESSED DEBTORS.

Section 522 of title 11, United States Code, as amended by sections 224, 308, and 322, is amended at the end of the section by adding the following:

''(1) a debtor who is medically distressed debtor, if the debtor elects to exempt property;

''(b) under subsection (b), then in lieu of the exemption provided under subsection (d)(1), the debtor may elect to exempt the debtor's aggregate interest, not to exceed $50,000 in value, in real property or personal property that the debtor or a dependent of the debtor uses as a residence, in a cooperative, or burial plot.

''(2) in this subsection, the term 'medically distressed debtor' means a debtor who, in any consecutive 12-month period during the 3 years before the date of the filing of the petition—

''(A) had medical expenses for the debtor, a dependent of the debtor, or a member of the debtor's household that were not paid by any third party payor and were in excess of 12 percent of the debtor's household income for such 12-month period;

''(B) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's employment or business income for 4 or more weeks during such 12-month period due to a medical problem of a member of the household or a dependent of the debtor; or

''(C) was a member of a household in which 1 or more members (including the debtor) lost all or substantially all of the member's alimony or support income for 4 or more weeks during such 12-month period due to a medical problem of a dependent obligated to pay alimony or support.''

SA 30. Mr. CORNYN submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

On page 213, strike lines 1 through 7, and insert the following:

SEC. 410. VENUE IN BANKRUPTCY CASES.—Section 1409(b)(2) of title 28, United States Code, is amended to read as follows:

''(2) in paragraph (1), by striking ''or'' at the end of subparagraph (A), and inserting ''and'' in its place;''

SA 31. Mr. DAYTON proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. 410. TERMS OF CONSUMER CREDIT.

(a) CAP ON INTEREST CHARGEABLE.—A creditor who extends credit to any consumer shall not impose a rate of interest in excess of an annual rate of 30 percent with respect to the credit extended.

(b) PREEMPTION OF STATE LAW.—The provisions governing rates of interest under subsection (a) shall preempt all State usury laws.

(c) EXEMPTION FROM PREEMPTION.—If a State imposes a limit on the rate of interest chargeable to an extension of credit that is less than the limit imposed under subsection (a), that State law shall not be preempted and shall remain in full force and effect in that State.
sessions of the Federal Trade Commission Act with the same jurisdiction, powers, and duties as the Federal Trade Commission. Nothing in this title shall be construed to prohibit an authorized State officer or agency designated by a State, from exercising powers and duties as provided in the laws or rules of court of a State, to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of books, papers, records, documents, and other evidence.

(b) VIOlATION.—In general.—(1) No person may solicit any social security number unless—(1) such number is necessary in the normal course of business; and
(2) there is a specific use of the social security number for which no other identifying number can be used.

(b) VIOLATION.—In general.—(1) No person may solicit any social security number unless—(1) such number is necessary in the normal course of business; and
(2) there is a specific use of the social security number for which no other identifying number can be used.

(c) ENFORCEMENT AUTHORITY.—The Federal Trade Commission shall have jurisdiction to issue writs of mandamus, injunctions, restraining orders, and other orders in cases where the public is injured by acts or practices proscribed by this section. The Federal Trade Commission may seek declaratory relief in cases where the public is injured by acts or practices proscribed by this section. In any such action brought by the Federal Trade Commission, the court shall have jurisdiction to issue declaratory relief as well.

(d) VIOLATION.—In general.—(1) No person may solicit any social security number unless—(1) such number is necessary in the normal course of business; and
(2) there is a specific use of the social security number for which no other identifying number can be used.

(e) VIOLATION.—In general.—(1) No person may solicit any social security number unless—(1) such number is necessary in the normal course of business; and
(2) there is a specific use of the social security number for which no other identifying number can be used.
amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 294, after line 22, add the following:

SEC. 446. COMPENSATION OF BANKRUPTCY TRUSTEES.
(a) IN GENERAL.—Section 330(b)(2) of title 11, United States Code, is amended—
(1) by striking "$15" the first place it appears and inserting "$55"; and
(2) by striking "rendered." and all that follows through "$15" and inserting "rendered, which—"
(b) EFFECTIVE DATE.—The amendments made by subsection (a)—
(1) shall take effect 90 days after the date of enactment of this Act; and
(2) shall only apply to cases commenced under title 11, United States Code, after such effective date.

SA 36. Mr. KOHL submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

On page 188, strike line 14 and all that follows through page 191, line 11, and insert the following:

SEC. 422. LIMITATIONS ON HOMESTEAD EXEMPTION.
(a) EXEMPTION.—Section 522 of title 11, United States Code, as amended by sections 223 and 308, is further amended by adding at the end the following:

"(p) As a result of electing under sub-
section (k)(3)(A) to exempt property, other than the principal residence of a family farmer, under State or local law, a debtor
may not exempt any amount of interest that exceeds, in the aggregate, $125,000 in value in—

"(1) real or personal property that the debtor or a dependent of the debtor uses as a residence; or

"(2) a cooperative that owns property that the debtor or a dependent of the debtor uses as a residence; or

"(3) a burial plot for the debtor or a de-
pendent of the debtor.".
(b) ADJUSTMENT OF DOLLAR AMOUNTS.—Paragraphs (1) and (2) of section 104(b) of the United States Code, as amended by section 224, are further amended by inserting "$522(p)" after "$522(n)".

SA 37. Mr. NELSON of Florida (for himself, Mr. DURBIN, Mr. SCHUMER, and Mrs. CLINTON) proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**"SEC. 127. LIMITATION ON USE OF CONSUMER REPORTS.**
(a) DEFINITION.—Section 101 of title 11, United States Code, as amended by this Act, is further amended—
(1) by redesignating paragraph (27B) as paragraph (27D); and
(2) by inserting after paragraph (27A) the following:

"(27B) identity theft means a fraud com-
mitted or attempted using the personally identifiable information of another person;
"(27C) identity theft victim means a debt-
or who, as a result of an identity theft in any consecutive 12-month period during the 3-
year period before the date on which a peti-
tion is filed under this title, had claims as-
serted against such debtor in excess of the least of—

"(A) $20,000;

"(B) 50 percent of all claims asserted against such debtor; or

"(C) 25 percent of the debtor’s gross income for such 12-month period; and

(2) by inserting after subparagraph (B) the following:

"(B) PROHIBITION.—Section 707(b)(11) of title 11, United States Code, as amended by section 102(a) of this Act, is further amended by adding at the end the following:

"(b)(A) No judge, United States trustee (or
bankruptcy administrator, if any), trustee,
or other party in interest may file a motion under paragraph (2) if the debtor is an iden-
tity theft victim.".

SA 38. Mr. DURBIN proposed an amendment to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; as follows:

On page 67, between lines 18 and 19, insert the following:

SEC. 206. DISCOURAGING PREDATORY LENDING PRACTICES.
Section 502(b) of title 11, United States Code, is amended—
(1) in paragraph (8), by striking "or" at the end; and
(2) in paragraph (9), by striking the period at the end and inserting the following:

"(9) if the creditor has materially failed to comply with any applicable requirement under section 132 to 186 of the Truth in Lending Act (15 U.S.C. 1639(a)) or section 226.32 or 226.34 of Regulation Z (12 C.F.R. 226.32, 226.34), such claim is based on a secured debt.".

SA 39. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

Add at the end the following:

**TITLE XVI—BENEFITS FOR MEMBERS OF THE ARMED FORCES AND THEIR FAMILIES**

SEC. 1601. EXTENSION OF PERIOD OF TEMPORARY CONTINUATION OF BASIC ALLOWANCE FOR HOUSING FOR DEPENDENTS OF MEMBERS OF THE ARMED FORCES WHO DIE ON ACTIVE DUTY.
Section 403(b)(1) of title 37, United States Code, is amended by striking "180 days" each place it appears and inserting "365 days".

SEC. 1602. GRANT ASSISTANCE FOR MILITARY RESERVISTS’ SMALL BUSINESSES.
(a) AUTHORIZATION OF GRANTS.—Section 7(b)(3)(B) of the Small Business Act (15 U.S.C. 636(b)(3)(B)) is amended by inserting "or grants" after "or a deferred basis)".
(b) GRANT SPECIFICATIONS.—Section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) is amended by inserting after subparagraph (B) the following:

"(C) grants made under subparagraph (B) —

"(i) may be awarded in addition to any loan made under subparagraph (B); and

"(ii) shall not exceed $25,000; and

"(iii) shall be made only to a small busi-
ness concern—

"(I) that provides a business plan dem-
onstrating viability for not less than 3 future years;

"(II) with 10 or fewer employees;

"(III) that has not received another grant under subparagraph (B) in the previous 2 years; and

(c) AUTHORIZATION OF APPORTIONS.—
Section 20(e)(2) of the Small Business Act (15 U.S.C. 631 note) is amended by inserting after subparagraph (B) the following:

"(C) GRANT ASSISTANCE FOR MILITARY RESERVISTS’ SMALL BUSINESSES.—There are au-
thorized to be appropriated for grants under section 7(b)(3)(B)—

"(i) $10,000,000 for the first fiscal year be-
inning after the date of enactment of this sub-
paragraph and

"(ii) $10,000,000 for each of the 2 fiscal years
following the fiscal year described in clause (i).".

SA 41. Mr. KERRY submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the follow-

SEC. 1611. ENHANCED DISCLOSURES UNDER AN OPEN-END CONSUMER CREDIT PLAN.
(a) REPAYMENT TERMS.—Section 127(b) of the Truth in Lending Act (15 U.S.C. 1607(b)) is amended by adding at the end the following:

"(11)(A) Repayment information that would apply to any annual percentage rate relevant to the consumer’s account under the credit plan, including information regarding any change in any annual percentage rate charged to the consumer under the plan, appearing in conspicuous type on the front of the first page of the first billing statement prepared following the change, and accompanied by an appropriate expla-
nation, containing—

"(i) the words ‘‘THERE HAS BEEN A
CHANGE IN THE ANNUAL PERCENTAGE RATE FOR YOUR ACCOUNT’’;

"(ii) the words ‘‘THE PREVIOUS INTER-
EST RATE’’ followed by the previous annual percentage rate charged to the consumer under the plan; and

"(iii) the words ‘‘THE CURRENT INTER-
EST RATE’’ followed by the current annual percentage rate charged to the consumer under the plan.

(b) PUBLICATION OF MODEL FORMS.—Not later than 180 days after the date of enact-
ment of this Act, the Board of Governors of the Federal Reserve System shall publish model disclosure forms in accordance with section 105 of the Truth in Lending Act for the purpose of compliance with section 127(b)(1) of the Truth in Lending Act, as added by this section.

SA 40. Mr. PRIOR submitted an amendment intended to be proposed by him to the bill S. 256, to amend title 11 of the United States Code, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the fol-

SEC. 1606. LIMITATION ON USE OF CONSUMER REPORTS.
(a) IN GENERAL.—Section 604(d) of the Fair Credit Reporting Act (15 U.S.C. 1681b(d)) is amended to read as follows:

"(d) LIMITATION ON USE OF CONSUMER
REPORTS.—

"(1) IN GENERAL.—A credit card issuer may not use any negative information contained in a consumer report to increase any annual percentage rate applicable to a credit card account, or to remove or increase any inter-
ductory annual percentage rate of interest applicable to such account, for any reason other than an action or omission of the card issuer that is directly related to such ac-
count.

"(2) NOTICE TO CONSUMER.—The limitation under paragraph (1) on the use by a credit card issuer of information in a consumer re-
port shall be clearly and conspicuously de-
scribed to the consumer by the credit card

**"
PRIVILEGE OF THE FLOOR

Mr. CORZINE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 2, 2005, at 2:30 p.m., to hold a closed briefing.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNIZING CONTRIBUTIONS OF LATE ZHAO ZIYANG TO PEOPLE OF CHINA

Mr. DE MINT. I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration and the Senate now proceed to S. Res. 55.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 55) was agreed to.

The legislative clerk read as follows:

A resolution (S. Res. 55) recognizing the contributions of the late Zhao Ziyang to the people of China.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DE MINT. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 55) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

Whereas Zhao Ziyang made an important contribution to the people of China by providing assistance to the students in Tiananmen Square in 1989, and that through this contribution and his decisions to actively seek reform, Zhao remains a symbol of hope for reform and human rights for the people of China;

(1) recognizes that Zhao Ziyang made an important contribution to the 1989 Tiananmen Square demonstration, which served a moment of silence in honor of his life;

(2) expresses sympathy for Zhao’s family and to the people of China who were unable to appropriately mourn his death or to celebrate his life;

(3) calls on the Government of China—

(A) to release all prisoners of conscience, including those persons still in prison as a result of their participation in the peaceful pro-democracy protests in Tiananmen Square in 1989; and

(B) to allow those people exiled on account of their activities to return to live in freedom in China; and

(4) stands with the people of China as they strive to improve their way of life and create a government that is truly democratic and respectful of international norms in the area of human rights.

DESIGNATING MONTH OF MARCH AS DEEP-VEIN THROMBOSIS AWARENESS MONTH

Mr. DE MINT. I ask unanimous consent that the Judiciary Committee be discharged from further consideration and the Senate now proceed to S. Res. 56.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 56) designating the month of March as Deep-Vein Thrombosis Awareness Month, in memory of journalist David Bloom.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DE MINT. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.
The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 56) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 56

Whereas deep-vein thrombosis is a condition that occurs when a blood clot forms in one of the large veins, which may result in a fatal pulmonary embolism;

Whereas deep-vein thrombosis is a serious but preventable medical condition;

Whereas deep-vein thrombosis occurs in approximately 2,000,000 Americans every year;

Whereas fatal pulmonary embolism causes more deaths each year than breast cancer and AIDS combined;

Whereas complications from deep-vein thrombosis take up to 200,000 American lives each year;

Whereas fatal pulmonary embolism may be the most preventable cause of hospital death in the United States;

Whereas the risk factors for deep-vein thrombosis include cancer and certain heart or respiratory diseases;

Whereas pulmonary embolism is the leading cause of maternal death associated with childbirth;

Whereas, according to a survey conducted by the American Public Health Association, 74 percent of Americans are unaware of deep-vein thrombosis;

Whereas National Broadcasting Company correspondent David Bloom died of a fatal pulmonary embolism while covering the war in Iraq;

Whereas Melanie Bloom, widow of David Bloom, and more than 35 members of the Coalition to Prevent Deep-Vein Thrombosis are working to raise awareness of this silent killer; and

Whereas the establishment of March as Deep-Vein Thrombosis Awareness Month in honor of David Bloom would raise public awareness about this life-threatening but preventable condition: Now, therefore, be it

Resolved, That the Senate—

(1) designates the month of March as “Deep-Vein Thrombosis Awareness Month”;

(2) honors the memory of David Bloom; and

(3) recognizes the importance of raising awareness of deep-vein thrombosis.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. DeMINT. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:58 p.m., adjourned until Thursday, March 3, 2005, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 2, 2005:

IN THE ARMY

the following named officer for appointment in the United States Army to the grade indicated under Title 10, U.S.C., section 624:

To be Brigadier General

BRI G. Gen. Benjamin C. Freakley, Jr., 0000

IN THE NAVY

the following named officer for appointment in the United States Navy to the grade indicated under Title 10, U.S.C., section 624:

To be Brigadier General

C o l. Jerry D. La Cruz, Jr., 0000

To be Vice Admiral

Rear Adm. Evans M. Chace, Jr., 0000

The following resolution was passed by unanimous consent:

Mr. DeMINT. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motions to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The concurrent resolution (H. Con. Res. 5) was agreed to.

The preamble was agreed to.

PERMITTING USE OF THE ROTUNDA OF THE CAPITOL

Mr. DeMINT. Mr. President, I ask unanimous consent that when the Senate completes its business today, the Senate adjourn until 9:30 a.m. on Thursday, March 3, 2005. I further ask that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved, and the Senate then proceed to consideration of S.J. Res. 4, a resolution of disapproval of the rule submitted by the Department of Agriculture; provided that there be up to 3 hours of debate equally divided, and following the use or yielding back of the time, the Senate proceed to a vote on passage with no intervening action or debate. I further ask consent that following the disposition of S.J. Res. 4, the Senate resume consideration of S. 256, the Bankruptcy Reform Act; provided further that the Senate then proceed to votes in relation to the Dayton amendment, No. 31, to be followed by a vote in relation to the Nelson amendment, No. 37, with no amendments in order to the amendments prior to the votes. Finally, I ask that there be 4 minutes equally divided for debate prior to the second and third votes in that series.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. DeMINT. Mr. President, tomorrow the Senate will first debate a disapproval resolution related to a rule submitted by the Department of Agriculture. Following the use or yielding back of the allocated debate time, the Senate will have a series of three stacked votes. Those votes will be on the disapproval resolution, the Dayton amendment, and the Nelson amendment to the bankruptcy bill. The majority leader has stated that we will continue to process additional bankruptcy-related amendments on Thursday, and therefore rollcall votes will occur throughout the day.
RECOGNIZING MURAL ARTIST MYRON C. NUTTING AND THE WAUWATOSA COMMUNITY

HON. FORNTEY PETE STARK OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. STARK. Mr. Speaker, as a graduate of Wauwatosa High School in a Wauwatosa, Wi, I rise to pay tribute to Myron C. Nutting, a muralist, whose work has been restored and will be rededicated on March 6, 2005, at my alma mater.

Myron Chester Nutting was born on October 18, 1890 in Panaca, NV, but moved to Milwaukee in 1934 to work as an art instructor at Layton School of Art under the Federal Arts Program. Before coming to Milwaukee, Nutting had lived and studied in Paris with expatriate artists and writers whom history has been labeled as the “lost generation.” At the time, Nutting was considered among the top 15 Wisconsin artists with training both in America and Europe.

Nutting left Milwaukee in 1939, moving to southern California where his artistic life and reputation grew. He was a recognized portrait artist of many southern California clients, a critic and writer, and flourished as a lithographer, oil and water color artist. He died in Los Angeles in 1972.

Nutting had a close relationship with the controversial Irish writer James Joyce as evidenced by portraits he painted in the early 1920s of James Joyce’s wife, Nora, their daughter Lucia, and the unfinished portrait of James Joyce himself. All three pieces as well as Mr. Nutting’s other art work and personal papers are in collections at Northwestern University, the University of California at Los Angeles, the American Art Archives at the Smithsonian in Washington, and in dozens of smaller museums, galleries, and archives throughout the world.

With regard to his work in Wisconsin, Nutting was commissioned by Charlotte Partridge, State director of the Federal Arts Project at the time, to design and paint two oil-on-canvas murals at the then recently constructed Wauwatosa Senior High School. The work was started in January 1934 and completed the following June. The murals were originally hung on March 2, 1935, but were covered up during a renovation at the school in the mid-1970s. For unknown reasons, the murals were left unsigned. They remained covered up for 30 years until restoration work began 2 years after they were rediscovered.

On March 6, 2005, at Wauwatosa High School, the Wauwatosa Historical Society and the school district office will rededicate these two murals that have been beautifully restored in the main lobby of the school. These two 14’ by 4’ murals have been restored to their original museum quality and will be an important educational tool for the school’s present and future generations.

More than 190 Wauwatosa High School alumni, as well as many members of the community, have donated more than $125,000 to restore these historical art pieces.

These murals remain the property of the Federal Government and will be registered with the General Services Administration’s office of fine arts, which acts as a steward for the preservation of these art pieces.

I join in honoring all alumni, students, the community of Wauwatosa, the many volunteers who have worked for many months to bring these artifacts back to their former glory, as well as the artist, Myron C. Nutting, for all their contributions to work and restoration of the mural pieces. These are all wonderful contributions to the school’s valued history and tradition.

RECOGNIZING THE BENEFITS AND IMPORTANCE OF SCHOOL-BASED MUSIC EDUCATION

SPEECH OF
HON. RUSH D. HOLT OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, March 1, 2005

Mr. HOLT. Mr. Speaker, I rise in support of H. Con. Res. 45, legislation recognizing the benefits and importance of school-based music education. I was pleased to join my colleagues in passing this bipartisan proposal yesterday in the House of Representatives.

The advantages of studying music are not confined within the artistic sphere. Music education not only allows children a chance to create and appreciate all types of music, but it has been proven once and again that an awareness of the structure of music can actually help children do better in school. There is a growing amount of evidence indicating that young children who are exposed to the fundamentals of music develop stronger abstract reasoning skills, which are crucial for a broad understanding of mathematics and the sciences.

However, many of the advantages of music education cannot be quantified or studied with precision. The creative thinking and self-esteem that emerge from music education are essential for a full and meaningful life. Participation in music education can motivate students to become active members of the education process. Thirty-six percent of minority students reported their music teacher as their role model; a much higher percentage than any other discipline. As a teacher, I recognize this bond between teacher and student as one of the most important aspects of education itself.

In addition, music celebrates two of the most important values of our Nation; diversity and unity. By studying different cultures through the harmony of music, students are able to recognize the values that we all share. No other discipline embodies this spirit more than music education.

Mr. Speaker, music education enhances intellectual development and enriches the academic environment for children of all ages, and as a result enriches our communities as well. I am proud to join with my colleagues in passing this bipartisan resolution in recognition of these facts.

INTRODUCTION OF THE WOMEN, CHILDREN, AND INFANT TSUNAMI VICTIM RELIEF ACT OF 2005

HON. CAROLYN B. MALONEY OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mrs. MALONEY. Mr. Speaker, today I am introducing a bill that will help thousands of women, children, and families who have suffered since the horrific tsunami hit Asia on December 26, 2004. This bill, the Women, Children, and Infant Tsunami Victim Relief Act of 2005, authorizes $3 million to the United Nations Population Fund, UNFPA, to provide several needed urgent medical and health care to tsunami victims in Indonesia, the Maldives, and Sri Lanka.

UNFPA has made an urgent appeal to donor nations to raise $27.5 million to provide relief to women in Indonesia, Sri Lanka, and the Maldives. Due to its extensive experience responding to emergencies, UNFPA was one of the first respondents in the tsunami-affected areas helping women.

More than 150,000 women are currently pregnant in the tsunami-affected areas, including 50,000 anticipated to give birth during the next 3 months. UNFPA is determined to enhance the likelihood of deliveries occurring in safe and clean conditions by providing emergency care, basic supplies, and helping to rebuild health care facilities.

Disasters put pregnant women at greater than normal risk because of the sudden loss of medical support, compounded in many cases by trauma, malnutrition, disease, or exposure to violence. In times of high stress, pregnant women are more prone to miscarriage or to premature labor, both of which require medical care.

UNFPA works to reduce maternal deaths and illnesses by providing prenatal care, delivery assistance, access to emergency obstetric care, and post-natal care. It provides services to avoid malnutrition, which frequently occurs after natural disaster when food supplies are unavailable or uneven. Vitamin and iron deficiencies, especially anemia, can be fatal for pregnant women and their babies. Nursing women require supplemental funding to ensure their health and that of their baby.

For example, in Sri Lanka, the UNFPA-supported maternal hospital was being flooded, and staff was able to move all patients but one premature infant to safety and it has set up a temporary facility to provide critical health services.

This bill specifies that the funds included can only be used by UNFPA to provide safe delivery kits—soap, plastic sheathing, razor

• This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.
blades, string and gloves—personal hygiene kits—sanitary napkins, soap, laundry detergent, dental supplies—reestablish maternal health services, prevent and treat cases of violence against women and youth, offer psychological support and counseling, and promote access of unaccompanied women to vital services. Each of these issues is a serious problem in the region and will go a long way toward helping save the lives of thousands of women and their children.

These people have suffered enough. We must do everything we can to help them. This is why I ask support from my colleagues for the Women, Children, and Infant Tsunami Victim Relief Act of 2005.

HONORING JACKIE ROBINSON RECEIVING THE CONGRESSIONAL GOLD MEDAL

HON. XAVIER BECERRA OF CALIFORNIA IN THE HOUSE OF REPRESENTATIVES Wednesday, March 2, 2005

Mr. BECERRA. Mr. Speaker, I rise today to celebrate April 15—no, not Tax Day—but that memorable day in 1947 when Jackie Robinson officially broke the color barrier of Major League Baseball by donning a Brooklyn Dodgers uniform.

In the face of great adversity and knowing that the hopes of African-American athletes in all sports rested on his shoulders, Jackie Robinson provided inspiration to all of America in his courageous pursuit of racial equality.

By simply putting on his spikes, wearing his Dodgers uniform, and taking the field on that great day, Jackie Robinson forever changed the landscape of the American sports scene; indeed, he fueled a change in the hearts and minds of our great Nation.

Jackie Robinson stared bitter opposition and oppressive racism in the face, all while achieving unparalleled success. He was named the National League Rookie of the Year in 1947 and earned National League Most Valuable Player honors in 1949. In 1962, Jackie became the first African-American to be inducted into the Baseball Hall of Fame.

Known for his gifted batting, blinding speed around the bases, and strong but steady temperament, Jackie Robinson won the respect of teammates and opponents alike. He led the Dodgers to six pennants and their first World Championship as a member of the famed "Boys of Summer" in 1955.

Although he played in New York, Jackie Robinson was actually a southern California local. He grew up in Pasadena, CA, and was a star athlete while attending the University of California at Los Angeles. Jackie’s long-standing commitment to Dodgers heritage and his strong Southern California roots make us proud and endear him to Dodgers fans from Brooklyn to Los Angeles and everywhere in between.

Jackie Robinson’s sacrifice on and off the field has had a lasting impact on our nation. An athlete, businessman, and civic leader, Jackie helped blaze a trail for the civil rights movement in the years after his career as a player had ended. He conquered steep barriers with faith, dignity and grace, and he stands as a noble symbol of change in creating a more just American society for all.

Jackie Robinson’s spirit is still with us today. Jackie’s life and principles are the basis for the Jackie Robinson Foundation, which keeps his memory alive by providing children of low-income families with leadership and educational opportunities. Perhaps Jackie Robinson himself said it best: "A life is not important, except in the impact it has on other lives."

To honor Jackie for his countless and valuable contributions, Major League Baseball declared in 2000 that to commemorate each year, all Major League clubs will recognize this remarkable athlete and man. That same year my colleagues and I passed legislation honoring Jackie Robinson with a National Day of Recognition and awarding him the Congressional Gold Medal, the highest honor bestowed by Congress. Almost 58 years after Jackie Robinson trotted out to that first base in a Brooklyn Dodgers uniform, the President today will present the Congressional Gold Medal to Jackie’s wife Rachel, daughter Sharon and son David, along with other members of the Robinson family.

I can think of no better tribute than to proclaim April 15 “Jackie Robinson Day.” Jackie’s contributions and sacrifices not only changed a sport, but touched a nation. No athlete may have had a greater long-term impact on his sport or society than Mr. Robinson.

Mr. Speaker, it gives me great pride and honor to ask my colleagues to join me today in saluting Mr. Jackie Robinson as the recipient of the Congressional Gold Medal and as a great American most deserving of his National Day of Recognition. Jackie Robinson’s contributions have truly helped to make America "one nation.”

RECOGNIZING ROBERT HARRISON GLAZE

HON. FORTNEY PETE STARK OF CALIFORNIA IN THE HOUSE OF REPRESENTATIVES Wednesday, March 2, 2005

Mr. STARK. Mr. Speaker, I rise today to pay tribute to Robert (Bob) Harrison Glaze. Bob Glaze served honorably on the City Council of San Leandro, California in 1963. He is a noted lecturer and an ardent supporter of education. His numerous sponsorships, board memberships and honors reflect his dedication to art, culture, education, government and philanthropy.

Walter Shorenstein has been a valued advisor to Presidents, a generous philanthropist, a noted lecturer and an ardent supporter of education. His numerous sponsorships, board memberships and honors reflect his dedication to art, culture, education, government and philanthropy.

Walter Shorenstein’s life has been enriched by his family. His daughter Carole is a producer of Broadway shows, his son, Douglas is President of the Shorenstein Company, and his grandchildren Walter, Gracie, Brandon and Daniella are great blessings to him. His lifelong partner in life, Phyllis, died in 1994, and their beloved and brilliant daughter Joan died in 1985.

It is a special privilege for me to honor Walter Shorenstein and to call him my friend.

Ms. ESCHOO. Mr. Speaker, I rise today to honor a distinguished American, Walter H. Shorenstein, who will celebrate his 90th birthday on Friday, March 4, 2005.

Walter H. Shorenstein served our nation as a Major in the United States Air Force. He is an extraordinary American who has made enormous contributions to our communities and our country. He began his career in real estate in 1946 and has built the Shorenstein Company into one of the largest and most highly respected real estate firms in the nation.

Walter Shorenstein has been a valued advisor to Presidents, a generous philanthropist, a noted lecturer and an ardent supporter of education. His numerous sponsorships, board memberships and honors reflect his dedication to art, culture, education, government and philanthropy.

Walter Shorenstein’s life has been enriched by his family. His daughter Carole is a producer of Broadway shows, his son, Douglas is President of the Shorenstein Company, and his grandchildren Walter, Gracie, Brandon and Daniella are great blessings to him. His lifelong partner in life, Phyllis, died in 1994, and their beloved and brilliant daughter Joan died in 1985.

It is a special privilege for me to honor Walter Shorenstein and to call him my friend.

Mr. Speaker, I ask my colleagues to join me in honoring this good and great American, this outstanding citizen and national treasure. As Mr. Shorenstein celebrates this important milestone, the gratitude and respect of the entire House of Representatives are extended to him.
A TRIBUTE TO THE FIRST CHURCH OF THE NAZARENE OF PASADENA

HON. ADAM B. SCHIFF
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. SCHIFF. Mr. Speaker, I rise today to honor the First Church of the Nazarene of Pasadena, California. During the months of February and March, the First Church of the Nazarene of Pasadena will be celebrating its 100th Anniversary.

The church began in 1905 and was led by Founding Pastor Dr. John W. Goodwin with 54 members that met in each others’ homes. As the congregation grew, the church moved to Mary Street in 1906, then Raymond Avenue, Mountain Street, and finally Sierra Madre Boulevard, where it resides today. Today the church has over 2000 members, which includes a congregation with nine different cultural backgrounds.

First Church of the Nazarene of Pasadena had several notable Pastors, including James Dobson, Founder and Chairman of Focus on the Family, and his wife Shirley, who were members for over thirty years. Other Pastors were J.W. Ellis, Earl G. Lee, H.B. London, Dr. Stephen Green, Dr. Jeff Crosno and the current Pastor, Jay Ahlemann.

The church has many programs that serve the community. The Compassionate Ministries program consists of: Helping Hands—a food and clothing facility on the church campus, Church in the Park—service to the homeless on Sunday mornings, El Centro Trabajo—an advocacy organization for day laborers, and a South Central Los Angeles food distribution center. Compassionate Ministries fed and clothed more than 22,000 people last year.

Other programs include PrimeTime which provides fellowship for seniors and Loveline, a phone ministry for homebound seniors. In His Image serves families of special needs children on a weekly basis, providing Sunday School classes, parent connections and support groups, respite events for the parents, an all-inclusive sports program for the entire family, and special events like the Special Olympics Unified Basketball event, San Gabriel Valley Region. Parent Education Seminars, Support Groups through the Recovery Ministries, Sunday School, Sunrise Preschool and Academy of the Arts are also among the many services that the First Church of the Nazarene of Pasadena offers to its members and the community.

I am proud to recognize the First Church of the Nazarene of Pasadena for its 100 years of offering a place of loving care and joyful worship to the people of the San Gabriel Valley and I ask all Members to join me in congratulating the congregation for their remarkable achievements.

HONORING ROTARY INTERNATIONAL

HON. DALE E. KILDEE
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. KILDEE. Mr. Speaker, I ask the House of Representatives to join me in congratulating Rotary International on celebrating its 100th anniversary. On Saturday, February 26, the Rotary Clubs of Genesee, Shiawasee and Lapeer Counties will celebrate this milestone with a Centennial Gala to be held at Genesys Banquet Center in Grand Blanc, Michigan.

Rotary International, founded on February 23, 1905, is a worldwide organization of business and professional leaders that provide humanitarian service, encourage high ethical standards in all vocations, and help build goodwill and peace in the world. Approximately 1.2 million Rotarians belong to more than 31,000 Rotary Clubs located in 166 countries. In Rotary Area Seven, which includes my district, there are almost 600 members making the commitment to address community and international issues.

Rotarians are committed to the motto “Service Above Self” and to “The Four-Way Test” of business ethics, a philosophy that encourages truth, fairness, goodwill, and mutual benefit in all professional actions.

The Four-Way Test:
1. Is it the Truth?
2. Is it Fair to all Concerned?
3. Will it build Goodwill and Better Friendships?
4. Will it be Beneficial to all concerned?

They support efforts to provide educational opportunities and to meet basic human needs because these efforts are essential steps to greater world understanding, goodwill, and peace. The founding of Rotary International encouraged the creation and expansion of service clubs in the 20th century, and these service clubs generated a formalized spirit of community volunteerism throughout the United States and the world.

The PolioPlus program, created by Rotary International to fight the dreaded disease, has helped to vaccinate more than two billion children. They are the only nongovernmental organization to join in partnership with the World Health Organization, the United Nations Children’s Fund (UNICEF), and the Centers for Disease Control and Prevention to achieve the goal of the total eradication of polio in 2005. Their work is an outstanding and noteworthy humanitarian effort by a nonprofit organization.

Mr. Speaker, I ask the House of Representatives to join me in congratulating Rotary International on celebrating its 100th anniversary. As a Rotary Club fellowship beneficiary, I can attest to the unwavering support they give to the community and applaud their involvement in the State of Michigan and beyond.

RECOGNIZING VIRGINIA AND SAMUEL RICHARDSON DURING BLACK HISTORY MONTH

HON. MARTIN OLAV SABO
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. SABO. Mr. Speaker, it is my honor to take part in the celebration of Black History Month by recognizing distinguished civil and human rights leaders from the state of Minnesota: Virginia and Samuel Richardson.

Samuel Richardson was born in Longview, Texas where he lived until he enrolled in Morehouse College. He moved to Minnesota in 1950 and immediately joined the local branch of the NAACP.
Wanting to see his children grow up in a place that valued equality, Samuel Richardson fought for it in numerous ways, such as by picketing the F.W. Woolworth's in St. Paul to advocate for equal access and jobs for African Americans there. He advocated for fair housing. He marched with Martin Luther King in Washington in 1963. He joined numerous organizations and served as their leader.

Virginia Bardwell Richardson was born in Huntington, Tennessee. She attended the University of Minnesota, became a mother, and has always been passionate about education. She joined local activist organizations and served in leadership positions throughout her entire adult life.

When Samuel was hired by Supermarket giant Applebaum's in a prominent marketing position, he was one of the only black advertising directors west of Chicago. After a long career with Applebaum's, he became the Minnesota State Commissioner of Human Rights. There, he focused on new laws to address discrimination of all kinds, and to promote protections for people with disabilities. He then worked for the State of Minnesota's Department of Education, where he remained from 1971 until 1997.

While raising four children, Virginia was a critical part of volunteer organizations, including Assistant Chair of the Minneapolis Democratic-Farmer-Labor party, Minneapolis Public Schools' quality committee and the Minnesota Episcopal Parish. Almost 25 years ago, she went to work full-time at the PACER Center (Parent Advocacy Coalition for Educational Rights). Today, she serves as its manager of Parent Training.

Samuel and Virginia are founders of the Bryant Village Initiative. This neighborhood-based organization works to make residents' voices heard about the effectiveness of city and county programs. It also provides critical input to the police department and welfare programs to help make their work more successful.

The Richardson's are heavily involved in the Oakland Methodist Church. Both were active in their children's school Parent Teacher Associations. They have also been active politically, including working on the campaign to help the first black woman Mayor of Minneapolis get her start in politics.

"Most people are simply sitting and waiting to be led. All you have to do is step up and do it," Samuel Richardson said. "You want to see change and you want to see people enjoy all the things the Constitution offers."

Mr. Speaker, this generous activist couple is one example of the critical leadership required for the change that makes our nation a better one. With incredible motivation and a sincere desire to improve the lives of others, he has diligently worked to build a network of support services and organizations that have helped revitalize and transform the community. Upon beginning his service in Hudson County, Rev. Curtiss oversaw the consolidation of three, local Episcopal churches into one, now known as the All Saints Episcopal Parish. From the beginning, the church established a precedent for being progressive and accepting and welcoming people from all stages of life and segments of the community. Under Rev. Curtiss's strong leadership and creative vision, the All Saints Episcopal Parish has become more than a place of worship for its nearly 300 congregants; it is well-known for its community outreach initiatives and ministries. In addition to the church, Hudson County benefits from related programs. Curtiss has helped found such as the All Saints Episcopal Day School, the youth ministry known as WOODY, and the Jubilee Family Life Center, which offers an after-school program and summer camp for youth from the Hoboken housing projects.

An influential member of the community, Rev. Curtiss has held leadership positions in the past and continues to be greatly involved. For the Christ Hospital, Rev. Curtiss is the chair of both the Community Relations Committee and the Quality Improvement Committee, vice-chair of the Board of Trustees, and a member of the Transitional Committee. He is the president of the Episcopal Network for Economic Justice and treasurer of the Jubilee Interfaith Organization, which promotes immigrant rights and worker justice.

As president of the Hoboken Clergy Coalition in 1982, Rev. Curtiss was instrumental in the establishment of the Hoboken Shelter for the Homeless. A past president of the Board of Trustees of the Hoboken North Hudson YMCA and past president of the Hoboken Rotary Club, Rev. Curtiss is still an active member of both organizations. He is also a member of the Diocesan Council, the Episcopal Urban Caucus, the Department of Missions Board, the Commission to Dismantle Racism, and the nonprofit housing board known as the Union City Renaissance Urban Renewal Associates.

Rev. Curtiss received his bachelor's degree from Gettysburg College and later graduated with a master's degree from the Gettysburg Lutheran Theological Seminary.

Today, I ask my colleagues to join me in honoring Reverend Geoffrey B. Curtiss for his years of dedicated, selfless service to the community. His passion to help those in need and strong leadership cannot be matched—and his work has touched the lives of countless individuals in Hoboken and the greater community. We continue to honor him on his important career milestones and we are grateful to have such a positive force supporting and serving the community.

TRIBUTE TO ARMY PFC MIN S. CHOI

HON. SCOTT GARRETT
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. GARRETT of New Jersey. Mr. Speaker, it is with profound sorrow that I rise to recognize the loss of a New Jersey resident who served with dignity and honor as a soldier in Iraq. I join his family, friends and members of his community in mourning this great loss.

On Saturday, February 26, Army Private First Class Min S. Choi, 21, of River Vale, New Jersey died in Aherita, Iraq when an explosive device detonated near his military vehicle. Choi was assigned to the Army Headquarters and Headquarters Company, 6th Squadron, 8th Cavalry Regiment, 3rd Infantry Division at Fort Stewart, Georgia.

A resident of River Vale, N.J., Choi attended Pascack Valley High School. PFC Choi and his family emigrated to the United States from South Korea seven years ago. Following graduation in 2003, Choi enlisted in the Army because he wanted to serve his new country, and aspired to become a military officer and a United States citizen. His recent assignment to his adopted country and home humble us, and underscore how much we must treasure and protect the freedoms and democratic ideals of our great nation.

This loss causes us to reflect on the bravery demonstrated by our men and women in uniform as they carry out their obligations in the face of danger. When their Nation called them to duty to preserve freedom and the security of our neighbors, they answered without hesitation.

Mr. Speaker, it is my sincere privilege to recognize the life of a proud soldier and heroic representative of the State of New Jersey. Army PFC Min S. Choi was an honorable defender of liberty and he deserves our gratitude and respect.

We remember those who have fallen not only as soldiers, but also as patriots who made the ultimate sacrifice for their country. May we keep their loved ones in our thoughts and prayers as they struggle to endure this difficult period and mourn the heroes America has lost.

TRIBUTE TO PEOPLE OF NAGORNO KARABAKH

HON. MARTIN T. MEEHAN
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. MEEHAN. Mr. Speaker, I rise today to pay tribute to the people of Nagorno Karabakh, who recently celebrated the seventeenth anniversary of their National Freedom Movement.

On February 20, 1988, the courageous people of Nagorno Karabakh officially petitioned the Soviet government to reunite their homeland with Armenia. They sought to correct the injustices of the brutal Stalin regime, under which the ethnic Armenian population of Nagorno Karabakh was involuntarily placed within the borders of Azerbaijan.

Despite the peaceful request by the Nagorno Karabakh Freedom Movement, the
U.S. FOOD SAFETY UNDER SIEGE?
(By Richard Gilmore)

When it comes to the prospect of an agroterrorist attack, the US strategy of protection for the food chain has not achieved the desired security Presidential Directive/HSPD–9 of January 30, 2004, which prescribes that the food chain be protected against food supply disruptions, domestic and international. To that end, the US agriculture has rolled out the welcome mat. Integration and consolidation in the industry and then for various sectors of the food supply chain, international or domestic, to provide a long chain of defense against crops, livestock, poultry and fish. Similarly, food protection and terrorism prevention have to be internationalized and economic and political instability. The United States is moving from self-sufficiency to an increasing dependency on other countries for its food imports. At the same time, the US regulatory infrastructure for food safety has not improved in many respects: the United States is heavily dependent on the private sector for coordination and support. The initial regulations failed on both counts and the prospects for the latest regulations remain uncertain.

Current regulations have evolved since the Bioterrorism Act of 2002 set up tracking mechanisms whose effectiveness depends on industry self-regulation. The US Food and Drug Administration (FDA; Rockville, MD, USA) must now notify prior notice for inspections and enforcement capabilities should not only be at borders but also within the country. The US agriculture, food and livestock industries are seen as a sector of the economy that is vulnerable to terrorism. The FDA, which includes key industry associations, is responsible for sharing information with trading partners worldwide.

The Bioterrorism Act of 2002 sets up tracking mechanisms whose effectiveness depends on industry self-regulation. The US Food and Drug Administration (FDA; Rockville, MD, USA) must now notify prior notice for goods arriving by ship, four hours by rail or air and two hours by road. This dependence on the private sector is burdensome for business and makes it impossible for ensuring the public’s food safety concerns.

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that US politicians would adopt a unilateral response to what is an international problem in the face of a bioterrorist attack. Whether it’s cross-border winds or the globalization of the food chain, the threat of bioterrorism that much of our vulnerability rests with imported pathogens. The US cannot seal off its territory from these pathogens. By attempting to do so, the cost of the government would make matters worse in the absence of uniform international security and surveillance systems.

The appropriate counter-terrorist response requires a carrot-and-stick system for sharing research, findings and coordinating strategies with trading partners where the United States sources and sells much of its food. The present policies of economic sanctions and repercussions experienced with Japan in the aftermath of the three-day soybean embargo imposed by the United States in 1973, which were more costly than the embargo itself, are not likely to be used by terrorists. The US Department of Agriculture’s (Washington, DC, USA) newly sponsored research centers and other joint government and private sector initiatives inside and outside the United States could also contribute to the search for resistant strains of livestock. In addition, with information concerning large-animals—cattle, sheep and goats—the genotype of the cattle is anticipated soon—genomic information can be applied to develop new strains of plants and livestock resistant to these pathogens. These measures can be adopted to address the problem of increased susceptibility of livestock to disease due to changes in cattle feeding practices. The US government took emergency action earlier in 2004 of a BSE-infected Holstein cow in the United States demonstrated that the monitoring and surveillance system in place is insufficient for such purposes.

There is also an immediate need for a stronger set of regulations that feature comprehensive controls on research, detection and surveillance on both national and international fronts. Private industry partners in this undertaking must be treated equitably and fairly with a greater effort to broaden industry representation. The easiest step that can be taken to strengthen US defense is to initiate and fund an intensive research and development program with both CBP and FDA’s ambitious program benchmarks for field operations, including port inspections, staff training and personal training, and industry registrations. We still lack uniform and consistent enforcement standards for industry and government agencies. Although that is the 15-year goal of the Automated Commercial Environment (ACE) run by the US Customs, nothing in place can accommodate different information and reporting systems in both government and industry.

Longer term measures should include accelerated research programs and an integration and internationalization of policy plans. The single most important goal is to create a practical system of defense for the US food chain, new endeavors to foil terrorists also can result in a broader international system of preparedness. Lifting the siege is the first step.

INTRODUCING BILL TO BRING UniVERSAL Four-YEAR-OLd Kin-DERTEN To D.C. AND NaTIONWIDE

HON. ELEANOR HOLMES NORTON 
OF DISTRICT OF COLUMBIA 
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Ms. NORTON. Mr. Speaker, I am introducing today on Read Across America Day the Universal Pre-Kindergarten and Early Childhood Education Act of 2005 (Universal Pre-K) to begin the process of providing universal, public school pre-kindergarten education for every child, regardless of income. The bill is meant to fill the gaping hole in the President’s No Child Left Behind law, which requires elementary and secondary school children to meet more rigorous standards while ignoring the preschool years which can best prepare them to do so. My bill would provide a breakthrough in elementary school education by taking a step at the federal level to provide initial funding and, using such funding, to encourage school districts themselves to provide a grade to elementary schooling at age four as an option for every child.

I often read to kids on Read Across America Day. However, symbolic actions won’t do as we blithely let the most fertile years for reading go by while we wonder why we can’t teach our kids to read. Job-related responsibilities, after all, are as likely to be used by terrorists. The US Department of Agriculture’s (Washington, DC, USA) newly sponsored research centers and other joint government and private sector initiatives inside and outside the United States could also contribute to the search for resistant strains of livestock. In addition, with information concerning large-animals—cattle, sheep and goats—the genotype of the cattle is anticipated soon—genomic information can be applied to develop new strains of plants and livestock resistant to these pathogens. These measures can be adopted to address the problem of increased susceptibility of livestock to disease due to changes in cattle feeding practices. The US government took emergency action earlier in 2004 of a BSE-infected Holstein cow in the United States demonstrated that the monitoring and surveillance system in place is insufficient for such purposes.

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with new scientific evidence concerning the importance of brain development in the early years virtually mandate the expansion of early childhood education to all of our children. Traditionally, early learning programs have been available only to the affluent and to lower income families in programs such as Head Start. The Marketplace Thrive Act, introduced by my colleague Mr. Burton, provides a practical way to gradually move to universal pre-school education. The goal of the Universal Pre-K Act is to bring the benefits of educational pre-K within reach of the great majority of American working poor, lower middle class, and middle class families, most of whom have been left out.

In a letter to Congress last term opposing private school vouchers, City Council Member Kathy Patterson suggested that instead of vouchers, Congress should fund a number of unfunded D.C. public school priorities, including pre-K education for all 4-year-old children. She said that although universal 4-year-old pre-K was a top D.C. priority, the city has been able to provide this schooling to only half of its children from local tax revenue.

Compare the cost of day care, most of it of questionable quality, with the cost of early education offers to improve children's chances in life, four-year-old kindergarten is overdue. The absence of viable options for working families demands our immediate attention.

Recognizing Lois Greene for Her Contributions to the Las Vegas Community

HON. JON C. PORTER
OF NEVADA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. PORTER. Mr. Speaker, it is with great pleasure that I recognize Ms. Lois Greene for the contributions she has made to the people and communities of the Las Vegas Valley.

Ms. Greene’s career of 25 years in banking and finance has enabled her to be an impassioned and pure advocate for small and minority owned businesses. Her commitment to God and her faith has been the key factor in her successful advocacy for non-profit organizations and the faith-based community. Out of her devotion to her ideals, she has helped transform the Las Vegas Valley and has brought hope to the residents that live there.

Without question, her professional leadership in community development has helped Bank West of Nevada achieve and maintain an outstanding compliance rating under the Community Reinvestment Act for the past 10 years. But also as remarkable, has been her work as Evangelist, helping lead countless men and women out of financial bondage and toward financial freedom and economic growth through her efforts to wage war on debt. As a result of her leadership, she has been recognized as a “Woman of Distinction,” “The Most Influential Woman in Southern Nevada Business” and the “Minority Business Advocate of the Year.”

I applaud her for her commitment to improving the lives of southern Nevadans of every age group, but most importantly of our youth. Her life story of humble and impoverished beginnings is one that transcends the color line. Its message is one that is needed today. It serves as a remarkable example that hard work, determination, compassion and faith in God can overcome the stumbling blocks that were historically designed to oppress American minority groups. Therefore, her accomplishments are a triumph and her story is an example of success with which countless numbers of young people have found inspiration.

Mr. Speaker, in recognition of her accomplishments, I honor her today and during Women’s History Month, so that our Nation will be aware of her service and commitment to helping others become self-sufficient and realize their American dream. I am proud to represent her in Nevada’s Third District.

HONORING JUDY GUERRA

HON. DAN BURTON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. BURTON of Indiana. Mr. Speaker, across America you can find people who make a difference in their community. Usually in quiet unassuming ways every day they help change the lives of people with whom they work and the neighborhoods they call home. Tonight, I rise to pay tribute to one such person, an outstanding and unforgettable woman who also have no long term access to child care.

Considering the staggering cost of daycare, the inaccessibility of early education, and the opportunity it offers to improve a child’s chances in life, four-year-old kindergarten is overdue. The absence of viable options for working families demands our immediate attention.

Recognizing Lois Greene for Her Contributions to the Las Vegas Community

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several things to protect the Rio Grande as a living, flowing, natural system.

Mr. Speaker, I am proud that the agreement reached encompasses a central component that I advanced through legislation in 2003. I introduced the Middle Rio Grande Emergency Water Supply Stabilization Act in an effort to find a workable approach to water management in New Mexico. I knew then that the “solutions” being bandied about were little more than quick-fix answers that would not solve our real water crisis.

My bill dealt with the realities and many other crucial issues. It set up incentives to conserve our water resources and develop collaborative solutions at the local level. It aimed to restore and protect the Rio Grande River and the surrounding Bosque, and encouraged technological solutions for new sources of water and methods to harness such technology to increase water efficiency.

My bill paved the way for the creation of a conservation pool of water to support a living river. This was a very different approach than advanced by others. The Albuquerque City Council, other entities including conservation groups, farmers, the New Mexico Conference of Churches, and AARP New Mexico endorsed my legislation.

I am pleased that the accord reached by the city and the environmental groups includes my provision that for the first time on the Rio Grande space will be allocated in the city’s Abiquiu reservoir for water that will be dedicated to environmental purposes, including sustaining endangered species such as the Rio Grande silvery minnow. Under the deal, Albuquerque has committed to provide 39,000-acre feet of storage space for exclusively environmental purposes.

In addition, the city committed to help fund a $250,000 pilot water leasing program that would pursue agricultural water for environmental purposes, and change its water billing system to allow residents to add $1 per month to their bills to fund environmental water acquisition for the Rio Grande.

While the agreement is welcome, our work is just beginning. The White House’s 2006 budget proposes $19 million in Bureau of Reclamation funds for the Middle Rio Grande Project. That represents a $10.2 million cut over current spending. At least $4 million would be cut from funds available for activities to maintain compliance with the Endangered Species Act.

In 2003, the Department of the Interior developed a 10-year plan to ensure a manageable balance between endangered species and water use in the Middle Rio Grande. Implementation of that plan, by the department’s own estimates, will exceed $230 million. Yet, over the last three years, the Bush administration has only proposed investing $19.4 million.

Making matters worse, the fiscal year 2006 Fish & Wildlife Service budget calls for eliminating $542,000 in funding for the Middle Rio Grande Bosque initiative, labeling it a “lower priority project.”

Without support from the Bush administration, it will be more and more difficult to maintain the balance that is desperately needed. I will again do everything I can to see that these disastrous reductions are reversed.

Mr. Speaker, to be a conservationist is to be an optimist. While I wanted all of the stakeholders to reach this agreement much sooner, I am glad that consensus has finally been achieved. It represents a significant step toward a fundamental change in how New Mexico and other Western States think about and manage crucial and limited water resources. As we approach similar confrontations in the coming years, I believe that we can use this historic pact as proof that seemingly divergent parties can reach a mutually acceptable and beneficial agreement.

IN HONOR AND REMEMBRANCE OF ROBERT C. “BUDDY” BENSON

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and remembrance of my dear friend, Robert C. “Buddy” Benson. The infinite measure of his heart, his courage, vision and integrity, defined his life and served to lift the lives of countless individuals and families throughout our west side suburbs. Mr. Benson’s kindness, energy and compassion will be greatly missed within the hearts of his many friends, including my own. I extend my deepest condolences to his beloved wife, Dolores; his children, Robert, Jacqueline, Patrick, Mary, Elizabeth, Denis and Christine; his grandchildren, Gina, Kim, Nicholas, Christopher, Lowen, Christopher, Stephanie and Nicholas; His great-grand daughters, Callie and Allison. Robert C. “Buddy” Benson lived his life with joy, energy and unwavering service to others. His eternal faith in humanity and his consistent willingness to give of himself, while asking for nothing in return, will continue to serve as a powerful legacy of hope and possibility throughout our entire community, and his kindness and service will forever live within the hearts of all who knew and loved him well.

PERSONAL EXPLANATION

HON. CHARLIE MELANCON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. MELANCON. Mr. Speaker, on rollcall No. 41, had I been present, I would have voted "yes."

IN HONOR AND REMEMBRANCE OF DAVID J. O’REILLY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and remembrance of David J. O’Reilly, a life-long Clevelander, graduate of Benedictine High School. Through his own, devoted husband, father, brother, uncle, friend, and dedicated public servant. Mr. O’Reilly’s commitment to the safety of Cleveland residents and concern for those less fortunate, defined his tenure of nearly two decades of outstanding public service as a police officer in Cleveland’s 4th District.

Mr. O’Reilly, a life-long Clevelandian, graduated from Benedictine High School. Throughout his entire adult life, Mr. O’Reilly remained committed to the welfare of his Slavic Village neighborhood. Affectionately known as “Mayor of Fleet Avenue,” Mr. O’Reilly was a role model to neighborhood kids, and was a friend to our most fragile citizens, our home-less. Mr. O’Reilly’s bravery and strength as a
police officer was equaled by his kind and generous heart. He consistently provided a hot meal or kind word to a person or family in need.

Mr. O’Reilly treated everyone with dignity and respect, regardless of their social status. He was just as comfortable sharing a conversation with a janitor as he was in sharing lunch with a homeless man. His expansive heart and concern for others extended beyond the 4th District. He volunteered throughout the community, teaching community safety to neighborhood groups, and he also held leadership positions on the boards of many community organizations, including the Holy Name Society, St. Michael Hospital Community Board, and the Cleveland Police Patrolmen’s Association.

Mr. Speaker and Colleagues, please join me in honor, gratitude and remembrance of Mr. David J. O’Reilly. As a police officer, Mr. O’Reilly dedicated his professional life to the safety of his officers, and the safety of the entire Slavic Village community. I extend my deepest condolences to his beloved wife, Denise; his beloved daughter, Rebecca, his beloved son, and also to his extended family and many friends. His courage and kindness will live on forever within the hearts and memories of his family, friends, and the public he so faithfully served.

“JACKIE ROBINSON’S TRYOUT WITH THE BOSTON RED SOX, APRIL 1945”

HON. BARNEY FRANK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. FRANK of Massachusetts. Mr. Speaker, this week the U.S. Congress is honoring one of the true giants of sports history, Jackie Robinson.

There is a little-known chapter in Mr. Robinson’s career that is chronicled in the attached narrative. That chapter details an act of courage and creativity in the political life of Boston by Isadore Muchnick, a man who was_dealing to the unassailable mindset of baseball as well as the arrogance of the Red Sox.

As I wrote to one of your fellow councilors last April, Collins replied to Muchnick in a letter, “I have been connected to the Red Sox for twelve years and during that time I have never requested a tryout for a tryout by a colored applicant. It is beyond my understanding how anyone could insinuate or believe that all ball players, regardless of race, color or creed have not been treated in the American way so far as having an equal opportunity to play for the Red Sox.”

There was a little-known chapter in Mr. Robinson’s career that is chronicled in the attached narrative. That chapter details an act of courage and creativity in the political life of Boston by Isadore Muchnick, a man who was...
Thirty-four years later, Cronin explained the Red Sox position as well as the game's: "I remember the tryout very well. But after it, we told them our only farm club available was Ann Arbor, Michigan. Ken Keltner (who later became the manager of the New York Yankees) also wanted something else in return for their lucrative offers: A name change. "Muchnick" was too ethnic, too Jewish. It was Isadore, or whatever, because they knew he would be the one to think over. That was a condition of employment. Muchnick responded by opening up his own law firm.

If there existed in Isadore Muchnick the indignant streak of a person straddling two entrenched worlds, it was in the political realm where he first met remedy injustices. [After being elected to the city council in 1941, Muchnick found himself in constant opposition to the majority. He fought tirelessly in his capacity as a city alderman, leveraging his law to advance the city's interests and to help create a more just society.]

He did this without becoming an outcast because he was the rare person who exploited both Robinson and the black struggle for civil rights. Perhaps even more than the game's obvious contradictions, it offended Izzy Muchnick, a former Hebrew Immigrant, that baseball maintained did not exist—go unchallenged for so long. Blacks were relegated to the inferior Negro leagues, went unattributed to a new black constituency, but in 1940, Izzy Muchnick’s Mattapan district was 99.69 percent white. In 1950, it was 99 percent white. During that year, 439 nonwhites lived among the district’s 51,170 residents. In two of his elections, Muchnick ran unopposed. In short, there was no black vote for Muchnick to exploit, nor was there during the 1940s any difficult election year for him. It wasn’t until the mid-1970s that light turned black what was the announced death, that his old district turned from Jewish to black, which occurred long after Muchnick traded bitter letters with Eddie Collins. Played out was the saga that Muchnick’s son David for the error.

Outside of his personal commitment to fairness, Izzy Muchnick had no political motive to act on behalf of blacks. There weren’t yet many blacks to work for in the first place.

How Muchnick’s name was not only omitted from the Robinson tryout but was also surrounded by bruisings on the retellings of the event is open to troubling interpretations.

The truth, however, is that the first American politician to disrupt segregation and emerge with a result was Isadore Muchnick, the former Hebrew Immigrant who could have made a fortune. Some Yankee law firm had he only changed his name.

Muchnick pressured the Red Sox to integrate because he was the rare person who—like Robinson—often placed principle in front of political or personal pragmatism.

Glenn Stout, who along with Dick Johnson would write the complete book ever on the history of the Red Sox franchise, never hinted that Muchnick approached the Red Sox with the intention of receiving anything.

Arnold Rampersad’s thorough Jackie Robinson: A Biography stated, “behind the tryout was the action of a Boston city councilman and Harvard College graduate Isadore H.Y. Muchnick. In 1944, seeing his constituency’s steady drift to mainly black, Muchnick joined the ragtag band of critics fighting Jim Crow in baseball.”

The historical accounts were not only inaccurate but were also a reflection of the crudity of the conventional thinking. The only reason Muchnick would become involved, so went the thinking, was to win a political prize. In the eyes of his children, it was not an innocent journalistic mistake that snowballed. Rather, the result, thought Frank and David, was the smirching of her father’s name. Muchnick was accused of acting to ingratiate himself to a new black constituency, but in 1948, Isadore Muchnick’s Mattapan district was 99.69 percent white. In 1950, it was 99 percent white. During that year, 439 nonwhites lived among the district’s 51,170 residents. In two of his elections, Muchnick ran unopposed. In short, there was no black vote for Muchnick to exploit, nor was there during the 1940s any difficult election year for him. It wasn’t until the mid-1970s that light turned black what was the announced death, that his old district turned from Jewish to black, which occurred long after Muchnick traded bitter letters with Eddie Collins. Played out was the saga that Muchnick’s son David for the error.

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Glenn Stout, who along with Dick Johnson would write the complete book ever on the history of the Red Sox franchise, never hinted that Muchnick approached the Red Sox with the intention of receiving anything.
In the end, the Robinson tryout failed because the Boston Red Sox were reticent from the outset. Led by Eddie Collins, the club had no real intention of acting beyond that. A year later, the trial would arrive for more than a decade thereafter. Within the organization, there was no guiding force, no catalyst with the vision to make integration a reality. The Sox scandal would become the characteristic feature of the Boston Red Sox regarding race. Had there been a central figure in Boston, a Branch Rickey or even a Gussie Busch, who provided some form of vision, the Red Sox script would indeed have been different. It is more than a little damning that the months before the tryout and even after, it was Collins who represented the club and not Tom Yawkey, who stood invisible. At a time when the Red Sox stood at the precipice of baseball history, the team’s owner lay deep in the background. Tom Yawkey was the only figure in the organization with the power to act boldly, and whether or not he harbored a personal dislike for blacks is secondary to his silence. That silence, in effect, would become a closing indictment. No different than the curved maze of streets in its city, the Red Sox lacked a clear-cut moral direction on race; against this, the combined pioneering spirit of Isadore Muchnick and Jackie Robinson never stood a chance.

In honor and remembrance of Sergeant Michael Finke, Jr.

HON. DENNIS J. KUCINICH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and remembrance of United States Marine Corps Sergeant Michael Finke, Jr., who courageously and selflessly rose to the call to duty and made the ultimate sacrifice on behalf of our country.

Sergeant Finke was an exceptional United States Marine and was an equally exceptional human being. His life was characterized by his unwavering sense of duty and commitment to our nation, and above all, his life reflected a deep love and dedication to his family—his beloved wife Heather, his parents, sisters, brother, grandparents and many friends.

Sergeant Finke grew up in Medina, and shortly after high school graduation, he fulfilled his childhood dream by enlisting in the Marines. His eleven years of service was framed by honor, bravery and duty. Throughout his military journey, Sergeant Finke carried with him a strong foundation of faith, family and community. He rapidly ascended through the ranks, and attained the rank of Sergeant. His strong intellect and solid sense of integrity even matched his exceptional sense of humor and kindness toward others. Sergeant Finke’s entire life—civilian and military, reflected his generous heart and sincere concern for the welfare of others. He often and easily offered his assistance to anyone in need, asking for nothing in return.

Mr. Speaker and Colleagues, please join me in honor and remembrance of Sergeant Michael Finke, Jr., whose heroic actions, commitment, and bravery will be remembered always. I extend my sympathies to the family of Sergeant Finke—his beloved wife Heather, his beloved parents, Sally and Michael Sr.; his beloved stepparents Geoffrey and Nadine; his beloved sisters and brother, Trisha, Tony and Tim; his beloved grandparents, Wayne Finke and Donna Thompson; and his extended family and friends.

The significant honor, sacrifice, service, and courage that defined the life of Sergeant Michael Finke, Jr., will forever be honored and remembered by the entire Cleveland community and the entire nation. And within the hearts of his family and friends, the bonds of love and memories created in life by Sergeant Finke will never be broken, and will live on for all time.

IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. GEORGE MILLER of California. I rise to introduce a resolution for the purpose of allowing the House to obtain critical information about the financial status of our nation’s single employer pension plans. Current law requires this valuable information about pension plans to be kept secret. This is wrong. Employees and investors should know all the facts. Employees should be fully informed about financial health of their own plan, and use that information as part of their overall retirement planning. The President says he supports making the information public. I have introduced legislation making this information public. I hope Congress will act on this proposal when we take up pension legislation later this year.

For now, Congress should be fully aware of the financial health of the nation’s top pension plans as it debates ways to strengthen defined benefit pension plans. This resolution will ensure we get the data to make informed decisions. Recently, the GAO put the Pension Benefits Guarantee Corporation, PBGC, on its “watch list” for the second time in a row. The PBGC recently reported a $23 billion deficit for last year. Overall, PBGC reports that private pension plans are underfunded by some $450 billion, the largest amount in history. The Bush administration recently proposed hiking pension plan insurance premiums by $15 billion over the next 5 years, and proposes billions of dollars in accelerated pension contributions. And yet, we are being asked to consider such a proposal without current and accurate information about any individual company’s funding status. This resolution requests the administration to provide us this information within 14 days, while protecting any proprietary information related to the sponsoring company.

IN HONOR OF DR. DONALD P. BARICH

HON. DENNIS J. KUCINICH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and recognition of Dr. Donald P. Barich,
upon the occasion of his retirement after 40 years as a beloved pediatrician within our community. His exceptional expertise and compassionate care of children, from newborn through late teen, has enhanced the well-being of thousands of families throughout our Western Reserve community.

After receiving his Doctor of Medicine from the University of Illinois College of Medicine in 1965, Dr. Barich came to Cleveland Metropolitan Hospital to complete his internship and residency. Beyond his pediatric practice, Dr. Barich worked continuously at the forefront of cutting edge medical research. His respected work has been highlighted by the American Academy of Pediatrics, National and Ohio Chapters; The Cleveland Academy of Medicine; the Case Western Reserve School of Medicine; and the Northern Ohio Pediatric Society. As a Clinical Professor of Pediatrics, Dr. Barich shared his expertise with students at Case Western Reserve University, University Hospitals, Metro Hospital, Southwest General Hospital, Parma Hospital, and Children’s Hospital and Medical Center of Akron.

To this day, Dr. Barich continues his vital instruction as Professor of Pediatrics at Case Western University, University Hospitals, Parma Hospital and Southwest General Hospital. The outstanding service and care for every child and every nervous parent has not gone unnoticed. Dr. Barich has been honored on several occasions for his outstanding work as a pediatrician, and was also honored for his service to our country. In 1970, Dr. Barich was awarded the Meritorious Service Award by the U.S. Air Force at McClellan Air Force Base in California. He has been listed as one of the “Top Docs in Cleveland” for eight years running by Cleveland Magazine.

Mr. Speaker and Colleagues, please join me in honor and remembrance of Corporal Timothy A. Knight, whose heroic actions, commitment and bravery will be remembered always. I extend my deepest condolences to the family of Corporal Knight—his beloved wife and high school sweetheart, Gina M. Knight; his beloved baby daughter, Chloe; his beloved parents, W.C. Arrowood and Jeanne Knight; his beloved sisters and brothers, Karen, Michael, Samantha, Debbie, Sabrina and Brian; his beloved mother and father-in-law, Jackie Collins and Dean Delligatti; and his many extended family members and friends.

The significant sacrifice, service, and courage that defined the life of Corporal Timothy A. Knight will be honored and remembered by the entire Cleveland community, and the entire nation. And within the hearts of his family and friends, especially Gina and Chloe, the bonds of love and memories created in life by Corporal Knight will never be broken, and will live on for all time.

RECOGNIZING THE PEACE CORPS VOLUNTEERS FROM OREGON’S THIRD DISTRICT

HON. EARL BLUMENAUER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. BLUMENAUER. Mr. Speaker, President Kennedy, speaking 44 years ago at the establishment of the Peace Corps, remarked that, “The initial reactions to the Peace Corps proposal are convincing proof that we have, in this country, an immense reservoir of such men and women—anxious to sacrifice their energies and time and toil to the cause of world peace and human progress.” What was true in 1961 is true today; Peace Corps Volunteers are an outstanding group of men and women serving the cause of people everywhere.

During this National Peace Corps Week, I want to honor the service and commitment of the Peace Corps Volunteers from Oregon’s 3rd Congressional District and express my pride in my fellow Oregonians who have chosen to devote years of their lives in service to others.

In particular, I want to recognize those Peace Corps Volunteers currently serving: Adela Ardelean in Romania McKean Banzer-Lauborg in Morocco Melissa Barber in Mali Dane Bayley in Kenya Elizabeth Decker in Azerbaijan Amad Dorostal in Mexico Jeanine Ferguson in Romania Crista Gardner in Guatemala


IN HONOR AND REMEMBRANCE OF JOHN RAITT

HON. DENNIS J. KUCINICH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in honor and remembrance of John Raitt, beloved father, husband, and internationally known stage and cinema artist, whose incredible baritone voice, passion for life and handsome presence transformed the darkened stage into a place that sparked with enchantment, energy and possibility.

Growing up in southern California, Mr. Raitt’s deep, harmonious melodies captivated audiences in local venues, from church halls to community clubs. His rising star took flight in 1940, marking his professional debut as a chorus singer in “HMS Pinafore” with the Los Angeles Civic Light Opera. Although he had little operatic training, his voice was as inspiring and powerful as an operatic master. Even his auditions were riveting, as he rendered musical geniuses such as Richard Rodgers and Oscar Hammerstein speechless and inspired.

From premier roles in award-winning theatrical productions such as “Oklohal,” “Carousel” and “Magda,” Mr. Raitt found significant roles in major films such as “The Pajama Game.” Mr. Raitt won the hearts of theater goers and critics alike. His love of music and his dedication to his audience never faded, nor did his personal and professional convictions. Mr. Raitt was a man of unwavering strength, kindness and integrity, and he offered everyone and every audience the same enthusiasm, energy and respect—whether playing in a small church hall or performing on a Broadway stage.

Mr. Speaker and Colleagues, please join me in honor and remembrance of John Raitt, whose gift of song and kind heart is a legacy that will rise forever in the hearts of his family and friends, and within the hearts of every
person who heard him sing. I offer my deepest condolences to his wife Rosemary; to his daughter Bonnie; to his sons, Steven and David; and to his many extended family members and friends. The gracious and joyous life of John Ratt will forever light our American musical landscape, and his invaluable gifts, reflected through song, stage and family, will be coveted for all time.

TRIBUTE TO DERBY, CONNECTICUT’S CUB SCOUT PACK 3 AS THEY CELEBRATE THEIR 75TH ANNIVERSARY

HON. ROSA L. DeLAURO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Ms. DeLAURO. Mr. Speaker, it gives me great pleasure to rise today to join the many alumni, families, and community members who have gathered today to celebrate the 75th anniversary of Derby, Connecticut’s Cub Scout Pack 3. This is a tremendous milestone for this outstanding organization and I am honored to have this opportunity to recognize the many invaluable contributions they have made to our community.

The legacy of Derby’s Pack 3 begins with three Senior Patrol Leaders of Boy Scout Troop 3, who took on the challenge of creating a program for younger boys interested in Scouting. Because the Boy Scouts of America did not offer such a venue at the time, Manuel Pearson, Francis Barron, and Edmund Strang initially based their program on the English Cubbing program. Three years later, the Boy Scouts of America announced their intentions to adopt a new cubbing program and Pack 3 was officially registered as one of the country’s first Cub groups. In fact, Cub Pack 3 has been recognized by the Boy Scouts of America as the Nation’s third oldest continuously running pack.

With participants ranging in age from eight to ten years old, the Cub Scouts program teaches life skills and a valuable life lesson in these youngsters—the value in serving their communities—a lesson that they will certainly carry with them through their adult and professional lives. From food drives and fundraisers to fire safety training and community activities, they have a direct and positive impact on the lives of others and their community.

It is not just the variety of programs and services these youngsters participate in throughout our community that makes Pack 3 so special. It is the scouting tradition that exists within Scouting. Generations of families have begun their scouting experience in Pack 3, with many alumni continuing to stay active in the Pack as adults by becoming committee members, webelos leaders, den leaders, and cubmasters. Just as an example, the eleven Pack 3 officers have an average thirty-three and a half years of service in cubbing. The dedication they have to this organization is a testament to the impact of their own Cub Scout experience.

As soon as he was able, Ed became the cubmaster—a position which he held for the better part of sixty-four years. When he was no longer able, Ed turned the reins over to current cubmaster Dan Cyrl who was himself an Eagle Scout with Troop 3. Though Ed is no longer with us, his commitment, generosity, and concern will always be reflected in the good work of Pack 3.

Today, as they celebrate their 75th Anniversary, alumni and community members will reflect on what Cub Scout Pack 3 has brought to this community and their own lives. Touching the lives of the Pack 3 has left an indelible mark on the City of Derby and I have no doubt that this strong tradition will continue for generations to come. It is with great pride that I rise today to extend my sincere congratulations to Derby’s Cub Scout Pack 3 on their 75th Anniversary and to extend my very best wishes for many more years of successful service to the community.

IN HONOR OF THE VIETNAMESE NEW YEAR: TET, 2005—YEAR OF THE ROOSTER

HON. DENNIS J. KUCINICH
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. KUCINICH. Mr. Speaker, I rise today in recognition of the Vietnamese New Year: Tet, 2005—Year of the Rooster. To celebrate the hope and promise of the New Year, the members and leaders of the Vietnamese Community in Greater Cleveland, Inc., will gather at St. Helena Catholic Church to rejoice with family and friends, enjoying Vietnamese culture and performing.

The Tet celebration will include recognition of community volunteers and leaders, and Vietnamese food, dancing and musical entertainment by the Vietnamese youth of Cleveland. Tet is the time of year to pay homage to ancestors, reconnect with family and friends, and celebrate the sense of good will and possibilities, rising like the first light of dawn. This year also marks the 30th anniversary of the establishment of the Vietnamese Community in Greater Cleveland, Inc. For nearly three decades, this vital coalition of culture has reflected unwavering commitment, service and community outreach to citizens of Vietnamese heritage. The Vietnamese community in Greater Cleveland is a vibrant layer within the colorful fabric of our culturally diverse city—and the Vietnamese Community of Greater Cleveland, Inc. plays a significant role in preserving and promoting the ancient cultural and historical traditions that spiral back throughout the centuries, connecting the old world to the new, spanning oceans and borders—from Vietnam to America.

Mr. Speaker and Colleagues, please join me in honor and recognition of Mr. Carl Kocina, especially his family and friends. His Kocina Trio. The Trio played for many years at social and family events. Mr. Kocina was instilled with a strong work ethic—a philosophy that he maintains to this day. At 15, he started work in a local factory, and retired fifty years later as a supervisor of a plant that manufactured aircraft parts. Today, his active lifestyle reflects deep joy and energy, both on and off the bowling lanes. Mr. Kocina lives independently, and honed his culinary talents on a regular basis. He is surrounded by family and friends, especially his daughter, Florence Husbeck, granddaughter, Linda Butler, and great-grandson, Grant Butler.

Mr. Speaker and colleagues, please join me in honor and recognition of Mr. Carl Kocina, as we celebrate his 100th birthday. Mr. Kocina continues to be an inspiration to everyone in his life—especially his family and friends. His energy, agility and joy for living serve to highlight the philosophy that life’s possibilities and joys are within reach for every one of us, regardless of our chronological age. We wish him many blessings of continued health and happiness today, tomorrow, and for all days to come.

CONGRESSIONAL TRIBUTE TO STATE REPRESENTATIVE SCOTT SHACKLETON

HON. BART STUPAK
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. STUPAK. Mr. Speaker, I rise today to thank a retiring Michigan state legislator for his service. State Representative Scott Shackleton has just completed his third and final term representing the 107th District of the Michigan House, which includes Chippewa, Mackinac, and Emmet Counties, as well as a part of Cheboygan County.

I appreciate Representative Shackleton’s six years of service to the people of Northern Michigan. Like all of us who represent this rural part of the state, he has worked to make sure our region gets its fair share in his role as Chairman of the House Appropriations Transportation Subcommittee.

I also want to mention Representative Shackleton’s family. He and his wife, Karen, have two young sons, Henry and John. Each of us who has served in public office when we have young children at home know the sacrifices that families make in order to represent
our communities. I am sure that the Shackleton family has made those sacrifices, and they deserve our thanks as well.

Mr. Speaker, I ask the House of Represent- atives to join me in recognizing Representative Shackleton for his service to the people of Northern Michigan, and in wishing him well as he leaves public life.

IN MEMORY OF MAGDALENO SANCHEZ DUENAS

HON. MICHAEL M. HONDA
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. HONDA. Mr. Speaker, I rise today to pay tribute to a courageous American, a man who was willing to give everything to this country, but who got far too little in return.

Magdaleno Sanchez Duenas was born in Maasin, Philippines on May 27, 1914 into a large loving family with seven brothers and sisters. Mr. Duenas worked several jobs throughout the years, moving in 1937 to Davao City. There, in November 1941 on the eve of World War II, Mr. Duenas was asked to join the impending fight for freedom as a soldier in the U.S. Armed Forces. Mr. Duenas proudly joined the 101st Infantry.

To say Mr. Duenas fought bravely is an understatement. In 1943, he joined guerilla forces living in the mountains. He fought without shoes, living on a diet of “camote” (yams) and “lugaw” (rice porridge). On December 24, 1942, he was captured by the Japanese while gathering food for his fellow freedom fighters. He was immediately interrogated, yet he refused to relinquish any information that would reveal the hiding place of the guerilla forces. That night, Mr. Duenas managed to escape and return to his mountain hiding place. On April 4, 1943, Mr. Duenas helped engineer and carry out a rescue operation that freed ten American soldiers from captivity at the Davao Penal Colony. Mr. Duenas kept them fed and hidden and helped them rejoin the guerilla forces.

For his wartime heroism, Mr. Duenas de- served fame. Tragically, however, this was not why he came into the public eye. Mr. Duenas realized a life-long dream and immigrated to the United States, arriving in Richmond, Cali- fornia in 1942. It was upon his arrival in Amer- ica that Mr. Duenas and 16 other Filipino American World War II veterans were held in virtual captivity by an abusive landlord who beat them, kept them chained, and fed them only dog food, all the while stealing their monthly checks. In December 1993, a group of Filipino American advocates discovered the inhumane abuses and rescued Mr. Duenas and the other Filipino American heroes that were trapped with him.

During his final years, Mr. Duenas lived quietly in the Tenderloin District of San Fran- cisco. Those who knew him remember him with deep affection as an endearing com- panion with a knit cap, and a folding two- wheel cart to get around.

It is a equally tragic that Mr. Duenas and his other Filipino American veterans still have not re- ceived full recognition from our government for their patriotism during World War II. In his final years, Mr. Duenas was featured in two docu- mentaries and his story remains at the center of the battle for veteran Filipinos from our greatest generation. Sadly, Mr. Duenas did not live to see the story through to completion. He died this past weekend, on February 27th, at the age of ninety.

Mr. Speaker, since 1948 every Christmas Mr. Duenas received a token from General Schoefner, one of the ten soldiers he saved those many years ago. This simple, poignant gesture of gratitude is a reminder as Ameri- cans, we all owe this man and his comrades more than just a debt of gratitude. We owe them the promise of the full equity.

Mr. Speaker, we cannot allow more brave men like Mr. Duenas to die before we act on legislation introduced by my colleagues Bob Filner and Duke Cunningham, H.R. 302, the Filipino Veterans Equity Act of 2005. This is the gift we owe to all Filipino veterans who fought along side U.S. soldiers during World War II.

HONORING ROBERT WARREN PEARCE’S MILITARY SERVICE TO OUR COUNTRY

HON. JOHN L. MICA
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. MICA. Mr. Speaker, I rise today to rec- ognize Robert Warren Pearce in honor of his service to our country during World War II.

Mr. Pearce was born in Terra Haute, Indi- ana, on November 20, 1921, as the younger of two sons of Mr. Owen Pearce, who is the son of immigrants from Wiesbaden, Germany.

At the age of 21, Mr. Pearce resigned from his duties on RDX and bomb development for Dupont and enlisted in the Air Force in 1942. He began cadet training in San Antonio, Texas; and rose to the rank of a First Lieuten- ant bombardier and gunnery officer on a B–17 in the 452nd Bomber Group of the 8th Air Force, stationed near Attleboro, England.

During World War II, he flew 25 missions as a Deputy Lead that involved the bombing of Wiesbaden. Germany, and food drops over Holland. His squadron also destroyed sub- marine pens, ammunition factories, and rail- road marshalling yards in Berlin. When his bomber crew returned to the United States, Mr. Pearce stayed on in England to teach X Box Navigation and flew additional missions with a new crew.

After an honorable discharge from the U.S. Army Air Corps, Mr. Pearce joined the Reserves where he served until 1957. He mar- ried Mary Jane Powers and moved to Ft. Lau- derdale, Florida, where he lived for 48 years; and as a successful independent business- man, Robert and Mary Jane Powers raised four sons who shared pride in their father’s service to our Nation. Mr. Pearce now resides in Ormond Beach, where he currently courage- ously battles Parkinson’s disease.

Mr. Speaker, because of Mr. Pearce’s dedi- cation to our country, I want to take this op- portunity to recognize his war service, and ask all Members of the House to join me in cele- brating the life and service of a wonderful hus- band, father and American.

HONORING ROBERT WARREN PEARCE’S MILITARY SERVICE TO OUR COUNTRY

HON. MICHAEL M. HONDA
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. HONDA. Mr. Speaker, I rise today to pay tribute to the people of the Forest Park High School Trojans football team in recognition of their outstanding season. After losing 17 seniors from last year’s team, the Trojans not only made the playoffs, but made it all the way to the Division 8 State Finals on November 26, 2004, at the Pontiac Silverdome. This group of young men from the Crystal Falls area in Michigan’s Upper Peninsula truly deserves our hearty congratulations.

While their 12–2 record is impressive in its own right, the way the Forest Park Trojans won is even more remarkable. After losing their first game of the season, the Trojans made some changes and rose to the occa- sion, winning their next 12 straight games. They were a team of young men that brought an unselfish attitude to the game that many college and professional players could learn from. Each one of them knew they had a role to play, and cared more about helping the team win than being the “star.” Throughout the season, the team’s motto was, “Whatever it takes.”

After defeating Baraga High School for the Division title, Posen High School for the Re- gional title, and a dramatic 12–8 win over a Beal City team that seemed unbeatable in the Division 8 semifinal, the Forest Park Trojans faced off against Climax-Scotts High School at the Pontiac Silverdome for the State champi- onship.

The Crystal Falls community was behind their team 110 percent. One call to a local radio station letting people know that they could make donations to help the team, cheer- leaders and the band make the trip down-state for the championship game yielded over 100 contributions.

When the big day finally came, the Trojans suffered a heartbreaking loss. But they handled it with the same class and character that got them to the finals in the first place. They realized that they achieved their goal just by playing in that championship game, and that they would be back. Many of the players who are returning next year are already hitting the weight room and looking forward to a new season, and to passing on the tradition of teamwork and hard work that made this sea- son so special.

Mr. Speaker, each member of this team de- serves to be recognized, and I want to take a moment to share their names with my col- leagues.

Team members: Dan Surface, Clay Roberts, Cory Padilla, Joe Mussatto, Kyle Roberts, An- drew Gussert, David Lesandrini, Brandon Stebbins, Ryne Neryick (All-U.P. First Team running back and All-State Honorable Men- tion), Seth Chernach, Joe Chernach (Captain, All-U.P. and All-State first team defensive back return specialist), Bryan LaChappelle, Erik Peterk, Scott Santilli (Captain, All-U.P. First Team defensive end), Tim Wheeler, Kyle La Vacque, Stefan Randjelovic, Nick McCarthy, Ryan Martin (All-
State First Team offensive guard), Kevin Takala, Calix Sholander, Gary Willman, Rob Boussum, Eric Lato, Dustin Skibo, Mark Harrison (All-U.P. First Team lineman), Josh Bicigo, Brian Fabbri, Jody Gillespie, Nikos Kosmopoulos, Brad Anderson, Pat Peterson (All-U.P. First Team tight end), and Josh Novak.

Head Coach Bill Santilli; Assistant Coaches Dave Graff, Gerard Valesano, Bill Todish, Jeff Cherneck, and Dan LaPoint; Trainer Mark Nylund; and Managers Bryant Wheeler, L.J. Burns, and David Burns.

Mr. Speaker, I ask the House of Representative to join me in congratulating the Forest Park High School football team, their classmates, parents, and community on their exceptional season and in wishing them well when they take the field again in the fall.

TRIBUTE TO CAPTAIN MARK FRANCIS MCCORMACK

HON. MICHAEL M. HONDA
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. HONDA. Mr. Speaker, today I rise to pay tribute to Santa Clara County Fire Captain Mark Francis McCormack, whose life was tragically cut short on Sunday, February 13, 2005. Mark was the first firefighter killed in the line of duty in the 58-year history of the Santa Clara County Fire Department. Members from more than 100 fire departments throughout the State of California gathered at his memorial service to show support for one of their own.

Mark began his career as a firefighter in 1989. He was serious about his work, and was constantly working to improve his skills in order to serve his community better. Mark's hard work showed in 2001 when he received the Award of Valor for his contributions to both the Santa Clara County Fire Department and the community. He was a model firefighter, an enthusiastic team member, and a good friend to his colleagues.

When Mark wasn't fighting fires, he worked as a volunteer counselor for the Alisa Ann Ruch Burn Foundation's Champ Camp, a summer camp for the burn victims of Sierra Nevada for young burn victims. As a child, Mark was badly burned on an electric stove and had to undergo several surgeries to repair the injury. Mark always found the silver lining in any situation, and that's exactly what he did with his burn experience. He used it to help children realize that they are not alone—to help them realize their inner beauty. Mark was a favorite among camp, serving as a role model to many of the children he met there.

Mr. Speaker, I would like to take this time to say "thank you" to Mark McCormack for devoting his life to helping others, and for his service in keeping my home district safe. And my deepest condolences to his wife, Heather, who wrote to her husband, "You are my life, my hero, and without you my heart will forever be broken." I wish that hearts could be mend-ed with words, and that I could find those magical words to say to you. Heather, please know that my thoughts and prayers are with you, and that your husband was not only your hero, but Santa Clara County's, too.

IN COMMEMORATION OF COATS, NORTH CAROLINA

HON. BOB EOTHERIDGE
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. EOTHERIDGE. Mr. Speaker, today I rise in commemoration of Coats, North Carolina. On March 5, 2005 Coats will celebrate its 100th Birthday. Coats is located in the Eastern part of our home county, Harnett County in the 2nd Congressional District of North Carolina. Coats' humble beginning is especially personal to me as my great, great uncle James T. Coats bought the first acres of farmland that would grow to become this warm and hospitable Southern community.

Coats' history is rich with individuals like my uncle, who envisioned a town where future generations could work, live, and raise their families in the bright light of America's promises. I think of Ed Williams and John Talton who were among the first entrepreneurs to establish stores in Coats. They were a model sheriff of Harnett County, who contributed greatly to the industrial life of the community. And I think of the first mayor, J.K. Stewart who when elected installed the first electric lights in the town.

Coats has never strived to be an urban hub, more comfortable with its small town population of only 1,900. Yet, its residents are proud of their community. As a former Harnett County Commissioner, I have always enjoyed a special connection to the people of Coats, NC. It is a place rooted in appreciation for one's family, faith. The Town of Coats and its residents exemplify the common-sense values of North Carolina that I am so proud to represent in Congress.

Mr. Speaker in closing I would like to send my best wishes and gratitude to the people of Coats, North Carolina in wishing them a Very Happy Birthday. I know that in the future this town will continue to be a "good place to live and make a living."

HON. BART STUPAK
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to the players, coaches, and managers of the 2004 Newberry High School Indians football team in recognition of their outstanding season. The 10–3 Indians went to the Michigan Division 7 Semi-Finals, winning the school's first district and regional championships along the way.

Newberry Indians football team in Michigan's Upper Peninsula that loves its high school sports. This year, the Indians gave them a season to remember. In the fifth week of the season, Newberry faced Munising High School on the road. After a hard fought game, the Indians won 21–14, winning in Munising for the first time in 20 years.

In the last game of the regular season, the Indians renewed an old rivalry with Sault Sainte Marie High School. It had been several years since Newberry and the Sault played for the "Little Brown Jug" but the Indians rolled to a 20–0 victory, reclaiming the Jug.

During the playoffs, Newberry defeated Inland Lakes 44–0 and Manistique 28–0 to win the school's first district title. In the regional finals against McBain, the team was down going into the 4th quarter but Newberry stuck it out, scoring with just over 7 minutes to go and hanging on for their first regional title. Though they were defeated in the state semifinals, it was by Unionville-Sebewaing, the eventual Division 7 State champions.

In short Mr. Speaker, the Newberry Indians had their finest season in over four decades and this was in large part due to the outstanding leadership of the squad's seniors. All year long, they kept the team energized and confident. The Indians always took the field believing they were going to win, have fun and work hard for four quarters.

Quarterback David Carmody, was a particularly strong leader among those graduating seniors. This young remarkable young man brought a unique perspective to the pressures of the game: he is a leukemia survivor. Diagnosed in 1996, a 9-year-old David had to face being sidelined from school and sports. After 4 years of treatments, David has been in remission since 2000. His coaches described him as an incredibly calm leader who never let anything on the field phase him. In fact, he often calmed them down during tense moments. In addition to helping lead the Newberry Indians to their best season ever, David was named to the All-Conference 1st Team as both quarterback and defensive back.

But while David's story is extraordinary, each and every member of this team deserves to be recognized for their hard work this year, and I would like to take a moment to share their names with my colleagues.

Team members: Derek Taylor, Andrew Schultz, Luke Shilling, David Carmody (All Conference 1st Team quarterback and defensive back), D.J. Bouchard, Dan Schummer (All Conference 1st Team receiver and 2nd Team defensive back), Mike Houghton, Tony Perry, Stuart Papist, Mark Brooks, Corey Nicholson, Jake Pann (All-Conference 2nd Team running back), Jeremy Maeder, Zac Sareille, Chuck Masterson, Nick Christiansen (All-Conference 1st Team linebacker), Zach Clocker, Avery Allison, Jonathon Bontrager, Kyle Ery, Caleb Flor, Mat Conway, David Burke, Ryan Bolda, Alex Herbst, Travis Stokes (All-Conference 1st Team lineman, Dustin Zlitnik, Adam Holcomb, Kyle Bryers, Brian Morrison, John Pope, Matt Payment (Detroit Free Press All-State Team, Conference Defensive Player of the Year, All-Conference 1st Team lineman and defensive lineman), Justin Neff (All-Conference 2nd Team defensive lineman), Brandon Wheeler, Jay Thompson, Mark Doke, and Nelan Hines.

Head Coach Brandon Bruce: Assistant Coaches Bruce Dake, Jeff Puckett, Cliff Fossitt Jr., Fred Bryant, Larry White, Bob Cameron, and Randy Fretz; and Manager Derek Dake.

Mr. Speaker, I ask the House of Representatives to join me in congratulating the Newberry High School Indian football team, their classmates, parents, and community on their outstanding season and in wishing them well when they take the field again in the fall.
HON. THADDEUS G. MCCOTTER
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. MCCOTTER. Mr. Speaker, I rise today to acknowledge and honor the doctors, nurses and staff of St. Mary Mercy Hospital, as they celebrate in receiving the 2005 HealthGrades Distinguished Hospital Award for Clinical Excellence.

In receiving the award, the St. Mary Mercy Hospital was ranked in the top 5 percent in the Nation for overall clinical excellence. The hospital also received the HealthGrades Distinguished Hospital Award for Patient Safety, ranking them in the top 2 percent in the Nation for patient safety outcomes.

I am proud to report that the awards place St. Mary Mercy Hospital as 1 of 30 hospitals in the Nation to receive both designations within the same year. It is a testament to the dedication, devotion, and determination of the men and women who daily provide a high quality of care to patients.

Mr. Speaker, the heritage of the Felician Sisters is the foundation for St. Mary Mercy Hospital, which for the past 45 years, has been a premier provider of healthcare in our community. Founded by Blessed Mary Angela, whose care for the poor and homeless in Warsaw, Poland gave birth to the Felician congregation, the Felician Sisters were dedicated to a ministry of healing and service, based on aggregation, the Felician Sisters were dedicated whose care for the poor and homeless in Warsaw, community. Founded by Blessed Mary Angela, has been a premier provider of healthcare in our country. By joining the military, doesn’t mean you should have to forfeit the right to equal protection under the law.

The Constitution guarantees equal protection under the law for all citizens. Just because you decide to honorably serve your country by joining the military, doesn’t mean you should have to forfeit the right to equal protection under the law.

The 1995 BEIJING PLATFORM OF ACTION CONTAINS NO RIGHT TO ABORTION

HON. CHRISTOPHER H. SMITH
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. SMITH of New Jersey. Mr. Speaker, it is absolutely clear that the “Programme of Action” produced by both the 1994 Cairo Population Conference and the 1995 Beijing Women’s Conference did not create, adopt, endorse, or promote a right to abortion.

I know. I was there in an official capacity at both conferences. The outcomes of both were a remarkable victory for the pro-life movement—those of us who recognize that all human life is sacred and that both legal and illegal abortion is violence against children and the exploitation of women. It was a victory for vulnerable unborn children who would be killed by dismemberment and chemical poisoning and for women who deserve better than the cruelty of abortion.

The outcome was a stunning defeat for the Clinton Administration, which sought to impose an international right to abortion on the entire world.

So why is the Bush Administration seeking to reaffirm that the Beijing consensus did not include a right to abortion? Because clarity, transparency and truthfulness is needed at this time to dispel a pernicious myth—the big lie—promoted by some that these U.N. documents now endorse abortion. Nothing, Mr. Speaker, could be further from the truth.

Over the past 10 years, pro-abortionists have sought to convey the impression that both Cairo and Beijing—by supporting reproductive health, for example—includes the slaughter of unborn children by abortion.

Instead of focusing on women’s economic and political empowerment, an end to all forms and manifestations of discrimination, and an end to violence against women, some have sought to distort the Cairo and Beijing consensus to include the killing of girls and boys by abortion.

Yesterday I chaired a hearing on the horrific behavior of U.N. Peacekeepers in the Congo who raped and seized girls and young women. As the prime sponsor of the “Trafficking Victims Protection Act of 2000” I take a backseat to no one in promoting women’s human rights. Recent scandals, like the Congo or the oil for food scandal, beg the question of honesty and transparency at the U.N.

Despite having no mandate to promote abortion, the U.N. Compliance Committee for the Convention on All Forms of Discrimination Against Women (CEDAW) has recently scolded Mexico, Colombia, Chile, Peru, Zimbabwe, Myanmar, Luxembourg, Ireland, Italy, Croatia, Uruguay, Portugal, Nepal, Northern Ireland, Lithuania, Paraguay, and Samoa for their laws and policies on abortion.

In addition, at the end of 2004, the U.N. Human Rights Committee issued a report that absolutely overstepped its bounds and told Poland to repeal their pro-life laws. The report stated, “The State party should liberalize its legislation and practice on abortion.” A U.N. committee that purported to respect fundamental human rights to condemn Poland—others—for protecting their unborn babies is scandalous. Unborn children deserve respect in law and in practice—these littlest of humans deserve to have their basic human rights protected.

A Center for Reproductive Rights internal document talks about reinterpreting terms and phrases in international declarations, like the Cairo and Beijing documents, to promote abortion and limit participation throughout the world. I posted in the December 8, 2003 CONGRESSIONAL RECORD the Center for Reproductive Rights internal documents where one of their trustees said, “We have to fight harder, be a little dirtier.” These papers reveal a Trojan Horse of deceit. In their own words, these documents demonstrate how abortion promotion groups are pushing abortion here and abroad, not by direct argument, but by twisting words and definitions. In discussing legal strategies to legalize abortion internationally they go as far as to say, “...there is a stealth quality to the work: we are achieving incremental recognition of values without a huge amount of scrutiny from the opposition. These lower profile victories will gradually put us in a strong position to assert a broad consensus around our assertions.” The abortion lobby admits they are using deceptive tactics to push abortion on countries that have laws protecting unborn boys and girls.

All the United States wants to do at this conference is to be truthful, nonambiguos and accurate about what the Beijing Programme of Action actually says about abortion and get on with the real work of helping women throughout the world.
CONGRESSIONAL TRIBUTE TO CHARLEVOIX HIGH SCHOOL RAYDERS GIRLS BASKETBALL TEAM

HON. BART STUPAK
OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to the players, coaches, and manager of the 2004 Charlevoix High School Rayders Girls Basketball team in recognition of their outstanding season. After an undefeated regular season, the Rayders continued their success in the playoffs, making it to the Class C state finals, and winning district and regional titles along the way.

While their 20-0 regular season, and seven post season wins, are impressive in their own right, the spirit of teamwork and unselfish play that the Rayders brought to the court this year was a shining example of what athletics should be about. All year, these young women, including the team’s best players, were willing to play their role and do whatever it took to win.

One of the best examples of this was the team’s performance in the state semi-finals and finals. After a year in which every game was a victory, going into the 4th quarter up by ten points. Their opponent was not about to lose without a fight. The Rayders knew they had an incredible season.

Charlevoix led Flint Hamady for almost all of the 1st half of the game on December 2, going into the 4th quarter up by ten points. Their opponents were willing to play their role and do whatever it took to win.

The commitment to display by this team is no surprise to anyone familiar with the city of Charlevoix, which is a warm, close-knit community on Lake Michigan. As always, the “Rayder Nation” was right behind these young women who gave them a season to remember.

Mr. Speaker, each member of this team deserves to be recognized and I want to take a moment to share their names with my colleagues.


Head Coach Keith Haske; Assistant Coaches Bret Erskine, Jim Gels, and Liz Grunch; Trainer Joelle Beaudoin; and Manager Chelsea Haske

Mr. Speaker, I ask the House of Representatives to join me in congratulating the Charlevoix Rayders girls basketball team, their classmates, parents, and community on their success in the 2004 season and in wishing them well when they hit the court again in the fall.

HONORING THE SERVICE OF DOLLY SEELMEYER

HON. JOHN D. DINGELL
OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. DINGELL. Mr. Speaker, I rise today to pay tribute to Dolly Seelmeier on the occasion of her recent retirement from the United States House of Representatives after 34 years of distinguished Service.

Shortly after she began to work for this August institution, Dolly became the first female photographer in the Office of Photography. To understand the length and breadth of the times she witnessed, one only has to know that when she began her tenure, Richard Nixon was President of the United States and Carl Albert was Speaker of the House. My friend, colleague and fellow Michigander Gerald Ford was Minority Leader of this body. She not only observed, but was able to record for posterity many significant events in the history of this body.

In addition to her expertise as a photographer, Dolly was of tremendous assistance to our offices as she helped us to obtain and preserve visual records of bygone times. Her professionalism and courtesy were always present as she helped us to document the history of the Congress. In addition to her official photos, her office was decorated with wonderful photographs of plants and flowers that she took in her own time.

We thank Dolly for her ongoing assistance in helping us to keep a record of the last quarter of the 20th century and the beginning of the 21st.

Mr. Speaker, I would like to ask that my colleagues join me in thanking Dolly Seelmeier for her 34 years of commitment and devotion to the House of Representatives and also to join me in wishing her the very best that life has to offer in the future.

COMMENDING AMERICORPS AND THE WEST SENeca YOUTH BUREAU FOR OUTSTANDING ACHIEVEMENT

HON. JERROLD NADLER
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 2, 2005

Mr. NADLER. Mr. Speaker, I rise today to honor BG William Terpeluk. BG William Terpeluk will complete his term as Deputy Commander for the 77th Regional Readiness Command this month. He served from 31 March 2001–30 March 2005, which included invaluable service during the events of September 11, 2001, and throughout the War on Terror.

The 77th Regional Readiness Command is the Army Reserve headquarters for over 11,000 Army Reserve soldiers. Approximately 6,500 Army Reserve soldiers have been mobilized in support of Operation Iraqi Freedom and Operation Enduring Freedom. Their service to our Nation is to be commended.

Throughout his career Brigadier General Terpeluk has served with honor and distinction. His military service includes the Meritorious Service Medal with 3 Oak Leaf Clusters, the Army Commendation Medal with 2 Oak Leaf Clusters, the Army Achievement...
 Medal with 1 Oak Leaf Cluster, and the Army Reserve Components Achievement Medal with Silver Oak Leaf Cluster. He has also received the National Defense Service Medal, the Armed Forces Reserve Medal with Silver Hourglass, the Army Service Ribbon and the Overseas Service Operations.

Brigadier General Terpeluk is an Infantry Officer who received his commission as a Second Lieutenant through the Reserve Officer Training Corps Program in 1974 from the Virginia Military Institute. After completing the Infantry Course at Fort Benning, Georgia, he served on Active Duty as the Executive Officer, Company E, 3d Battalion, 3d Basic Combat Training Brigade, Fort Dix, NJ. Throughout his career Brigadier General Terpeluk has served at 79th United States Army Reserve Command, Willow Grove, PA, and in Camp Casey and Camp Howze, Korea. Today, we honor his service to our city and to our Nation and wish him well in all his future endeavors.

CARNEY-NADEAU HIGH SCHOOL GIRLS BASKETBALL TEAM

HON. BART STUPAK
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to the players, coaches and managers of the 2004 Carney-Nadeau High School Wolves girls basketball team in recognition of their outstanding season. The 24–2 Wolves went to the Michigan Class D semi-finals this year, winning Conference, District and Regional titles along the way.

Carney-Nadeau may be one of the smallest schools in the division in my district, but they have been a force to be reckoned with in the Upper Peninsula and statewide. Their trip to the state semi-finals on December 2nd at the Breslin Center in East Lansing continued their streak of post season success that started with a State Championship in 2001. In 2002, they went to the state semi-finals, and to the regional finals in 2003.

This tradition of excellence motivated the team all season long. But it is a tradition that has deep roots in this small but close-knit Upper Peninsula community. The basketball program is supported by fundraisers run by the players, and the community turns out to demonstrate that the team is important to them, and that they share the young women’s pride in their on-court and off-court successes. It also gives them a real sense of ownership of the team and their community.

This support is not surprising when you know that Carney-Nadeau Public Schools is a district with grades K–12 in one building, giving it a family atmosphere where the older students, and especially the athletes, provide strong role models for the younger ones. This sense of family is perhaps best represented by the team meals that the players’ families take turns preparing before each game.

It is hard to talk about the Carney-Nadeau Wolves success this year without mentioning All-State senior, Tracy Benson. The 6-foot-2 center averaged 22.4 points, 11.1 rebounds, 5.1 blocks, 5.1 steals and 4.8 assists and shot 62 percent this year on her way to being named the Class D Player of the Year. But on this team, all the players are leaders, and the team captain role rotated each game.

Mr. Speaker, each of these players deserves to be recognized, along with the coaches, managers, and school officials that were instrumental to their success, and I want to take a moment to share their names with my colleagues.

Team members: Katee Retaskie, Amanda Poupore, Lacey Retaskie, Meghan Schetter, Carly Benson, Jenny Grabowski, Rachel Kurtze, Roseann Schetter, Laurie Tuinstra, Ashley Folcik, Tarra Moran, and Meghan Marsicek.

Head Coach Paul Pollus, who is 482–120 in 25 years of coaching at Carney-Nadeau; Assistant Coaches Randy Severinsen, and Jon Ray; Trainer Marty Laurila; Managers Matt Pollus, Cory Thiry, Pete Adams, and Jared Benson; Athletic Director Ron Solberg; and Superintendent/Principal Ken Linder.

While their loss to Portland St. Patrick High School was disappointing, I know the Carney-Nadeau Wolves are rightly proud of their outstanding season, and all of the hard work, love, determination, perseverance, optimism, and skill they put in to it.

Mr. Speaker, I ask the House of Representatives to join me in congratulating the Carney-Nadeau girls basketball team, their classmates, parents, and community on their success in the 2004 season and in wishing them well when they hit the court again in the fall.

HON. CHARLES B. RANGEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 2, 2005

Mr. RANGEL. Mr. Speaker, I would like to bring to your attention an excellent op-ed article written in today’s New York Times by Nicholas D. Kristof titled “The American Witness.” I ask that this article be inserted into the record. The op-ed article is entitled “Without a doubt, genocide is occurring in Darfur, Sudan and the continuing level of indifference that the West has towards the people of Africa. In light of all of the rhetoric we hear from the United States administration has done little, beyond acknowledging the crisis that is occurring in Darfur, Sudan and the international community. Should not his so-called God-given mandate compel him to take the lead in getting our friends on the United Nation’s Security Council to impose sanctions on the government of Sudan and, if necessary, institute other deliberative measures to stop the killing? After all, if the Bush Administration can send young men and women from poor communities and National Guard and reservists into Iraq to liberate people from tyrant forces of Saddam Hussein, then surely we can take steps to get the international community to stop the killing in Sudan and bring the perpetrators to justice.

If we can learn any lessons from history, we should commit ourselves to ensuring that we do not fail the people of Sudan in the manner in which we failed the people of Rwanda where an estimated one million people who were slaughtered in the early 1990’s while the world community sat on the sidelines. Only now are Americans learning through the movie Hotel Rwanda how we as a Nation failed a people. The crisis that is occurring in Darfur presents the Bush Administration with an opportunity to resuscitate its reputation in the international community.

[From the New York Times, March 2, 2005.]

THE AMERICAN WITNESS

BY NICOLAS D. KRISTOF

American soldiers are trained to shoot at the enemy. They’re prepared to be shot at. But what young men like Brian Steidle are
not equipped for is witnessing a genocide but being unable to protect the civilians pleading for help.

If President Bush wants to figure out whether Sudan could stand more firmly against the genocide in Darfur, I suggest that he invite Mr. Steidle to the White House to give a briefing. Mr. Steidle, a 28-year-old former Marine captain, was one of just three American military advisers for the African Union monitoring team in Darfur—and he is bursting with frustration.

"Every day you go out to see another burned village, and more dead bodies," he said. "And the children—you see 6-month-old babies that have been shot, and 9-year-old kids with their faces smashed in with rifle butts. And you just have to stand there and write your reports." While journalists and aid workers are sharply limited in their movements in Darfur, Mr. Steidle and the monitors traveled around by truck and helicopter to investigate massacres by the Sudanese government and the janjaweed militia it sponsors. They have sometimes been shot at, and once his group was held hostage, but they have persisted and become witnesses to systematic crimes against humanity.

Is it really genocide?

"I have no doubt about that," Mr. Steidle said. "It's systematic cleansing of peoples by the Arab chiefs there. And when you talk to them, that's what they tell you. They're very blunt about it. One day we met a janjaweed leader, he said, 'Unless you get back four camels that were stolen in 2003, then we're going to go to these four villages and burn the villages, rape the women, kill everyone.' And they did it." The African Union doesn't have the troops, firepower or mandate to actually stop the slaughter, just to monitor it. Mr. Steidle said his single most frustrating moment came in December when the Sudanese government and the janjaweed attacked the village of Labado, which had 25,000 inhabitants. Mr. Steidle and his unit flew to the area in helicopters, but a Sudanese general refused to let them enter the village—and also refused to stop the attack.

"It was extremely frustrating—seeing the village burn, hearing gunshots, not being able to do anything," Mr. Steidle said. "The entire village is now gone. It's a big black spot on the earth." When Sudan’s government is preparing to send bombers or helicopter gunships to attack villages, it shuts down the cellphone system so no one can send out warnings. Thus the international monitors know when a massacre is about to unfold. But there's usually nothing they can do.

The West, led by the Bush administration, is providing food and medical care that is keeping hundreds of thousands of people alive. But we're managing the genocide, not halting it.

"The world is failing Darfur," said Jan Egeland, the U.N. under secretary general for humanitarian affairs. "We're only playing the humanitarian card, and we're just witnessing the massacres." President Bush is pushing for sanctions, but European countries like France are disgracefully cool to the idea—and China is downright hostile, playing the same surrogate role for the Darfur genocide that it did for the Khmer Rouge genocide.

Mr. Steidle has just quit his job with the African Union, but he plans to continue working to get his part to stand up to the killers. Most of us don't have to go to that extreme of risking our lives in Darfur—we just need to get off the fence and push our government off the ledge.

At one level, I blame President Bush—and, even more, the leaders of Europe, Arab and African nations—for their passivity. But if our leaders are acquiescing in genocide, that's because we citizens are passive, too. If American voters cared about Darfur's genocide as much as about, say, the Michael Jackson trial, then our political system would respond. One useful step would be the passage of the Darfur Accountability Act, to be introduced this week by Senators Jon Corzine and Sam Brownback. The legislation calls for such desperately needed actions as expanding the African Union force and establishing a military no-fly zone to stop Sudan from bombing civilians.

As Martin Luther King Jr. put it: "Man's inhumanity to man is not only perpetrated by the criminal, but also by those who stand by and do nothing. It is also perpetuated by the vitiating inaction of those who are good."
When President Aristide was forced to leave Haiti a year ago, he was told that if he refused to leave, thousands of Haitians would die. Yet, in the 12 months that followed his departure, thousands of Haitians have died, and as long as the interim government continues to fail, there will be no end to the suffering and violence facing the Haitian people.

It is time for the United States Government to accept the fact that regime change has failed in Haiti. The United States must ensure that Haiti disarms the thugs, immediately frees political prisoners, and organizes free and fair elections in order to restore security and democracy to the Haitian people. The United States must also provide the necessary assistance to enable Haiti to reopen schools and rebuild Haiti’s infrastructure. It is time for the United States to clean up its mess.

SOCIAL SECURITY IS IMPORTANT FOR WOMEN

HON. TOM LANTOS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, March 02, 2005

Mr. LANTOS. Mr. Speaker, today’s debate is an extremely important conversation on the future of Social Security. The simple facts of the matter are that Social Security is not in a state of crisis, it will not go bankrupt and it will always be there for those who contribute to it. Unfortunately, the plans promoted by this Administration and my Republican colleagues do nothing to address the core issues related to Social Security’s solvency. Instead, the issue has been draped in rhetoric in pursuit of an ideological agenda that will not save Social Security but in fact will put it at greater risk.

Americans across the country, from Kansas to California and from New Hampshire to New Mexico, whether black or white, man or woman, will have their benefits cut and the financial safety net removed from their retirement. While Republican proposals will hurt everyone, women are particularly at risk. As Republicans regale us with misleading statements and flowery predictions, the cold hard facts of reality reveals a somber picture.

More than 24 million women receive Social Security benefits. They make up 58 percent of seniors who receive Social Security and without it, 53 percent of all senior women would be poor. In 2000, Social Security saved seven million women from poverty. More than seven million women receive disability or survivor benefits. These numbers deserve our undivided attention. The current proposal would cut these benefits by more than 40 percent over the coming decades. If the President’s plan were put in to effect, trillions of dollars would be taken out of Social Security, endangering the benefits of current retirees and people with disabilities. These are Americans who have contributed to the Trust Fund their entire working lives and now their guaranteed benefits are endangered. For years we have looked out for our fellow Americans, to lift them up and prove to them that no man, woman or child, regardless of race, religion, or socioeconomic status, will be left behind. Never in my 24 years in Congress have I seen such disregard for our countrymen and women. In a time when we are asking so many to sacrifice so much, this Administration appears ready to dismantle an incredibly successful and equitable program. At the same time, the President’s tax policy will cost 3 to 5 times as much as the shortfall predicted by the Social Security Administration (SSA). The Medicare Program is already running a shortfall that is almost 8 times as much as Social Security.

This effort will do nothing to address the real problems facing the Social Security Trust Fund. Social Security plays a unique role in the lives of women. We know women live longer than men and make less in the workplace. Rather than ensure that the Social Security Trust Fund can provide for these women and their families, the Administration wants to cut benefits and create a risky privatization plan that does not guarantee a livable rate of return.

Social Security is truly one of our greatest success stories, virtually eliminating poverty for the aged. While we all agree that important concerns about Social Security should be effectively addressed, I do not believe turning this matter into a crisis should force us to accept what would otherwise be unacceptable. I am concerned that the scenarios suggested by the Administration do not serve us well as we conduct this domestic policy debate. Manufacturing a crisis with an ideological agenda is unacceptable.

Social Security is the core of old-age support and was intended as an income supplement and a crucial safety net for seniors, not a money making scheme. We must preserve Social Security through sound fiscal discipline and legitimate policy adjustments to meet the demands of future generations. Instead of weakening Social Security I believe that it should be strengthened and made more secure ensuring its success for generations to come. We cannot turn Social Security into Social Insecurity.
SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, March 3, 2005 may be found in the Daily Digest of today’s RECORD.

MEETINGS SCHEDULED

MARCH 7

2 p.m.
Homeland Security and Governmental Affairs
To hold hearings to examine the nomination of Michael Jackson, of Virginia, to be Deputy Secretary of Homeland Security.
SD-342

MARCH 8

9:30 a.m.
Armed Services
To hold hearings to examine military strategy and operational requirements in review of the Defense Authorization Request for fiscal year 2006.
SH-216

Judiciary
To hold hearings to examine the nomination of Thomas R. Griffith, of Utah, to be United States Circuit Judge for the District of Columbia Circuit.
SD-226

Rules and Administration
To hold hearings to examine S. 271, to amend the Federal Election Campaign Act of 1971 to clarify when organizations described in section 527 of the Internal Revenue Code of 1986 must register as political committees.
SR-301

10 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to examine the reauthorization of the Commodity Futures Trading Commission.
SD-106

Energy and Natural Resources
Public Lands and Forests Subcommittee
To hold hearings to examine S. 179, to provide for the exchange of land within the Sierra National Forest, California, S. 213, to direct the Secretary of the Interior to convey certain Federal land to Rio Arriba County, New Mexico, S. 267, to reauthorize the Secure Rural Schools and Community Self-Determination Act of 2000, and S. 303, to authorize the Secretary of the Interior to recruit volunteers to assist with or facilitate the activities of various agencies and offices of the Department of the Interior.
SD-366

2 p.m.
Veterans’ Affairs
To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentation of the Disabled American Veterans.
345 CHOB

2:30 p.m.
Energy and Natural Resources
To hold hearings to examine ways to encourage the diversification of power generation resources.
SD-366

Foreign Relations
European Affairs Subcommittee
To hold hearings to examine the future of democracy in the Black Sea area.
SD-419

Judiciary
Terrorism, Technology and Homeland Security Subcommittee
To hold hearings to examine terrorism and the electromagnetic pulse (EMP) threat to homeland security.
SD-226

3 p.m.
Commission on Security and Cooperation in Europe
To hold hearings to examine the challenges facing the Organization for Security and Cooperation in Europe in 2005, focusing on security and human rights.
SD-192

MARCH 9

9:30 a.m.
Indian Affairs
Business meeting to consider S. 147, to express the policy of the United States regarding the United States relationship with Native Hawaiians and to provide a process for the recognition by the United States of the Native Hawaiian governing entity; to be followed by an oversight hearing on trust reform.
SR-485

10 a.m.
Banking, Housing, and Urban Affairs
Business meeting to consider the nomination of Ronald Rosenfeld, of Oklahoma, to be a Director of the Federal Housing Finance Board; to be followed by a hearing to examine the state of the securities industry.
SD-538

Energy and Natural Resources
To hold hearings to examine the nominations of Patricia Lynn Scarlett, of California, to be Deputy Secretary of the Interior, and Jeffrey Clay Sell, of Texas, to be Deputy Secretary of Energy.
SD-366

Health, Education, Labor, and Pensions
Business meeting to consider S. 256, to amend the Carl D. Perkins Vocational and Technical Education Act of 1998 to improve the Act, the Caring for Children Act of 2005, S. 172, to amend the Federal Food, Drug, and Cosmetic Act to provide for the regulation of all contact lenses as medical devices, the Patient Safety and Quality Improvement Act of 2005, and any nominations ready for action.
SD-430

Homeland Security and Governmental Affairs
To hold hearings to examine proposed budget estimates for fiscal year 2006 for the Department of Homeland Security.
SD-342

Veterans’ Affairs
To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentation of the Veterans of Foreign Wars.
SH-216

MARCH 10

10 a.m.
Agriculture, Nutrition, and Forestry
To continue hearings to examine the reauthorization of the Commodity Futures Trading Commission.
SR-328A

Veterans’ Affairs
To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentations of the Blinded Veterans Association, the Non-Commissioned Officers Association, the Military Order of the Purple Heart, the Paralyzed Veterans of America and the Jewish War Veterans.
345 CHOB

MARCH 15

9:30 a.m.
Armed Services
To resume hearings to examine military strategy and operational requirements from combatant commanders in review of the Defense Authorization Request for fiscal year 2006.
SD-106

MARCH 17

9:30 a.m.
Armed Services
To hold hearings to examine current and future worldwide threats to the national security of the United States; to be followed by a closed hearing in SH-219.
SD-106

10 a.m.
Commerce, Science, and Transportation
Oceans, Fisheries and Coast Guard Subcommittee
To hold hearings to examine the President’s proposed budget request for fiscal year 2006 for the Coast Guard Operational Readiness/Mission Balance.
SR-253

APRIL 14

10 a.m.
Veterans’ Affairs
To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentations of the Military Officers Association of America, the National Association of State Director of Veterans Affairs, AMVETS, the American Ex-Prisoners of War, and Vietnam Veterans of America.
345 CHOB

APRIL 21

10 a.m.
Veterans’ Affairs
To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentations of the Fleet Reserve Association, the Air Force Sergeants Association, the Retired Enlisted Association, and the Gold Star Wives of America.
345 CHOB

SEPTEMBER 20

10 a.m.
Veterans’ Affairs
To hold joint hearings with the House Committee on Veterans Affairs to examine the legislative presentation of the American Legion.
345 CHOB
Daily Digest

Senate

Chamber Action

Routine Proceedings, pages S1885–S1957

Measures Introduced: Ten bills were introduced, as follows: S. 490–499. Pages S1930–31

Measures Passed:

Recognizing Contributions of Zhao Ziyang: Committee on Foreign Relations was discharged from further consideration of S. Res. 55, recognizing the contributions of the late Zhao Ziyang to the people of China, and the resolution was then agreed to. Page S1956

Deep-Vein Thrombosis Awareness Month: Committee on the Judiciary was discharged from further consideration of S. Res. 56, designating the month of March as Deep-Vein Thrombosis Awareness Month, in memory of journalist David Bloom, and the resolution was then agreed to. Pages S1956–57

Acceptance of Statue: Senate agreed to H. Con. Res. 5, providing for the acceptance of a statue of Sarah Winnemucca, presented by the people of Nevada, for placement in National Statuary Hall. Page S1957

Permitting Use of the Capitol Rotunda: Senate agreed to H. Con. Res. 63, permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust. Page S1957

Bankruptcy Reform Act: Senate continued consideration of S. 256, a bill to amend title 11 of the United States Code, taking action on the following amendments proposed thereto: Pages S1892–S1927

Rejected:

By 40 yeas to 59 nays (Vote No. 14), Feingold Amendment No. 17, to provide a homestead floor for the elderly. Page S1894

By 40 yeas to 59 nays (Vote No. 15), Akaka Amendment No. 15, to require enhanced disclosure to consumers regarding the consequences of making only minimum required payments in the repayment of credit card debt. Page S1894

By 39 yeas to 58 nays (Vote No. 16), Kennedy Amendment No. 28, to exempt debtors whose financial problems were caused by serious medical problems from means testing. By 39 yeas to 58 nays (Vote No. 17), Kennedy Amendment No. 29, to provide protection for medical debt homeowners. Page S1924

By 37 yeas to 60 nays (Vote No. 18), Corzine Amendment No. 32, to preserve existing bankruptcy protections for individuals experiencing economic distress as caregivers to ill or disabled family members. Pages S1908–11, S1924–25

Pending:

Leahy Amendment No. 26, to restrict access to certain personal information in bankruptcy documents. Pages S1892

Dayton Amendment No. 31, to limit the amount of interest that can be charged on any extension of credit to 30 percent. Pages S1909–11

Feinstein Amendment No. 19, to enhance disclosures under an open end credit plan. Pages S1911–18

Nelson (FL) Amendment No. 37, to exempt debtors from means testing if their financial problems were caused by identity theft. Pages S1918–20

Durbin Amendment No. 38, to discourage predatory lending practices. Pages S1920–23

Rockefeller Amendment No. 24, to amend the wage priority provision and to amend the payment of insurance benefits to retirees. Pages S1924–27

A unanimous-consent agreement was reached providing for further consideration of the bill on Thursday, March 3, 2005, following the final disposition of S.J. Res 4 (listed below), vote in relation to Dayton Amendment No. 31 (listed above) to be followed by a vote in relation to Nelson (FL) Amendment No. 37, with no amendments in order to the amendments prior to the votes. Page S1957

Congressional Rule Disapproval—Agreement: A unanimous-consent agreement was reached providing for consideration of S.J. Res. 4, providing for congressional disapproval of the rule submitted by the Department of Agriculture under chapter 8 of title 5, United States Code, relating to risk zones for introduction of bovine spongiform encephalopathy, at 9:30 a.m., on Thursday, March 3, 2005, for up to
3 hours of debate, equally divided, and that following the use or yielding back of time, the Senate vote on the resolution.

Messages From the President: Senate received the following messages from the President of the United States:
- Transmitting, pursuant to law, a report relating to the interdiction of aircraft engaged in illicit drug trafficking; which was referred to the Committee on Foreign Relations. (PM – 7)
- Transmitting, pursuant to law, a report on the national emergency with respect to Zimbabwe; which was referred to the Committee on Banking, Housing, and Urban Affairs. (PM – 8)

Nominations Received: Senate received the following nominations:
1. 3 Army nominations in the rank of general.
2. 2 Navy nominations in the rank of admiral.

APPROPRIATIONS: DEPARTMENT OF EDUCATION

Committee on Appropriations: Subcommittee on Defense concluded a hearing to examine proposed budget estimates for the Department of Education, after receiving testimony from Margaret Spellings, Secretary of Education.

APPROPRIATIONS: DEFENSE BUDGET

Committee on Appropriations: Subcommittee on Defense concluded a hearing to examine proposed budget estimates for fiscal year 2006 for the Department of Education, after receiving testimony from Tina W. Jonas, Under Secretary of Defense (Comptroller); and Admiral Robert F. Willard, Director, Force Structure, Resources, and Assessment, J8, The Joint Staff.

APPROPRIATIONS: IMMIGRATION AND CUSTOMS

Committee on Appropriations: Subcommittee on Homeland Security concluded a hearing to examine proposed budget estimates for fiscal year 2006 for states citizenship and immigration services, Customs and Border Protection, Immigration and Customs Enforcement, after receiving testimony from Robert Bonner, Commissioner, Customs and Border Protection, Michael J. Garcia, Assistant Secretary for Immigration and Customs Enforcement, and Eduardo Aguirre, Jr., Director, U.S. Citizenship and Immigration Services, all of the Department of Homeland Security.

COMMITTEE ORGANIZATION

Committee on Agriculture, Nutrition, and Forestry: On February 17, 2005, Committee announced the following subcommittee assignments:
- Subcommittee on Marketing, Inspection, and Product Promotion: Senators Talent (Chairman), McConnell, Thomas, Roberts, Grassley, Lugar, Baucus, Nelson (NE), Salazar, Conrad, and Stabenow.
- Subcommittee on Forestry, Conservation, and Rural Revitalization: Senators Crapo (Chairman), Lugar, Cochran, Talent, Thomas, Coleman, Lincoln, Leahy, Nelson (NE), Dayton, and Salazar.
- Subcommittee on Research, Nutrition, and General Legislation: Senators Santorum (Chairman), Lugar, Crapo, Cochran, McConnell, Roberts, Leahy, Stabenow, Lincoln, Baucus, and Nelson (NE).

Committee on Appropriations: Subcommittee on Labor, Health, Human Services, Education and Related Agencies concluded a hearing to examine proposed budget estimates for fiscal year 2006 for the Department of Education, after receiving testimony from Margaret Spellings, Secretary of Education.

COMMITTEE ORGANIZATION

Committee on Armed Services: On February 18, 2005, Committee announced the following subcommittee assignments:
- Subcommittee on Airland: Senators McCain (Chairman), Inhofe, Sessions, Ensign, Talent, Chambliss, Graham, Dole, Lieberman, Reed, Akaka, Nelson (FL), Dayton, Bayh, and Clinton.
Subcommittee on Emerging Threats and Capabilities: Senators Cornyn (Chairman), Roberts, Collins, Ensign, Talent, Graham, Dole, Thune, Reed, Kennedy, Byrd, Nelson (FL), Nelson (NE), Bayh, and Clinton.

Subcommittee on Personnel: Senators Graham (Chairman), McCain, Collins, Chambliss, Dole, Nelson (NE), Kennedy, Lieberman, and Akaka.

Subcommittee on Readiness and Management Support: Senators Ensign (Chairman), McCain, Collins, Chambliss, Dole, Nelson (NE), Bayh, and Clinton.

Subcommittee on Seapower: Senators Talent (Chairman), McCain, Collins, Chambliss, Kennedy, Lieberman, and Reed.

Subcommittee on Strategic Forces: Senators Sessions (Chairman), Inhofe, Roberts, Sessions, Chambliss, Cornyn, Thune, Akaka, Byrd, Nelson (FL), Nelson (NE), Dayton, Bayh, and Clinton.

Human Intelligence Activities
Committee on Armed Services: Committee met in closed session to receive a briefing regarding Department of Defense human intelligence activities from Stephen A. Cambone, Under Secretary for Intelligence, and Vice Admiral Lowell E. Jacoby, USN, Director, Defense Intelligence Agency, both of the Department of Defense; and a representative of the intelligence community.

Committee Organization
Committee on Energy and Natural Resources: On January 26, 2005, Committee adopted its rules of procedure for the 109th Congress.

Forest Service Budget
Committee on Energy and Natural Resources: Committee concluded a hearing to examine the President’s proposed budget request for fiscal year 2006 for USDA Forest Service, after receiving testimony from Mark E. Rey, Secretary of Agriculture for Natural Resources and Environment, and Dale N. Bosworth, Forest Service Chief, both of the Department of Agriculture.

Foreign Assistance Oversight
Committee on Foreign Relations: Committee concluded an oversight hearing to examine foreign assistance, focusing on South Asia and assisting in keeping the region free from terrorism, prosperous and economically integrated, governed through accountable democratic institutions, and a moderator in the Muslim world, after receiving testimony from Donald Camp, Deputy Assistant Secretary for South Asian Affairs, David M. Satterfield, Acting Assistant Secretary for Near Eastern Affairs, Michael E. Ranneberger, Principal Deputy Assistant Secretary for African Affairs, Roger F. Noriega, Assistant Secretary for Western Hemisphere Affairs, Evans Revere, Acting Assistant Secretary for East Asian and Pacific Affairs, and Robert A. Bradtke, Principal Assistant Secretary for Europe and Eurasian Affairs, all of the Department of State; and James R. Kunder, Assistant Administrator for Asia and the Near East, Lloyd O. Pierson, Assistant Administrator for Africa, Adolfo Franco, Assistant Administrator for Latin America and the Caribbean, and Kent R. Hill, Assistant Administrator for Europe and Eurasia, all of United States Agency for International Development.

Committee Organization
Committee on Homeland Security and Governmental Affairs: On February 10, 2005, Committee approved for reporting the adoption of its rules of procedure for the 109th Congress.

Also, on March 1, 2005, the Permanent Subcommittee on Investigations adopted its rules of procedures for the 109th Congress.

Business Meeting
Committee on Rules and Administration: On February 14, 2005, Committee ordered favorably reported an original resolution (S. Res. 49) authorizing expenditures by the Committee.

Also, on February 14, 2005, Committee ordered favorably reported an original resolution (S. Res. 50) authorizing expenditures by the committees of the Senate.

Committee Organization

Intelligence
Select Committee on Intelligence: Committee met in closed session to receive a briefing on certain intelligence matters from officials of the intelligence community.
House of Representatives

Chamber Action


Additional Cosponsors: Pages H942–43

Reports Filed: No reports were filed today.

Speaker: Read a letter from the Speaker wherein he appointed Representative La Hood to act as Speaker Pro Tempore for today.

Page H851

Chaplain: The prayer was offered today by Rev. James T. Akers, National Chaplain, The American Legion.

Page H851

Suspensions: The House agreed to suspend the rules and pass the following measures:

Congratulating ASME on their 125th anniversary: S. Con. Res. 13, congratulating ASME on their 125th anniversary, celebrating the achievements of ASME members, and expressing the gratitude of the American people for ASME’s contributions; and

Pages H852–54

Ensuring the protection of beneficiaries of United States humanitarian assistance: H.R. 912, to ensure the protection of beneficiaries of United States humanitarian assistance, by a 2/3 yea and nay vote of 416 yea with none voting “nay” and one voting “present”, Roll No. 43. Pages H854–59, H867–68

Recess: The House recessed at 10:55 a.m. and reconvened at 2:05 p.m.

Page H859

Job Training Improvement Act of 2005: The House passed H.R. 27, to enhance the workforce investment system of the Nation by strengthening one-stop career centers, providing for more effective governance arrangements, promoting access to a more comprehensive array of employment, training, and related services, establishing a targeted approach to serving youth, and improving performance accountability, by a recorded vote of 224 ayes to 220 noes, Roll No. 48.

Pages H859–67, H868–917

Rejected the Kildee motion to recommit the bill to the Committee on Education and the Workforce with instructions to report the bill back to the House forthwith with an amendment, by a recorded vote of 197 ayes to 228 noes, Roll No. 47.

Pages H914–16

The amendment in the nature of a substitute recommended by the Committee on Education and the Workforce, and now printed in the bill, was consid-
Committee Meetings

AGRICULTURE, RURAL DEVELOPMENT, FDA, AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies held a hearing on Food Safety and Inspection Service and Dennis Kaplan, Budget Officer.

DEFENSE APPROPRIATIONS

Committee on Appropriations: Subcommittee on Defense held a hearing on Army Posture. Testimony was heard from the following officials of the Department of the Army: Francis J. Harvey, Secretary; and GEN. J. Schoomaker, USA, Chief of Staff.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS

Committee on Appropriations: Subcommittee on Foreign Operations, Export Financing, and Related Agencies held a hearing on HIV/AIDS Budget. Testimony was heard from Ambassador Randall L. Tobias, U.S. Global AIDS Coordinator.

THE DEPARTMENT OF HOMELAND SECURITY APPROPRIATIONS

Committee on Appropriations: Subcommittee on The Department of Homeland Security held a hearing on Homeland Security. Testimony was heard from Michael Chertoff, Secretary of Homeland Security.

INTERIOR, ENVIRONMENT, AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior, Environment, and Related Agencies held a hearing on Secretary of the Interior. Testimony was heard from Gale A. Norton, Secretary of the Interior.

MILITARY QUALITY OF LIFE, AND VETERANS AFFAIRS, AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Military Quality of Life, and Veterans Affairs, and Related Agencies held a hearing on Department of Defense Privatization Issues. Testimony was heard from the following officials of the Department of Defense: William A. Armbruster, Deputy Assistant Secretary, Privatization and Partnerships, Department of the Army; Wayne Arny, Deputy Assistant Secretary, Installations and Facilities, Department of the Navy; Fred Kuhn, Deputy Assistant Secretary, Installations, Department of the Air Force; and Phil Grone, Deputy Under Secretary, Installations and Environment.

The Subcommittee also held a hearing on Defense Budget Overview. Testimony was heard from the following officials of the Department of Defense: Tina W. Jonas, Under Secretary, Comptroller; and Phil Grone, Deputy Under Secretary, Installations and Environment.

SCIENCE, THE DEPARTMENTS OF STATE, JUSTICE, AND COMMERCE, AND RELATED AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on Science, the Departments of State, Justice, and Commerce, and Related Agencies held a hearing on Secretary of Commerce. Testimony was heard from Carlos M. Gutierrez, Secretary of Commerce.

NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST FISCAL YEAR 2006

Committee on Armed Services: Continued hearings on the Fiscal Year 2006 National Defense Authorization budget request. Testimony was heard from the following officials of the Department of the Army: GEN John Abizaid, USA, Combatant Commander, U.S. Central Command and GEN Bryan D. Brown, USA, Combatant Commander, U.S. Special Operations Command.

NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST FISCAL YEAR 2006

Committee on Armed Services: Subcommittee on Strategic Forces held a hearing on the National Defense Authorization budget request—Navy Research and Development: Programs in Support of the War on Terrorism, Naval Transformation, and Future Naval Capabilities. Testimony was heard from the following officials of the Department of the Navy: John J. Young, Assistant Secretary, Research, Development and Acquisition; VADM Joseph A. Sestrak, USN, Deputy Chief of Naval Operations, Warfare Requirements and Programs; VADM Lewis W. Crenshaw, USN, Deputy Chief of Naval Operations, Resources, Requirements and Assessments; RADM Jay M. Cohen, USN, Chief of Naval Research; LTG Robert Magnus, USMC, Deputy Commandant, Programs and Resources; and LTG James N. Mattis, USMC, Commanding General, Marine Corps Combat Development Command.

NATIONAL DEFENSE AUTHORIZATION REQUEST FISCAL YEAR 2006

Committee on Armed Services: Subcommittee on Strategic Forces held a hearing on the National Defense Authorization request. Testimony was heard
from the following officials of the Department of Energy: Ambassador Linton F. Brooks, Administrator, National Nuclear Security Administration; and Paul M. Golan, Principal Deputy Assistant Secretary, Environmental Management.

ECONOMIC OUTLOOK AND CURRENT FISCAL ISSUES
Committee on the Budget: Held a hearing on the Economic Outlook and Current Fiscal Issues. Testimony was heard from Alan Greenspan, Chairman, Board of Governors, Federal Reserve System.

RETIREMENT SECURITY CRISIS
Committee on Education and the Workforce: Held a hearing entitled “The Retirement Security Crisis: The Administration’s Proposal for Pension Reform and its Implications for Workers and Taxpayers.” Testimony was heard from Ann Combs, Assistant Secretary, Employee Benefits Security Administration; Mark Warshawsky, Assistant Secretary, Economic Policy, Department of the Treasury; Bradley Belt, Executive Director, Pension Benefit Guaranty Corporation; and public witnesses.

COMMUNICATIONS MARKETPLACE COMPETITION
Committee on Energy and Commerce: Held a hearing entitled “Competition in the Communications Marketplace: How Technology is Changing the Structure of the Industry.” Testimony was heard from public witnesses.

TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS—CONFORMITY PROVISIONS
Committee on Energy and Commerce: Subcommittee on Energy and Air Quality held a hearing entitled “Clean Air Act Transportation Conformity Provisions Contained in H.R. 3, Transportation Equity Act: A Legacy for Users.” Testimony was heard from Jeffrey R. Holmstead, Assistant Administrator, Air and Radiation, EPA; Charles D. Nottingham, Associate Administrator, Policy, Federal Highway Administration, Department of Transportation; and public witnesses.

OVERSIGHT—HUD AND THE BUDGET REQUEST FISCAL YEAR 2006
Committee on Financial Services: Held an oversight hearing on the Department of Housing and Urban Development, including the Department’s budget request for fiscal year 2006. Testimony was heard from Alphonso Jackson, Secretary of Housing and Urban Development.

SECURITY PERSONNEL SYSTEM IMPLEMENTATION—DEPARTMENT OF HOMELAND SECURITY
Committee on Government Reform: Subcommittee on Federal Workforce and Agency Organization held a hearing entitled “The Countdown to Completion: Implementing the New Department of Homeland Security Personnel System.” Testimony was heard from David M. Walker, Comptroller General, GAO; Neil A. G. McPhie, Chairman, Merit Systems Protection Board; Ronald Sanders, Associate Director, Strategic Human Resources Policy, OPM; Ronald James, Chief Human Capital Officer, Department of Homeland Security; and public witnesses.

PROTECTING PENSIONS
Committee on Government Reform: Subcommittee on Government Management, Finance, and Accountability held a hearing entitled “Protecting Pensions and Ensuring the Solvency of PBGC.” Testimony was heard from David M. Walker, Comptroller General, GAO; Bradley Belt, Executive Director, Pension Benefit Guaranty Corporation; and a public witness.

EMERGING THREATS
Committee on Government Reform: Subcommittee on National Security, Emergency Threats and International Relations, hearing entitled “Emerging Threats: Overclassification and Pseudo-classification.” Testimony was heard from J. William Leonard, Director, Information Security Oversight Office, National Archives and Records Administration; RADM Christopher A. McMahon, USMS, Acting Director, Departmental Office of Intelligence, Security, and Emergency Response, Department of Transportation; Harold Rlyea, Specialist in American National Government, CRS, Library of Congress; Richard Benveniste, Commissioner, National Commission on Terrorist Attacks Upon the United States; and public witness.

“PROPOSED FY 2006 BUDGET: INTEGRATING HOMELAND SECURITY SCREENING OPERATIONS”
MISCELLANEOUS MEASURES

Committee on International Relations: Subcommittee on the Middle East and Central Asia approved for full Committee action, as amended, the following resolutions: H. Con. Res. 18, Expressing the grave concern of Congress regarding the continuing gross violations of human rights and civil liberties of the Syrian and Lebanese people by the Government of the Syrian Arab Republic; and H. Con. Res. 32, Expressing the grave concern of Congress regarding the occupation of the Republic of Lebanon by the Syrian Arab Republic.

CRISIS IN NEPAL

Committee on International Relations: Subcommittee on Asia and the Pacific held a hearing on the Crisis in Nepal. Testimony was heard from Donald Camp, Principle Deputy Assistant Secretary, South Asia Bureau, Department of State.

UN OPERATIONS: INTEGRITY AND ACCOUNTABILITY

Committee on International Relations: Subcommittee on Oversight and Investigations held a hearing on United Nations Operations: Integrity and Accountability. Testimony was heard from Patrick F. Kennedy, Ambassador to the United Nations, Management and Reform, U.S. Mission to the United Nations, Department of State and Joseph A. Christoff, Director, International Affairs and Trade Teams, GAO.

PRESCRIPTIONS FOR HEALTH CARE SOLUTIONS

Committee on Small Business: Held a hearing entitled “Prescriptions for Health Care Solutions.” Testimony was heard from Representative King of (IA.) Mike O’Grady, Assistant Secretary, Planning and Evaluation, Department of Health and Human Services; and public witnesses.

TRANSPORTATION EQUITY ACT: A LEGACY FOR USERS

Committee on Transportation and Infrastructure: Ordered reported, as amended, H.R. 3, Transportation Equity Act: A Legacy for Users.

BUDGET

Permanent Select Committee on Intelligence: Met in executive session to hold a hearing on the Budget. Testimony was heard from departmental witnesses.

COMMITTEE MEETINGS FOR THURSDAY, MARCH 3, 2005

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Appropriations: Subcommittee on Interior, to hold hearings to examine proposed budget estimates for fiscal year 2006 for the U.S. Forest Service, 9:30 a.m., SD–124.

Subcommittee on VA, HUD, and Independent Agencies, to hold hearings to examine proposed budget estimates for fiscal year 2006 for the Department of Veterans Affairs, 9:30 a.m., SD–138.

Committee on Armed Services: to resume hearings to examine the proposed Defense Authorization Request for Fiscal Year 2006 and the Future Years Defense Program, 9:30 a.m., SH–216.

Committee on Energy and Natural Resources: to hold hearings to examine the President’s proposed budget request for fiscal year 2006 for the Department of Energy, 10 a.m., SD–366.

Committee on Environment and Public Works: business meeting to consider S. 151, to amend the Clean Air Act to reduce air pollution through expansion of cap and trade programs, to provide an alternative regulatory classification for units subject to the cap and trade program, 3 p.m., SD–406.

Committee on Foreign Relations: business meeting to consider an original resolution entitled Foreign Relations Authorization Act, fiscal years 2006 and 2007, to authorize appropriations for the Department of State and international broadcasting activities for fiscal years 2006 and 2007, for foreign assistance programs for fiscal years 2006 and 2007, 9:30 a.m., SD–419.

Committee on Health, Education, Labor, and Pensions: to hold hearings to examine ensuring drug safety, 10 a.m., SD–106.

Committee on the Judiciary: to hold hearings to examine the nominations of Terrence W. Boyle, of North Carolina, to be United States Circuit Judge for the Fourth Circuit, James C. Dever III, to be United States District Judge for the Eastern District of North Carolina, and Robert J. Conrad, Jr., to be United States District Judge for the Western District of North Carolina, 2 p.m., SD–226.

Select Committee on Intelligence: to hold closed hearings to examine intelligence matters, 2:30 p.m., SH–219.

Special Committee on Aging: to hold hearings to examine implementation of the Medicare Modernization Act regarding delivering prescription drugs to dual eligibles, 2:30 p.m., SD–628.

House

Committee on Agriculture, Subcommittee on General Farm Commodities and Risk Management, hearing on the Reauthorization of the Commodity Futures Trading Commission, 10 a.m., 1300 Longworth.

Committee on Appropriations, Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, on Under Secretary for Farm
and Foreign Agricultural Services, 9:30 a.m., 2362A Rayburn.

Subcommittee on the Department of Homeland Security, on Transportation Security Administration, 2 p.m., 2359 Rayburn.

Subcommittee on the Department of Labor, Health and Human Services, Education, and Related Agencies, on Secretary of Health and Human Services, 10 a.m., 2358 Rayburn.

Subcommittee on Energy and Water Development, and Related Agencies, on U.S. Army Corps of Engineers, 10 a.m., and on Bureau of Reclamation, 2 p.m., 2362B Rayburn.

Subcommittee on Interior, Environment, and Related Agencies, oversight hearing on U.S. Geological Survey/Hazards: tsunamis, landslides, earthquakes, 10 a.m., and on Forest Service, 2 p.m., B–308 Rayburn.

Subcommittee on Military Quality of Life, and Veterans Affairs, and Related Agencies, on Army Budget, 9:30 a.m., and on Central Command, 1:30 p.m., H–145 Capitol.

Committee on Armed Services, Subcommittee on Military Personnel, hearing on the Care of Injured and Wounded Service Members, 10 a.m., 2212 Rayburn.

Subcommittee on Readiness, hearing on the Fiscal Year 2006 National Defense Authorization budget request on the Adequacy of the Budget to Meet Readiness Needs, 2 p.m., 2118 Rayburn.

Subcommittee on Tactical and Land Forces, hearing on the Fiscal Year 2006 National Defense Authorization budget request on the Department of Navy and Department of the Air Force Aviation Acquisition Programs, 9 a.m., 2118 Rayburn.

Subcommittee on Terrorism, Unconventional Threats and Capabilities, hearing on the Fiscal Year 2006 National Defense Authorization budget request on Tactical C–4 Systems: Why Does the DOD Have So Many Different Systems Performing the Same Functionality? 3 p.m., 2212 Rayburn.

Committee on the Budget, hearing on Members’ Day, 2 p.m., 210 Cannon.


Committee on Government Reform, hearing entitled “Making Network Work: Countdown to the RFP for the Federal Government’s Telecommunications Program,” 10 a.m., 2154 Rayburn.

Committee on International Relations, Subcommittee on Africa, Global Human Rights and International Operations and the Subcommittee on Western Hemisphere, joint hearing on Year Two of Castro’s Brutal Crackdown on Dissidents, following Subcommittee on Western Hemisphere mark up, 1:30 p.m., 2172 Rayburn.

Subcommittee on International Terrorism and Non-proliferation, to mark up H. Res. 101, Urging the European Union to add Hezbollah to the European Union’s wide-ranging list of terrorist Organizations; followed by a hearing on Algeria’s Struggle Against Terrorism, 2 p.m., 2200 Rayburn.

Subcommittee on Western Hemisphere, to mark up a resolution Expressing the sense of Congress regarding the two-year anniversary of the human rights crackdown in Cuba, 1:30 p.m., 2172 Rayburn.

Committee on the Judiciary, Subcommittee on the Constitution, hearing on H.R. 748, Child Interstate Jurisdictional Acts, 1:30 p.m., 2141 Rayburn.

Subcommittee on Courts, the Internet, and Intellectual Property, to mark up the following: S. 167, Family Entertainment and Copyright Act of 2005; H.R. 683, Trademark Dilution Revision of 2005; Technical corrections to the Satellite Home Viewer Extension and Reauthorization Act of 2004; Technical corrections to the Copyright Royalty and Distribution Reform Act of 2004; the Multidistrict Litigation Restoration Act of 2005; and H. Con. Res. 53, Expressing the sense of the Congress regarding the issuance of the 500,000th design patent by the United States Patent and Trademark Office, 9:30 a.m., 2141 Rayburn.


Committee on Resources, Subcommittee on Water and Power, oversight hearing entitled “President’s Fiscal Year 2006 Budget Request for the Bureau of Reclamation and the Water Division of the U.S. Geological Survey,” 10 a.m., 1324 Longworth.

Committee on Science, hearing on H.R. 798, Methamphetamine Remediation Research Act of 2005, 10 a.m., 2318 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Coast Guard and Maritime Transportation, hearing on the Fiscal Year 2006 Budget for Coast Guard and Maritime Transportation Programs, and H.R. 889, Coast Guard and Maritime Transportation Act of 2005, 12 p.m., 2167 Rayburn.

Committee on Ways and Means, to mark up H.R. 996, To amend the Internal Revenue Code of 1986 to provide for the extension of highway-related taxes and trust funds, 10 a.m., 1100 Longworth.
Program for Thursday: Senate will begin consideration of S.J. Res. 4, Congressional Rule Disapproval Resolution, for up to 3 hours of debate, with a vote on final passage to occur thereon; following which, Senate will continue consideration of S. 256, Bankruptcy Reform Act, and vote in relation to certain amendments.

Program for Thursday: Consideration of H.R. 841, Continuity in Representation Act of 2005 (structured rule, one hour of debate).

Extensions of Remarks, as inserted in this issue

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