

Internet to someone else, who could then use them for any number of illegal purposes in complete secrecy—and even access the funds from ATMs around the world.

"Anonymous passbook savings accounts have been a major problem and a critical loophole in the international consensus to combat money-laundering," said Stuart Eizenstat, deputy U.S. Treasury secretary. "This victory represents a clear demonstration of FATF resolve and credibility."

Forcing Austria to either clean its own house or leave the FATF was viewed as an essential step before the organization releases a list next week of money-laundering havens, or offshore centers deemed to have inadequate laws and financial supervision. The composition of the list has been kept secret, but observers believe it will be heavily weighted with Caribbean and South Pacific island states.

Another possible candidate is Liechtenstein, which a French parliamentary report described as Europe's "most dangerous money-laundering center." The Liechtenstein government, which has already sent some leading citizens to jail, says it is trying to clean up its banking industry.

According to U.S. Treasury officials, Austria has 24 million anonymous passbook accounts, or three for every man, woman and child in the country, signifying that many of them are in the hands of foreigners. The accounts are believed to hold about \$100 billion.

The U.S. and other nations have been trying to get Austria to eliminate the accounts for a decade, but it was only in February that the threat of FATF expulsion prompted Vienna to agree to changes. Initial legislative proposals didn't appease the U.S., and the Austrian government—already under heavy diplomatic pressure because of its inclusion of the right-wing Freedom Party in the ruling coalition—quickly relented. On May 25, the financial committee of the lower house of the Austrian Parliament passed the revised bill, to go into effect this fall.

The law calls for anonymous accounts to be eliminated by June 30, 2002. In the interim, many transactions will be prohibited unless the account holder is first identified. "Austrian banks will have to make a fundamental change in the way they do business," said Mr. Eizenstat.

In a move parallel to the FATF initiative, the Paris-based Organization for Economic Cooperation and Development is drawing up a list of tax havens that the group believes unfairly divert tax proceeds from developed countries, through the twin lure of low taxes and strict bank secrecy. That list is expected to be released by the end of this month.

Madam Speaker, for the above stated reasons and others, this Member urges his colleagues to support H.Res. 495.

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

Mrs. ROUKEMA. Madam Speaker, I yield myself such time as I may consume.

I would like to conclude by making the following observations. It should be recognized that as the ranking member, as well as the gentleman from Nebraska (Mr. BEREUTER), has already noted, the Committee on Banking and Financial Services on June 8 did report H.R. 3886, the International Counter-Money Laundering Act; and I would hope that we would be able to take action on that and perhaps even expand on it, as a matter of fact.

I also want to point out that while this resolution is a significant step in

the right direction, in addition to H.R. 3886, there is other serious action that we must take to fight money laundering crimes; and in that respect, I am fully anticipating that the gentleman from Florida (Mr. MCCOLLUM) and I will be introducing a comprehensive money laundering proposal similar to the administration's bill from last November. We have been working on this for some time, and it will supplement what H.R. 3886 does in the international arena, with a very focused effort comprehensively on domestic money laundering. Cash smuggling, currency couriers, and sanctions against the money launderers will be the major problems that we are addressing in the that bill; and it is a joint operation between the Committee on the Judiciary and members of the Committee on Banking and Financial Services. These and other money laundering issues, I hope and pray, will be addressed in this Congress; and if not completed in this Congress, and I think there is time enough to complete it in this Congress, then we will make it a top priority in the next.

However, that is for the future. For today, we are very happy to have this resolution before us, and I thank my colleagues for their cooperation and the work that we have been able to accomplish together here.

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

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentlewoman from New Jersey (Mrs. ROUKEMA) that the House suspend the rules and agree to the resolution, House Resolution 495.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

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RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 4 p.m.

Accordingly (at 3 o'clock and 40 minutes p.m.), the House stood in recess until approximately 4 p.m.

□

□ 1609

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DREIER) at 4 o'clock and 9 minutes p.m.

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GENERAL LEAVE

Mr. WALSH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4635 and that I may include tabular and extraneous material therein.

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

There was no objection.

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DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 2001

The SPEAKER pro tempore. Pursuant to House Resolution 525 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4635.

□ 1610

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4635) making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2001, and for other purposes, with Mr. PEASE in the chair.

The Clerk read the title of the bill.

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

Under the rule, the gentleman from New York (Mr. WALSH) and the gentleman from West Virginia (Mr. MOLLOHAN) each will control 30 minutes.

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

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

Mr. Chairman, it is my pleasure to bring before the full House of Representatives the bill, H.R. 4635, making fiscal year 2001 appropriations for the Departments of Veterans Affairs, Housing and Urban Development and independent agencies. So that we can move quickly, I will keep my comments brief.

First, let me just thank the distinguished gentleman from West Virginia (Mr. MOLLOHAN) for his advice and counsel throughout this discussion. Even though we have different political persuasions, I think we share almost all of the same priorities in this bill, which makes it, as one might imagine, much less difficult to bring a bill to the floor.

We do not agree on everything obviously, but I think in most cases we do. So we have enjoyed the benefit of his advice and the staffs have worked very closely together. The subcommittee and the full committee worked very hard to bring this bill out.

Like most of the appropriations subcommittees, we were given a very tight 302(b) allocation. Nevertheless, we were able to make what I think are good policy and funding choices to produce a good, fair bill that deserves support.

Here are some of the highlights: this bill fully funds veterans medical care