

thoughtfulness in my judgment deserve very serious commendation in this body.

Mr. LAFALCE. I rise to urge the adoption of H.R. 1756, the Money Laundering and Financial Crimes Strategy Act of 1998, legislation sponsored by NYDIA VELÁZQUEZ, a distinguished and hard-working Member of the Banking Committee.

Mr. Speaker, in separate legislation considered today in the House, Members were asked to support amendments to the Bank Secrecy Act, thereby authorizing additional steps to combat money laundering activities. As a result of that bill and a host of other amendments to the Bank Secrecy Act enacted in recent years, H.R. 1756 is logical and much needed because it requires the Secretary of the Treasury to develop and implement a national strategy for combating money laundering and related financial crimes. Further, to the extent funds can be appropriated in the future, H.R. 1756 establishes a federal funding program to support efforts by state and local law enforcement authorities to investigate and prosecute money laundering practices.

The adoption of the bill is necessary because I am pleased to report to the House that we have reached the point where we need a comprehensive strategy specifically focusing on the federal government's money laundering initiatives. We have on the books significant reporting requirements and numerous deterrence programs. We have seen anti-money laundering statutes used as the basis for the successful prosecution of criminal and, most recently, we have witnessed the use of stings and other investigative tactics designed solely to strike at the criminal's ability to legitimize illegal profits by washing them through the financial system.

Because of our success, we must now develop a national strategy to ensure that the high demand for the limited resources available to combat money laundering are properly targeted to those activities that return the best results. H.R. 1756 accomplishes this purpose and deserves the full support of the House of Representatives.

I would be remiss if I did not comment on the role the sponsor of the bill has played in the effort to combat financial crime. Congresswoman NYDIA VELÁZQUEZ did not sit by when money wire transfer businesses in her New York Congressional District were identified as suspected money laundering entities, transferring huge amounts of cash into the financial system without filing the required reports or taking the appropriate actions required by the "know your customer" standards. Congresswoman VELÁZQUEZ personally participated in the law enforcement effort to shut down the unlawful operations and today's bill is but another example of ongoing efforts to protect the residents of her Congressional community.

I also commend Chairman LEACH for scheduling the legislation for the consideration of the Banking Committee and for working with me to bring this important legislation to the floor of the House today.

I strongly urge the adoption of this much needed legislation.

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

The SPEAKER pro tempore (Mr. MILLER of Florida). The question is on the motion offered by the gentleman from

Iowa (Mr. LEACH) that the House suspend the rules and pass the bill, H.R. 1756, as amended.

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

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEACH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1756, the bill just passed.

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

There was no objection.

DEPARTMENT OF STATE SPECIAL AGENTS RETIREMENT ACT OF 1998

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 633) to amend the Foreign Service Act of 1980 to provide that the annuities of certain special agents and security personnel of the Department of State be computed in the same way as applies generally with respect to Federal law enforcement officers, and for other purposes, as amended.

The Clerk read as follows:

H.R. 633

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 "Department of State Special Agents Retirement Act of 1998".

SEC. 2. AMENDMENTS RELATING TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM.

(a) DEFINITION OF A SPECIAL AGENT.—

(1) IN GENERAL.—Section 804 of the Foreign Service Act of 1980 (22 U.S.C. 4044) is amended—

(A) by striking "and" at the end of paragraph (13);

(B) by striking the period at the end of paragraph (14) and inserting "; and"; and

(C) by adding at the end the following:

"(15) 'special agent' means an employee of the Department of State with a primary skill code of 2501—

"(A) the duties of whose position—

"(i) are primarily—

"(I) the investigation, apprehension, or detention of individuals suspected or convicted of offenses against the criminal laws of the United States, or

"(II) the protection of persons pursuant to section 2709(a)(3) of title 22, United States Code, against threats to personal safety; and

"(ii) are sufficiently rigorous that employment opportunities should be limited to young and physically vigorous individuals, as determined by the Secretary of State pursuant to section 4823 of title 22, United States Code;

"(B) performing duties described in subparagraph (A) before, on, or after the date of the enactment of this paragraph; or

"(C) transferred directly to a position which is supervisory or administrative in nature after performing duties described in subparagraph (A) for at least 3 years."

(2) CONFORMING AMENDMENT.—Section 852 of such Act (22 U.S.C. 4071a) is amended—

(A) by striking "and" at the end of paragraph (7);

(B) by striking the period at the end of paragraph (8) and inserting "; and"; and

(C) by adding at the end the following:

"(9) the term 'special agent' has the same meaning given in section 804(15)."

(b) CONTRIBUTIONS.—

(1) IN GENERAL.—Section 805(a) of such Act (22 U.S.C. 4045(a)) is amended by adding at the end the following:

"(3) For service as a special agent, paragraph (1) shall be applied by substituting for '7 percent' the percentage that applies to law enforcement officers under section 8334(a)(1) of title 5, United States Code."

(2) CONFORMING AMENDMENT.—Section 805(a)(1) (22 U.S.C. 4045(a)(1)) of such Act is amended by striking "Except as provided in subsection (h)," and inserting "Except as otherwise provided in this section,".

(c) SPECIAL CONTRIBUTION FOR PRIOR NON-DEPOSIT SERVICE.—Section 805(d) of such Act (22 U.S.C. 4045(d)) is amended by adding at the end the following:

"(6) Subject to paragraph (4) and subsection (h), for purposes of applying this subsection with respect to prior service as a special agent, the percentages of basic pay set forth in section 8334(c) of title 5, United States Code, with respect to a law enforcement officer, shall apply instead of the percentages set forth in paragraph (1)."

(d) COMPUTATION OF ANNUITIES.—

(1) IN GENERAL.—Section 806(a) of such Act (22 U.S.C. 4046(a)) is amended—

(A) by redesignating paragraph (6) as paragraph (7); and

(B) by inserting after paragraph (5) the following:

"(6)(A) The annuity of a special agent under this subchapter shall be computed under paragraph (1) except that, in the case of a special agent described in subparagraph (B), paragraph (1) shall be applied by substituting for '2 percent'—

"(i) the percentage under subparagraph (A) of section 8339(d)(1) of title 5, United States Code, for so much of the participant's total service as is specified thereunder; and

"(ii) the percentage under subparagraph (B) of section 8339(d)(1) of title 5, United States Code, for so much of the participant's total service as is specified thereunder.

"(B) A special agent described in this subparagraph is any such agent or former agent who—

"(i)(I) retires voluntarily or involuntarily under section 607, 608, 611, 811, 812, or 813, under conditions authorizing an immediate annuity, other than for cause on charges of misconduct or delinquency, or retires for disability under section 808; and

"(II) at the time of retirement—

"(aa) if voluntary, is at least 50 years of age and has completed at least 20 years of service as a special agent; or

"(bb) if involuntary or disability, has completed at least 20 years of service as a special agent; or

"(ii) dies in Service after completing at least 20 years of service as a special agent, when an annuity is payable under section 809.

"(C) For purposes of subparagraph (B), included with the years of service performed by an individual as a special agent shall be any service performed by such individual as a law enforcement officer (within the meaning of section 8331(20) or section 8401(17) of title 5, United States Code), or a member of the Capitol Police."

(2) SPECIAL RULE FOR SPECIAL AGENTS WITH PRIOR SERVICE UNDER THE FOREIGN SERVICE RETIREMENT AND DISABILITY SYSTEM OR THE CIVIL SERVICE RETIREMENT SYSTEM.—Section

806(a) of such Act (22 U.S.C. 4046(a)), as amended by paragraph (1), is further amended—

(A) by redesignating paragraph (7) (as so redesignated by paragraph (1)) as paragraph (8); and

(B) by inserting after paragraph (6) (as added by paragraph (1)) the following:

“(7) In the case of a special agent who becomes or became subject to subchapter II—

“(A) for purposes of paragraph (6)(B), any service performed by the individual as a special agent (whether under this subchapter or under subchapter II), as a law enforcement officer (within the meaning of section 8331(20) or section 8401(17) of title 5, United States Code), or as a member of the Capitol Police shall be creditable; and

“(B) if the individual satisfies paragraph 6(B), the portion of such individual’s annuity which is attributable to service under the Foreign Service Retirement and Disability System or the Civil Service Retirement System shall be computed in conformance with paragraph (6).”

(3) TECHNICAL AND CONFORMING AMENDMENTS.—

(A) Paragraph (8) of section 806(a) of such Act (22 U.S.C. 4046(a)), as so redesignated by paragraph (2)(A), is amended by striking “and (4)” and inserting “(4), and (6)”.

(B) Paragraphs (1) and (3) of section 855(b) of such Act (22 U.S.C. 4071d(b)) are each amended by inserting “611,” after “608.”

SEC. 3. MANDATORY SEPARATION OF SPECIAL AGENTS.

The first sentence of section 812(a)(2) of the Foreign Service Act of 1980 (22 U.S.C. 4052(a)(2)) is amended to read as follows: “Notwithstanding paragraph (1)—

“(A) an individual described in section 4(a)(2) of the Department of State Special Agents Retirement Act of 1998 who is otherwise eligible for immediate retirement under this chapter, or

“(B) a Foreign Service criminal investigator/inspector of the Office of Inspector General of the Agency for International Development who would have been eligible for retirement pursuant to either section 8336(c) or 8412(d) of title 5, United States Code, as applicable, had the employee remained in civil service,

shall be separated from the Service on the last day of the month in which such individual under subparagraph (A) or such Foreign Service criminal investigator/inspector under subparagraph (B) attains 57 years of age or completes 20 years of service if then over that age.”

SEC. 4. EFFECTIVE DATE; APPLICABILITY.

(a) IN GENERAL.—Except as provided in subsection (b), this Act and the amendments made by this Act—

(1) shall take effect on the date of the enactment of this Act; and

(2) shall apply with respect to—

(A) any individual first appointed on or after that date as a special agent who will have any portion of such individual’s annuity computed in conformance with section 806(a)(6) of the Foreign Service Act; and

(B) any individual making an election under subsection (b), subject to the provisions of such subsection.

(b) ELECTION FOR CURRENT PARTICIPANTS.—

(1) ELIGIBILITY.—An election under this subsection may be made by any currently employed participant under chapter 8 of the Foreign Service Act of 1980 who is serving or has served as a special agent, or by a survivor of a special agent who was eligible to make an election under this section.

(2) EFFECT OF AN ELECTION.—

(A) IN GENERAL.—If an individual makes an election under this subsection, the amendments made by this Act shall become appli-

cable with respect to such individual, subject to subparagraph (B).

(B) TREATMENT OF PRIOR SERVICE.—

(i) SPECIAL CONTRIBUTION.—An individual may, after making the election under this subsection, make a special contribution up to the full amount of the difference between the contributions actually deducted from pay for prior service and the deductions that would have been required if the amendments made by this Act had then been in effect. Any special contributions under this clause shall be computed under regulations based on section 805(d) of the Foreign Service Act of 1980 (as amended by section 2), including provisions relating to the computation of interest.

(ii) ACTUARIAL REDUCTION.—

(I) RULE IF THE SPECIAL CONTRIBUTION IS PAID.—If the full amount of the special contribution under clause (i) is paid, no reduction under this clause shall apply.

(II) RULE IF LESS THAN THE ENTIRE AMOUNT IS PAID.—If no special contribution under clause (i) is paid, or if less than the entire amount of such special contribution is paid, the recomputed annuity shall be reduced by an amount sufficient to make up the actuarial present value of the shortfall.

(c) REGULATIONS AND NOTICE.—Not later than 6 months after the date of the enactment of this Act, the Secretary of State—

(1) shall promulgate such regulations as may be necessary to carry out this Act; and

(2) shall take measures reasonably designed to provide notice to participants as to any rights they might have under this Act.

(d) ELECTION DEADLINE.—An election under subsection (b) must be made not later than 90 days after the date on which the relevant notice under subsection (c)(2) is provided.

(e) DEFINITION.—For purposes of this section, the term “special agent” has the meaning given such term under section 804(15) of the Foreign Service Act of 1980 (22 U.S.C. 4044(15)), as amended by section 2(a).

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

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

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

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

There was no objection.

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

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

Mr. GILMAN. Mr. Speaker, H.R. 633 amends the Foreign Service Act to provide that the annuities of diplomatic security special agents of the Department of State who are participating in the Foreign Service retirement and disability system be computed in the same way as applies generally to Federal law enforcement officers participating in the Civil Service Retirement System. Mr. Speaker, we all know of the good work around the world by the special agents of the Diplomatic Security Service.

In general, Federal law enforcement officers who contribute an additional ½

percent of their basic salary to their retirement fund are eligible to receive a multiplier of 2½ percent per year for up to 20 years, instead of 2 percent per year. This amounts to a 25 percent increase in their annuity computation for their first 20 years as law enforcement agents, in comparison to other “Old System” employees.

This bill ensures that our DS special agents would also receive this benefit which, as I mentioned, is available to their Civil Service law enforcement colleagues throughout the Federal Government. The legislation affects a relatively small number of people, around 200 DS agents in the State Department, and will resolve equity and morale concerns in the Bureau of Diplomatic Security.

The bill also provides that just as old system civil service law enforcement officers are subject to mandatory retirement, the old system foreign service law enforcement officers who are the beneficiaries of this bill will also be subject to mandatory retirement.

Mr. Speaker, this bill is the fruit of a great deal of work and diligence by the gentleman from Virginia (Mr. DAVIS). It passed by a bipartisan voice vote in our committee. Accordingly, I support the measure.

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

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume. I rise in support of H.R. 633. I commend the gentleman from Virginia (Mr. DAVIS) and the gentleman from Virginia (Mr. MORAN) for their leadership in introducing the bill. I appreciate very much the gentleman from New York making sure it is on the schedule today.

The bill provides equity for a small group of State Department diplomatic security agents. Today most law enforcement agents in the Federal Government who were hired before 1984 will receive a 7.5 percent annuity when they retire. The State Department diplomatic security agents hired prior to 1984, however, will receive 7 percent. There are fewer than 200 such officers at the Department of State.

This bill would allow those diplomatic security officers hired prior to 1984 whose primary duties are investigation, apprehension or detention of criminal suspects and who are in rigorous physical shape to receive the higher annuity upon retirement, after paying an increased contribution into the retirement system.

This is a bipartisan bill. It is supported by the Administration. It brings deserved equity for the Diplomatic Security Service. Diplomatic security agents protect U.S. personnel. They ensure the security of vital U.S. information and buildings at home and abroad. Foreign service diplomatic security officers deserve to be treated similarly to their civil service colleagues throughout the Federal Government.

The cost of H.R. 633 has been estimated by the Office of Management

and Budget to be \$2.5 million over fiscal years 1999 through the year 2003. It is not a costly new program since it will apply to a narrow category of officers. I urge my colleagues to support this bill.

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

Mr. GILMAN. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia (Mr. DAVIS), the sponsor of the measure.

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

Mr. Speaker, it is my privilege for the House today to consider H.R. 633, as amended, a bill I introduced to bring equity to agents of the Diplomatic Security Service. With the hard work and dedication of the gentleman from New York (Mr. GILMAN), chairman of the Committee on International Relations and his staff members Hillel Weinberg and Kristen Gilley, the House is prepared today to pass this important legislation.

Specifically, H.R. 633 would amend the Foreign Service Act of 1980 to provide that the annuities of DS special agents of the Department of State, who are participating in the Foreign Service Retirement and Disability System, be computed in the same way as applies generally to Federal law enforcement officers. In general, law enforcement officers must contribute an additional one-half percent of their basic salary to their retirement fund and, in return, are eligible to receive a one-half percent per year served, up to 20 years, or a 10 percent increase in their annuity.

As Members know, despite performing traditional law enforcement activities and being placed in high-risk situations on behalf of the United States at home and abroad, many DS special agents are currently treated differently than all other law enforcement agents in regards to their retirement annuity calculations. The security functions that DS special agents carry out every day include protecting U.S. personnel and the security of vital U.S. information and installations both domestically and internationally. Their duties are critical to the viability of overseas operations of the United States and to the protection of thousands of U.S. citizens around the world.

Special agents of the Bureau of Diplomatic Security are charged with the security of American diplomatic personnel overseas. These agents also protect Members of Congress and their staffs while on official business overseas. We have seen time and time again the threats that DS special agents face protecting America's interests. In the past few years alone, DS special agents have been placed in harm's way while serving in Bosnia, Burundi, Liberia and Haiti.

H.R. 633 is supported by the U.S. Department of State, the Office of Personnel Management, the American Foreign Service Association, the Diplo-

matic Security Special Agents Association, the Federal Law Enforcement Officers Association, and the Fraternal Order of Police.

I would also like to thank again the gentleman from New York (Mr. GILMAN), the gentleman from Florida (Mr. MICA), the gentleman from Virginia (Mr. MORAN), the Department of State, and my constituent Jim Prietch for their leadership in making this legislation possible.

Mr. LANTOS. Mr. Speaker, as an enthusiastic Cosponsor of H.R. 633, I rise in strong support of this legislation and urge my colleagues to support its passage.

The adoption of H.R. 633 is a simple matter of equity. It provides that a small number of diplomatic security agents at the Department of State will receive the same rate of annuity when they retire as other federal law enforcement officials now receive. The cost of the program is minimal and will be absorbed in the budget of the Department of State, but the fundamental issues is one of fairness.

It is important, Mr. Speaker, to keep in mind that Diplomatic Security special agents are fully trained law enforcement officers with critical law enforcement responsibilities established in law. These agents have principal responsibilities for investigation, apprehension and detention of criminal suspects. They protect U.S. government personnel while traveling abroad, they protect our diplomatic facilities in foreign countries, they protect the integrity of foreign policy information, and they provide an important protective function in the United States for visiting foreign government leaders and our own diplomats.

Mr. Speaker, I commend our distinguished colleagues, Mr. DAVIS and Mr. MORAN of Virginia, for introducing this important piece of legislation, and I urge my colleagues to support its adoption.

Mr. GILMAN. 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 New York (Mr. GILMAN) that the House suspend the rules and pass the bill, H.R. 633, as amended.

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

A motion to reconsider was laid on the table.

IRAQ LIBERATION ACT OF 1998

Mr. GILMAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4655) to establish a program to support a transition to democracy in Iraq, as amended.

The Clerk read as follows:

H.R. 4655

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 "Iraq Liberation Act of 1998".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) On September 22, 1980, Iraq invaded Iran, starting an eight year war in which

Iraq employed chemical weapons against Iranian troops and ballistic missiles against Iranian cities.

(2) In February 1988, Iraq forcibly relocated Kurdish civilians from their home villages in the Anfal campaign, killing an estimated 50,000 to 180,000 Kurds.

(3) On March 16, 1988, Iraq used chemical weapons against Iraqi Kurdish civilian opponents in the town of Halabja, killing an estimated 5,000 Kurds and causing numerous birth defects that affect the town today.

(4) On August 2, 1990, Iraq invaded and began a seven month occupation of Kuwait, killing and committing numerous abuses against Kuwaiti civilians, and setting Kuwait's oil wells ablaze upon retreat.

(5) Hostilities in Operation Desert Storm ended on February 28, 1991, and Iraq subsequently accepted the ceasefire conditions specified in United Nations Security Council Resolution 687 (April 3, 1991) requiring Iraq, among other things, to disclose fully and permit the dismantlement of its weapons of mass destruction programs and submit to long-term monitoring and verification of such dismantlement.

(6) In April 1993, Iraq orchestrated a failed plot to assassinate former President George Bush during his April 14-16, 1993, visit to Kuwait.

(7) In October 1994, Iraq moved 80,000 troops to areas near the border with Kuwait, posing an imminent threat of a renewed invasion of or attack against Kuwait.

(8) On August 31, 1996, Iraq suppressed many of its opponents by helping one Kurdish faction capture Irbil, the seat of the Kurdish regional government.

(9) Since March 1996, Iraq has systematically sought to deny weapons inspectors from the United Nations Special Commission on Iraq (UNSCOM) access to key facilities and documents, has on several occasions endangered the safe operation of UNSCOM helicopters transporting UNSCOM personnel in Iraq, and has persisted in a pattern of deception and concealment regarding the history of its weapons of mass destruction programs.

(10) On August 5, 1998, Iraq ceased all cooperation with UNSCOM, and subsequently threatened to end long-term monitoring activities by the International Atomic Energy Agency and UNSCOM.

(11) On August 14, 1998, President Clinton signed Public Law 105-235, which declared that "the Government of Iraq is in material and unacceptable breach of its international obligations" and urged the President "to take appropriate action, in accordance with the Constitution and relevant laws of the United States, to bring Iraq into compliance with its international obligations."

(12) On May 1, 1998, President Clinton signed Public Law 105-174, which made \$5,000,000 available for assistance to the Iraqi democratic opposition for such activities as organization, training, communication and dissemination of information, developing and implementing agreements among opposition groups, compiling information to support the indictment of Iraqi officials for war crimes, and for related purposes.

SEC. 3. SENSE OF CONGRESS REGARDING UNITED STATES POLICY TOWARD IRAQ.

It should be the policy of the United States to support efforts to remove the regime headed by Saddam Hussein from power in Iraq and to promote the emergence of a democratic government to replace that regime.

SEC. 4. ASSISTANCE TO SUPPORT A TRANSITION TO DEMOCRACY IN IRAQ.

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The President may provide to the Iraqi