Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 333) to amend title 11, United States Code, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

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

There was no objection.

MOTION TO INSTRUCT OFFERED BY MS. BALDWIN

Ms. BALDWIN. Mr. Speaker, I offer a motion to instruct conferees.

The Clerk read as follows:

APPOINTMENT OF CONFEREES ON H.R. 333, BANKRUPTCY ABUSE PREVENTION AND CONSUMER PROTECTION ACT OF 2001

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

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

Mr. Speaker, Chapter 12 bankruptcy protection was created to help farmers in crisis keep their family farms. H.R. 333 makes Chapter 12 permanent. While waiting for this comprehensive bankruptcy reform legislation, Chapter 12 has expired five times. Just during the current Congress, we have been forced to pass two extensions to Chapter 12. It is time to treat our family farmers with the respect that they have earned. Adjusting eligibility to more properly reflect the needs of real family farmers would make a significant improvement to the underlying bill.

This motion on H.R. 333, the Bankruptcy Abuse Prevention and Consumer Protection Act of 2001, would instruct the House conferees to accept Senate language on Chapter 12 bankruptcy protection. The other body expanded the definition of family farmer to allow more family farmers to file under the protections of Chapter 12. These changes can dramatically reduce gross income in that year. Look-at one of the 3 years prior to bankruptcy rather than just the prior year. This change is very important because many farm families split their time between farm and other employment out of necessity. It is not at all unusual for one spouse to work on a nonfarm job to secure health or other benefits for the entire family. In a year prior to declaring bankruptcy, that nonfarm income may easily exceed farm-related income, since low prices and crop failures can dramatically reduce gross income in that year. Looking at one of the 3 years prior to bankruptcy filing will keep true family farms from being denied chapter 12 relief.

During committee consideration, I proposed similar language to expand the definition of family farmer. The majority did not accept the amendment due to a desire to maintain the language negotiated by the Bankruptcy Conference Committee in the 106th Congress in an attempt to avoid a conference unanimous consent that all my discussions with the bill's author and others in the majority revealed no substantive objection to expanding this definition. Now that the other body has decided to include it in their version of the bill, I hope the House will incorporate it into the bill.

This motion also instructs conferees to accept the Senate language with respect to extending chapter 12 bankruptcy protection to family fishermen. Family fishermen face the same type of financial pressures that are beyond their control as family farmers do. They harvest the oceans like our family farmers harvest the land. Allowing family fishermen to reorganize their debts without losing their equipment that is essential to their livelihood will ensure the continued viability of our family fishermen.

Mr. Speaker, I urge my colleagues to vote in favor of this motion to instruct conferees to accept the chapter 12 positions from the other body. These commonsense amendments will improve the Bankruptcy Abuse Prevention and Consumer Protection Act of 2001 to protect some of the most vulnerable families in America and allow them to retain their farms and their livelihoods.

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

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their
remarks and to include extraneous material on the motion to instruct conferees currently under debate.

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

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume first to state that I have no objection to the motion to instruct, and I would urge that the House go on and speedily approve it, hopefully without a rollcall.

Secondly, a concern that I have, and I am looking at the Senate amendment and I am not sure whether it is properly drafted to make sure that a family fisherman is a commercial fisherman, rather than having someone claim to be a sport fisherman and thus protecting very expensive yachts, that are used occasionally for fishing purposes, from being sold and the assets distributed amongst the creditors. So the provision in the Senate bill might need some clarification.

But with that reservation, I am happy to support the motion to instruct.

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

Ms. BALDWIN. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Wisconsin (Mr. NADLER), a member of the Committee on the Judiciary.

Mr. NADLER. Mr. Speaker, I rise in support of the motion offered by the gentlewoman from Wisconsin, and I want to commend her for her consistent and forceful stand on behalf of this Nation’s embattled family farmers.

The proposed instruction is very straightforward and should not draw any opposition. The Senate language represents a bipartisan consensus that family farmers and embattled family fishermen who now face a crisis ought to be able to reorganize their debts and continue the work on the land or on the water that their families have pursued for generations. That is what this is all about.

The Senate language would expand eligibility for chapter 12 to reflect the current economic realities, not the economic realities of 1986. It increases eligibility from $1.5 million in debt to $3 million in debt. The House bill does not do that. It merely allows the amounts to be adjusted in the future, but does not take into account 15 years of inflation.

Like the House bill, the Senate provision would make chapter 12 permanent. Unlike the House bill, it would recognize for the first time that many family farms and family businesses, do not receive more than 50 percent of their income from farming because one spouse may need to work off the farm to keep the farm afloat. We should not now penalize these people for doing everything in their power to avoid bankruptcy through hard work.

The proposed amendment also extends chapter 12 protection to family fishermen for the first time. They too are subject to the stresses of fluctuating commodity prices, and they also have similar problems of large capital investments and significant pre-season debts against the coming harvest which characterize family farmers, and chapter 12 has been specifically tailored.

Chapter 12 is not a bailout, it is merely a way for a family farmer, or as we extend it for a family fisherman, to reorganize debts and stay on the land or on the water. It protects family farmers from being swallowed up by agribusiness or suburbanization, it protects our watersheds and drinking water, and it protects those families and communities who have been the backbone of rural America and of our Nation.

Again I commend the gentlewoman from Wisconsin for this motion, and I urge everyone to support it.

Ms. BALDWIN. Mr. Speaker, I yield myself such time as I may consume to respond to the gentleman’s concerns relating to the language adopted in title X by the other body. As I read the definition of family fisherman, I feel quite confident that this is limited to commercial fishing enterprises and operations and that the gentleman’s concern of individuals trying to protect yachts and other luxury boats not used in a commercial fishing venture would not be covered under this.

I am most grateful that the gentleman is supportive of the entire motion or whether he might want to read and satisfy himself that this is indeed protecting only commercial fishing operations.

Mr. SENSENBRENNER. Mr. Speaker, will the gentlewoman yield?

Ms. BALDWIN. I yield to the gentleman from Wisconsin.

Mr. SENSENBRENNER. Mr. Speaker, I am not sure that the definition of commercial fishing operations contained in section 1007 in the Senate bill is sufficiently tightly worded to prevent someone who uses a yacht for sport fishing and derives income therefrom from being able to protect the yacht under the bankruptcy code. That is what my concern is.

What I am suggesting to the gentlewoman from Wisconsin, my colleague, is that perhaps section 1007 should be looked at very closely to make sure we don’t have yachts or luxury yachts or other vessels that are not treated as holy writ, not subject to any modification whatsoever.

Mr. CONVYERS. Mr. Speaker, I rise in strong support of the Motion to Instruct. This will put the House on the record as supporting Senate passed provisions that are more favorable to our farmers and fishermen.

We always talk about the special need to protect our farmers. They face harsh weather and are constantly being squeezed by corporate farms and hug buyers and wholesalers. The least we can do is help honest farmers and fishermen reorganize their affairs so they can stay in business.

The Senate bill is preferable to the House bill in four key respects. First, it reduces from 80 percent to 50 percent the amount of total debt that must be related to farming. Many farm families are forced to seek multiple outside jobs in order to keep their farms afloat. This should not be a reason that you lose your farm in bankruptcy.

Second, the Senate provision permits family farmers to file for Chapter 12 if they meet the 50 percent requirement in any of the three years prior to filing. For farm families that split their income, low prices or crop failures can dramatically reduce gross income in the year prior to filing. Allowing consideration of any of these three years prior to filing will keep farm families from being unfairly denied Chapter 12 relief.

Third, the Senate provision increases the jurisdictional debt limit for filing Chapter 12 from $1.5 million to $3 million. This new figure offsets the effects of inflation of the last 15 years. The $1.5 million limit was established in 1986.

Finally, the Senate bill extends protections to family fishermen so they can protect their boats and fishing equipment. Like agricultural farmers, fishermen face a hostile economic environment and thousands of fishermen leave the business every year. There is no need to discriminate against family farmers and family fishermen in providing basic key protections.

These provisions will help rural and coastal communities retain their unique character and allow farmers and fishermen to keep their farms and boats. I urge a yes vote on the Motion to Instruct.

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

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

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentlewoman from Wisconsin (Ms. BALDWIN).

The motion to instruct was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees:

From the Committee on the Judiciary for consideration of the House bill and the Senate amendment, and modifications committed to conference: Messrs. SENSENBRENNER, HYDE, GIKAS, SMITH of Texas, CHABOT, BARR of Georgia, CONVYERS, BOUCHER, NADLER, and WATT of North Carolina.

From the Committee on Financial Services, for consideration of sections 901 through 906, 907A through 909, 911, and 1301 through 1309 of the House bill, and sections 901 through 906, 907A through 909, 911, and 913-4 and title XIII of the Senate amendment, and modifications committed to conference: Messrs. OXLEY, BACHUS, and LAFALCE.

From the Committee on Energy and Commerce, for consideration of title X of the Senate amendment, and modifications committed to conference: Messrs. TAUZIN, BARTON of Texas, and DINGELL.
From the Committee on Education and the Workforce, for consideration of section 1403 of the Senate amendment, and modifications committed to conference: Messrs. Boehner, Castle and Kildee.

There was no objection.

RAILROAD RETIREMENT AND SURVIVORS' IMPROVEMENT ACT OF 2001

Mr. YOUNG of Alaska. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1140) to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries, as amended.

The Clerk read as follows:

H.R. 1140

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 “Railroad Retirement and Survivors’ Improvement Act of 2001”.

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

Sec. 1. SHORT title; table of contents.

TITLE I—AMENDMENTS TO RAILROAD RETIREMENT ACT OF 1974

Sec. 101. Expansion of widow’s and widower’s benefits.

Sec. 102. Retirement age restoration.

Sec. 103. Vesting requirement.

Sec. 104. Repeal of railroad retirement maximum.

Sec. 105. Investment of railroad retirement assets.

Sec. 106. Elimination of supplemental annuity account.

Sec. 107. Transfer authority revisions.

Sec. 108. Annual ratio projections and certifications by the Railroad Retirement Board.

TITLE II—AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

Sec. 201. Amendments to the Internal Revenue Code of 1986.


Sec. 203. Repeal of supplemental annuity tax.

Sec. 204. Employer, employee representative, and employee tier 2 tax rate adjustments.

TITLE III—AMENDMENTS TO RAILROAD RETIREMENT ACT OF 1974

SEC. 101. EXPANSION OF WIDOW’S AND WIDOWER’S BENEFITS.

(a) In General.—Section 4(g) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(g)) is amended by adding at the end the following new subdivision:

“(10) If for any month the unreduced annuity provided under this section for a widow or widower is less than the widow’s or widower’s initial minimum amount computed pursuant to paragraph (2) of this subdivision, the unreduced annuity shall be increased to that initial minimum amount for the purposes of paragraphs (i) and (iii), and to provide enhanced benefits to employees and beneficiaries, as amended.

(b) EFFECTIVE DATE.—

(1) In general.—The amendment made by this subsection shall take effect on the first day of the first month that begins more than 30 days after enactment, and shall apply to annuity amounts accruing for months after the effective date in the case of annuities awarded after that date and before that date, but only if the annuity amount under section 4(g) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(g)) was computed under such section, as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35; 95 Stat. 357).

(2) Special rule for annuities awarded before the effective date.—In applying the amendment made by this section to annuities awarded before the effective date, the calculation of an annuity amount under section 4(g)(10)(i) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(g)(10)(i)), as added by subsection (a), shall be made as of the date of the award of the widow’s or widower’s annuity.

SEC. 102. RETIREMENT AGE RESTORATION.

(a) EMPLOYEE ANNUITIES.—Section 3(a)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231a(a)(2)) is amended by inserting after “(2)” the following new sentence: “For purposes of this subdivision, individuals entitled to an annuity under section 2(a)(1)(i) of this Act shall, except for the purposes of re-computations in accordance with section 216(f) of the Social Security Act, be deemed to have attained retirement age defined by section 216(f) of the Social Security Act.”.

(b) SPOUSE AND SURVIVOR ANNUITIES.—Section 4(a)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(a)(2)) is amended by striking “(2)” and all that follows through “(i)(B) of this Act” and inserting “(2)” and all that follows through “(i)(B) of this Act”.

(c) CONFORMING REPEALS.—Sections 3(a)(3), 4(a)(3), and 4(a)(4) of the Railroad Retirement Act of 1974 (45 U.S.C. 231a(a)(3), 231b(a)(3), and 231c(a)(4)) are repealed.

(d) EFFECTIVE DATE.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to annuities that begin to accrue on or after January 1, 2002.

(2) EXCEPTION.—The amount of the annuity computed under section 4(a)(4) of the Railroad Retirement Act of 1974 (45 U.S.C. 231c(a)) shall be computed under section 4(a)(3) of such Act, as in effect on December 31, 1995, without regard to any deduction on account of work, without regard to any reduction for entitlement to a benefit under title II of the Social Security Act, and without regard to any reduction for entitlement to a public service pension pursuant to section 202(e)(7), 202(f)(2), or 202(g)(4) of the Social Security Act.

(3) If a spouse entitled to an annuity under section 2(0)(1)(i)(i)(A)
two or more years of service, or any combination of service, all of which accrues after December 31, 1995) after ten years of service"]{2}

SEC. 104. REPEAL OF RAILROAD RETIREMENT MAXIMUM.

(a) EMPLOYMENT BONUSES.—

(1) IN GENERAL. Section 3(f) of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(c)) is amended by inserting after section 3(f)(1) the following new sentence:

"(2) The members representing the interests of labor shall be selected by the joint requirements and fiduciary standards shall minimize the risk of large losses and to the extent not inconsistent with this Act, subject to title 31, United States Code.

(b) SPouse AND SURVIVOR ANNUITIES.—Section 4 of the Railroad Retirement Act of 1974 (45 U.S.C. 231c) is amended by striking section 4 of the Railroad Retirement Act of 1974 (45 U.S.C. 231f(1)), as redesignated by paragraph (1)(B), is amended by striking "— without regard to the provisions of subdivision (1) of this subsection," and inserting "section 3(f)(2)."

(c) EFFECTIVE DATE. The amendments made by this section shall take effect on January 1, 2002.

SEC. 105. INVESTMENT OF RAILROAD RETIREMENT FUND.

(a) ESTABLISHMENT OF NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.—Section 15 of the Railroad Retirement Act of 1974 (45 U.S.C. 231n) is amended by inserting after section 15 the following new subsection:

"(1) NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.—

"(4) POWERS OF THE BOARD OF TRUSTEES.—

"(A) DUTIES OF THE BOARD OF TRUSTEES.—

"(B) RETAIN independent investment managers to assist it in the formulation and adoption of its investment guidelines;

"(C) INVEST assets of the Trust, pursuant to the policies adopted in subparagraph (A); and

"(E) transfer money to the disbursing agent or as otherwise provided in section 7(c) to pay benefits under the Railroad Retirement Act from the assets of the Trust; and

"(F) REPORTING REQUIREMENTS AND FIDUCIARY STANDARDS.—The following reporting requirements and fiduciary standards shall apply with respect to the Trust:

"(A) DUTIES OF THE BOARD OF TRUSTEES.—

"(i) PROVIDING benefits to participants and beneficiaries;

"(ii) Defraying reasonable expenses of administering the functions of the Trust;

"(iii) Providing benefits to participants and beneficiaries;

"(iv) Providing benefits to participants and beneficiaries; and

(b) DUTIES OF THE BOARD OF TRUSTEES.—

"(A) DUTIES OF THE BOARD OF TRUSTEES.—

"(B) RETAIN independent investment managers to assist it in the formulation and adoption of its investment guidelines;

"(C) INVEST assets of the Trust, pursuant to the policies adopted in subparagraph (A); and

"(E) transfer money to the disbursing agent or as otherwise provided in section 7(c) to pay benefits under the Railroad Retirement Act from the assets of the Trust; and

"(F) REPORTING REQUIREMENTS AND FIDUCIARY STANDARDS.—The following reporting requirements and fiduciary standards shall apply with respect to the Trust:

"(A) DUTIES OF THE BOARD OF TRUSTEES.—

"(i) PROVIDING benefits to participants and beneficiaries;

"(ii) Defraying reasonable expenses of administering the functions of the Trust;

"(iii) Providing benefits to participants and beneficiaries; and

"(iv) Providing benefits to participants and beneficiaries; and

"(v) PROVIDING benefits to participants and beneficiaries; and

"(vi) Defraying reasonable expenses of administering the functions of the Trust;
avoid disproportionate influence over a particular industry or firm, unless under the circumstances it is clearly prudent not to do so; and

(ii) In accordance with Trust governing documents and instruments insofar as such documents and instruments are consistent with this Act.

(B) PROHIBITIONS WITH RESPECT TO MEMBERS OF THE BOARD OF TRUSTEES.—No member of the Board of Trustees shall—

(i) deal with the assets of the Trust in the trustee’s own personal account or for the trustee’s own account;

(ii) in an individual or in any other capacity act as a director of any corporation in which the assets of the Trust on behalf of a party (or represent a party) whose interests are adverse to the interests of the Trust, the Railroad Retirement Board, or the interests of participants or beneficiaries; or

(iii) receive any consideration for the trustee’s own personal account from any party dealing with the assets of the Trust.

(C) EXCULPATORY PROVISIONS AND INSURANCE.—Any provision in an agreement or instrument that purports to relieve a trustee from responsibility or liability for any act or omission of a trustee, if such insurance permits the trustee to recover against the trustee in the case of a breach of a fiduciary obligation by such trustee;

(iii) receive any consideration for the trustee’s own personal account from any party dealing with the assets of the Trust.

(D) BONDS.—Every trustee and every person who handles funds or other property of the Trust (hereafter in this subsection referred to as “Trust official”) shall be bonded. Such bond shall provide protection to the Trust against loss by reason of acts of theft, fraud, or dishonesty on the part of any Trust official, directly or through the connivance of others, and shall be in accordance with the following:

(i) The amount of such bond shall be fixed at the beginning of each fiscal year of the Trust by the Railroad Retirement Board. Such amount shall not be less than 10 percent of the amount of the funds handled. In no case shall such bond be less than $1,000 nor more than $500,000, except that the Railroad Retirement Board, after consideration of the funds to be handled, may prescribe an amount in excess of $500,000, subject to the 10 percent limitation of the preceding sentence.

(ii) It shall be unlawful for any Trust official to divide, or to exercise custody or control of any of the funds or other property of the Trust without being bonded as required by this subsection and it shall be unlawful for any Trust official, or any other person having authority to direct the performance of such functions, to permit such functions, or any of them, to be performed by any Trust official, or any other person to whom the requirements of this subsection have not been met.

(iii) It shall be unlawful for any person to procure the execution by this subsection from any surety or other company or through any agent or broker in whose business operations such person has any control or significant financial interest, direct or indirect.

(E) AUDIT AND REPORT.—

(i) The Trust shall annually engage an independent qualified public accountant to audit the financial statements of the Trust.

(ii) The Trust shall submit an annual management report to the Congress not later than 180 days after the end of the Trust’s fiscal year. A management report under this subsection shall include—

(A) a statement of financial position;

(B) a statement of operations;

(C) a statement of cash flows;

(D) a statement on internal accounting controls to be made in accordance with the standards established by the Committee of Sponsoring Organizations of the Treadway Commission in the framework of the International Standards on Internal Control—1992 and subsequent revisions to such framework.

(V) the report resulting from an audit of the financial statements of the Trust conducted in accordance with generally accepted accounting principles, and any comments and information necessary to inform the Congress about the operations and financial condition of the Trust;

(VI) any other comments and information necessary to inform the Congress about the operations and financial condition of the Trust.

(iii) The Trust shall provide the President, the Railroad Retirement Board, and the Director of the Office of Management and Budget a copy of the management report when it is submitted to Congress.

(P) ENFORCEMENT.—The Railroad Retirement Board may bring a civil action—

(i) to enjoin any practice by the Trust, its Board of Trustees, or its employees or agents that violates any provision of this Act; or

(ii) to obtain other appropriate relief to redress such violations, or to enforce any provisions of this Act.

(RULES AND ADMINISTRATIVE POWERS.—The Board of Trustees shall have the authority to make rules to govern its operations, employ professional staff, and contract with outside advisers, including the Railroad Retirement Board, with regard to accounting, investment advisory, or other services necessary for the proper administration of this subsection. In the case of contracts with investment advisory services, compensation for such services may be on a fixed contract fee basis or on such other terms and conditions as are customary for such services.

(Q) QUORUM.—Five members of the Board of Trustees constitute a quorum to do business.

(RULES AND ADMINISTRATIVE POWERS.—The Board of Trustees shall have the authority to make rules to govern its operations, employ professional staff, and contract with outside advisers, including the Railroad Retirement Board, with regard to accounting, investment advisory, or other services necessary for the proper administration of this subsection. In the case of contracts with investment advisory services, compensation for such services may be on a fixed contract fee basis or on such other terms and conditions as are customary for such services.

(S) FUNDING.—The expenses of the Trust and the Board of Trustees incurred under this subsection shall be paid from the Trust.

(b) CONFORMING AND TECHNICAL AMENDMENTS GOVERNING INVESTMENTS.—Section 15(e) of the Railroad Retirement Act of 1974 (45 U.S.C. 231m(e)) is amended—

(1) in the first sentence, by striking “the Dual Benefits Payments Account” and all that follows through “may be made only” in the second sentence and inserting “and the Dual Benefits Payments Account as are not transferred to the National Railroad Retirement Investment Trust as the Board may determine”;

(2) by striking “the Second Liberty Bond Act, as amended” and inserting “chapter 31 of title 31”;

(3) by striking “the foregoing requirements” and inserting “the requirements of this subsection”;

Conform this subsection to section 15 of the Railroad Retirement Act of 1974 (45 U.S.C. 231m) by amending subsection (i) the following new subsection:

(K) TRANSFERS TO THE TRUST.—The Board shall, upon establishment of the National Railroad Retirement Investment Trust and from time to time thereafter, direct the Secretary of the Treasury to transfer, in such manner as will maximize the investment return available to the Railroad Retirement Investment Trust, an amount, if any, in accordance with section 321 of the National Railroad Retirement Investment Trust Act that is not needed to pay current administrative expenses of the Board to the National Railroad Retirement Investment Trust. The Secretary shall make that transfer.

(b) TRANSFERS FROM THE NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.—Section 15 of the Railroad Retirement Act of 1974 (45 U.S.C. 231n) is amended by adding a new subsection (k) the following new subsection:

(i) NATIONAL RAILROAD RETIREMENT INVESTMENT TRUST.—The National Railroad Retirement Investment Trust shall have the authority to accept, for the benefit of the Trust, any and all amounts in accordance with section 321 of the National Railroad Retirement Investment Trust Act that is not needed to pay current administrative expenses of the Board to the National Railroad Retirement Investment Trust. The Secretary shall make that transfer.
directed by the Railroad Retirement Board pursuant to section 7(b)(4), such amounts as may be necessary to pay benefits under this Act (other than benefits paid from the Social Security Equivalent Benefit Account or the Dual Benefit Payments Account)."

(c) SOCIAL SECURITY EQUIVALENT BENEFIT ACCOUNT.—

"(1) TRANSFERS TO TRUST.—Section 15A(a)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(2)(d)) is amended to read as follows:

"(2) Upon establishment of the National Railroad Retirement Investment Trust and from time to time thereafter, the Board shall direct the Treasurer to transfer, in such manner as will maximize the investment returns to the Railroad Retirement system, the balance of the Social Security Equivalent Benefit Account not needed to pay current benefits and administrative expenses required to be paid from that Account to the National Railroad Retirement Investment Trust, and the Secretary shall make that transfer. Any balance transferred under this paragraph shall be used by the National Railroad Retirement Investment Trust only to pay benefits under this Act or to purchase obligations of the United States that are backed by the full faith and credit of the United States pursuant to chapter 31 of title 31, United States Code. The proceeds of sales of, and the interest income from, such obligations shall be used by the Trust only to pay benefits under this Act.

(2) TRANSFERS TO DISBURSING AGENT.—Section 15A(a)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(c)(1)) is amended by adding at the end the following new sentence: "The Secretary shall from time to time transfer to the disbursing agent under section 7(b)(4) amounts necessary to pay benefits from that Account.

(3) CONFORMING AMENDMENT.—Section 15A(a)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(c)(1)) is amended by adding at the end the following new sentence: "The Social Security Equivalent Benefit Account, the Dual Benefit Payments Account, and the National Railroad Retirement Investment Trust shall be invested so as to provide such investment returns as the Board of Trustees deems appropriate.

(d) DUAL BENEFITS PAYMENTS ACCOUNT.—Section 15(d)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231l–1(d)(1)) is amended by adding at the end the following new sentence: "The Secretary shall from time to time transfer to the Disbursing Agent under section 7(b)(4) amounts necessary to pay benefits from that Account.

(e) CERTIFICATION BY THE BOARD AND PAYMENT.—Paragraph (4) of section 7(b) of the Railroad Retirement Act of 1974 (45 U.S.C. 231l–1(b)(4)) is amended to read as follows: "(4) The Railroad Retirement Board, after consultation with the Board of Trustees of the National Railroad Retirement Investment Trust and the Secretary of the Treasury, shall enter into an arrangement with a nongovernmental financial institution to serve as disbursing agent for benefits payable under this Act. The Board shall have the authority to disburse benefits under this Act to each recipient. Pending the taking effect of that arrangement, benefits shall be paid as under the law in effect prior to the enactment of the Railroad Retirement and Survivors' Improvement Act of 2001.

(b) The Board shall from time to time certify—

"(1) to the Secretary of the Treasury the amounts required to be transferred from the Social Security Equivalent Benefit Account and the Dual Benefit Payments Account to the disbursing agent to make payments of benefits and the Secretary of the Treasury shall transfer those amounts;

"(2) to the Board of Trustees of the National Railroad Retirement Investment Trust the amounts required to be transferred from the National Railroad Retirement Investment Trust to the disbursing agent to make payments of benefits and the Board of Trustees shall transfer those amounts; and

"(3) to the disbursing agent the name and address of each individual entitled to receive a payment, the amount of such payment, and the time at which the payment should be made.

(f) BENEFIT PAYMENTS.—Section 7(c)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231l–1(c)(1)) is amended—

(1) by striking "the Railroad Retirement Account" and inserting "by the disbursing agent under subsection (b)(4) from money transferred to it from the National Railroad Retirement Investment Trust or the Social Security Equivalent Benefit Account, as the case may be"; and

(2) by inserting "by the disbursing agent under section (b)(4) from money transferred to it" after "Public Law 93–445 shall be made".

(g) TRANSITIONAL RULE FOR EXISTING OBLIGATIONS.—Sections 15(k) and 15A(d)(2) of the Railroad Retirement Act of 1974, as amended by subsections (a) and (c), respectively, the Railroad Retirement Board shall consult with the Secretary of the Treasury to design an appropriate method to transfer obligations held as of the date of enactment of this Act or to convert such obligations to cash at the discretion of the Railroad Retirement Board prior to transfer. The National Railroad Retirement Investment Trust may hold to maturity any obligation so received or may redeem them prior to maturity, as the Trust deems appropriate.

(h) APPROPRIATE EXPENSES.—The Secretary of the Treasury shall make that transfer. Any balance transferred under this paragraph shall be used by the National Railroad Retirement Investment Trust only to pay benefits under this Act or to purchase obligations of the United States that are backed by the full faith and credit of the United States pursuant to chapter 31 of title 31, United States Code. The proceeds of sales of, and the interest income from, such obligations shall be used by the Trust only to pay benefits under this Act.

(i) CONFORMING AMENDMENT.—Section 15A(a)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1(c)(1)) is amended by adding at the end the following new sentence: "The Secretary shall from time to time transfer to the disbursing agent under section 7(b)(4) amounts necessary to pay benefits from that Account.

SEC. 108. ANNUAL RATIO PROJECTIONS AND CERTIFICATION BY THE RAILROAD RETIREMENT BOARD.

(a) PROJECTIONS.—Section 22(a)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231a(a)(1)) is amended—

(1) by inserting after the first sentence the following new sentence: "On or before May 1 each year beginning in 2003, the Railroad Retirement Board shall compute its projections of the current and average account benefits ratio and the average account benefits ratio (as defined by section 3241(c) of the Internal Revenue Code of 1986) for each of the next succeeding five fiscal years.

(2) by striking the projection prepared pursuant to the preceding sentence and inserting the projections prepared pursuant to the preceding sentence.

(b) CERTIFICATIONS.—The Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.) is amended by adding at the end the following new section:

"COMPUTATION AND CERTIFICATION OF ACCOUNT BENEFIT RATIOS " SEC. 23. (a) INITIAL COMPUTATION AND CERTIFICATION.—On or before November 1, 2003, the Railroad Retirement Board shall—

"(1) compute account benefit ratios for each of the most recent 10 preceding fiscal years, and

"(2) certify the account benefit ratios for each such fiscal year to the Secretary of the Treasury.

(b) COMPUTATIONS AND CERTIFICATIONS AFTER 2003.—On or before November 1 of each year after 2003, the Railroad Retirement Board shall—

"(1) compute the account benefit ratio for each such fiscal year to the Secretary of the Treasury.

(c) DEFINITIONS.—As used in this section, the term "account benefit ratio" has the meaning given in section 3241(c) of the Internal Revenue Code of 1986."
“(c) Definitions Related to Determination of Rates of Tax.—

“(1) Average Account Benefits Ratio.—For purposes of this section, the term ‘average account benefits ratio’ means, with respect to any calendar year, the average determined by the Secretary of the account ratios for the 10 most recent fiscal years ending before such calendar year. If the amount determined under the preceding sentence is not a multiple of 0.1, such amount shall be increased to the next highest multiple of 0.1.

“(2) Account Benefits Ratio.—For purposes of this section, the term ‘account benefits ratio’ means, with respect to any fiscal year, the amount determined by the Railroad Retirement Board by dividing the fair market value of the assets in the Railroad Retirement Account and of the National Railroad Retirement Investment Trust (for years before 2002, the Social Security Equivalent Benefits Account) as of the close of such fiscal year by the total benefits and administrative expenses paid from the Railroad Retirement and Survivors Railroad Retirement Account and the National Railroad Retirement Investment Trust for years before 2002, the Social Security Equivalent Benefits Account) as of the close of such fiscal year by the total benefits and administrative expenses paid from the Railroad Retirement and Survivors Investment Trust fund out of mandatory investment in Treasury bonds and giving it more investment flexibility, this landmark bill will provide enhanced benefits to railroad retirees, as

The SPEAKER pro tempore. The gentleman from Alaska is recognized for 10 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

I strongly support H.R. 1140, the Railroad Retirement and Survivors’ Improvement Act of 2001. Thanks to the heroic efforts of the Speaker of the House, the Honorable DENNIS HASTERT, we have been able to reach an agreement on this historic legislation.

H.R. 1140 is virtually identical to the railroad retirement bill that passed the House last year, 391 to 25, but was not taken up by the other body. This Congress made several technical changes, such as inserting updated effective dates. We have also included language drafted by the House Committee on the Budget that clarifies the authors’ intent that transferring funds to the new investment trust does not result in outlays.

To address concerns raised about protecting the investment of tier 2 pension assets from possible influence by the Federal Government, we have also included labor and management selection process for the board of trustees who will manage those assets.

By moving a portion of the Railroad Retirement Trust Fund out of mandatory investment in Treasury bonds and
Mr. Speaker, I reserve the balance of my time.

Mr. SAM JOHNSON of Texas. Mr. Speaker, in deference to my colleagues both on that side and this side, I appreciate their position on this, but I rise today to join in sustained opposition to the Railroad Retirement and Survivors’ Improvement Act.

This bill really is a fake, a fraud and a phony. It breaks every promise we have made to the American people and treats the average senior citizen as a second-class citizen.

This legislation gives preferential treatment to a select few, 900,000 railroad people. It raids the Social Security-Medicare Trust Funds. It is absurd that the Federal Government allows one group of people to retire at age 60 while others will have to wait until they turn 65 or in the future, age 67, and this bill does just that.

Under this fatally flawed legislation, railroad retirees will be able to retire at age 60 and get Social Security equivalent retirement benefits. Every other American has to wait until at least age 65 to get full Social Security, and 67 for those that are following us.

For the same group of railroaders, we have before us the Social Security and Medicare lockbox to give railroaders their new benefits. Nobody can say with a straight face that this measure will not raid the Social Security and Medicare Trust Funds.

A provision added to the bill today would direct the OMB to pretend that the bill does not cost anything. In reality, it costs $15 billion in the first year and an additional $7 billion over the next 10 years, and the Committee on Transportation and Infrastructure’s own analysis cites that.

Worse, the program is already receiving subsidies from the Social Security Trust Fund. Since 1958, the Railroad Trust Fund has needed money. The subsidy comes from the Social Security Trust Fund. Since 1958, the Railroad Retirement Act of 1970 has taken money from the Social Security Trust Fund. Since 1958, the Railroad Trust Fund has needed money.

Railroad retirees will be able to retire at age 60. Other American has to wait until at least age 65 to get full Social Security, and 67 for those that are following us.

Mr. Speaker, the wisdom and widespread support of this bill is demonstrated by the fact that it has 371 sponsors. And for those who say the bill raids the Treasury, let me advise them that 92 of the 42 members of the Committee on the Budget are sponsors of the bill. Furthermore, even the CBO admits that the scoring of this bill is ill-suited to the type of investment this bill would allow.

Mr. Speaker, this bill represents several years’ effort and difficult negotiations between railroad labor and railroad management. I commend my colleagues on the railroading industry for their diligence and cooperation.

I applaud the bipartisan leadership of this committee worked cooperatively to move this legislation again in the 107th Congress. Working on a bipartisan basis in this committee has allowed us to enact significant legislation on behalf of our constituents. H.R. 1140 will set yet another example of this proud record.

I thank my colleague and ranking Democrat on the committee, the gentleman from Minnesota (Mr. Oberstar), and the subcommittee ranking member, the gentleman from Tennessee (Mr. Clement) for their cooperation and support.

I urge swift passage of H.R. 1140.
This legislation, as our chairman so well expressed, is the result of an historic agreement reached by railroad management and labor over more than 2 years of intense, difficult negotiations. The benefit improvements, as well as the tax cuts, are made possible by changes in law that limits the investment of Railroad Retirement Trust Fund assets to government securities.

The proposed changes governing the Railroad Retirement Trust Fund will not affect the solvency of the railroad retirement system. The tier 1 program which provides Social Security benefits, will continue to be invested only in government securities. Only tier 2 funds, the original railroad retirement program, will be eligible for investment in assets other than government securities.

The projected increases in Trust Fund income from these changes are based on fairly conservative forecasts of the rates of returns that could be earned by a diversified portfolio. That would be about 2 percentage points above the return on government securities.

But more importantly, if the investments fail to perform as well as expected, worker’s pensions are protected because the legislation requires, as agreed to in the negotiations between management and labor, requires the railroads to absorb any future tax increases that might be necessary to keep the system solvent. Ultimately, the Federal Government continues to be responsible for the security of the railroad retirement system.

This is the first really significant benefit in 25 years, although as I said, it seems more like 83. Those benefits are: The age at which employees can retire with full benefits is reduced from 62 to 60 with 30 years of service; the number of years required for vesting is reduced from 10 to 5 years; the benefits of widows and widowers are expanded; and the limits on tier 2 annuities are repealed.

The bill calls for automatic future benefit improvements if the retirement plan becomes overfunded. It reduces the payroll taxes paid by railroads. That means that for tier 2 benefits, the railroad’s taxes decline from 16.1 percent to 13.1 percent.

By the third year after passage of this legislation, the railroads stand to gain nearly $400 million annually from lower payroll taxes, and that will allow them to invest that money into needed rail and track and rolling stock improvements, and it allows them also to improve the wages and working conditions of railroad workers.

Mr. Speaker, we passed this bill last year, with former Chairman SHUSTER and me working together on a bipartisan basis, and I want to reflect again on the splendid working relationship we have had with the gentleman from Alaska (Mr. YOUNG) on bringing this legislation through to this point.

We passed this bill last year 391 to 25. We ought to do the same this year.

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

1900

Mr. YOUNG of Alaska. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. QUINN), chairman of the Subcommittee on Railroads.

Mr. QUINN. Mr. Speaker, I appreciate the gentleman from Alaska yielding time. I also want to begin by thanking the gentleman from Alaska (Mr. YOUNG); the gentleman from Minnesota (Mr. OBERSTAR); and the gentleman from Tennessee (Mr. CLEMENT), my partner on the Subcommittee on Railroads, for the work that has been done, 2 long years now. I also want to thank the gentleman from Texas (Mr. SAM JOHNSON) for his observations.

We bring this bill forward, this afternoon, Mr. Speaker, in a real spirit of bipartisanship. A couple of our speakers have already mentioned that this is 2 years in the works. We have back and forth talked about the interests, particularly since the new administration has come into town, about not confusing this railroad security. My esteemed colleague, the gentleman from Texas, suggests that we pick out the letter J in somebody’s last name for Social Security. I would like to suggest that we use the letter J in somebody’s first name, in my father’s name, who was a railroad worker for 35 years and in my grandfather’s name when he came from Ireland and began to work on the railroad when he first came to America.

I do not have a personal ax to grind in this discussion this afternoon, Mr. Speaker; but I can tell the gentleman from Texas, I can tell anybody else who wants to listen, that I know a little bit about railroaders and their families. We have not tried to structure this bill this afternoon to give anybody an unfair advantage. We have not structured it to give anybody an opportunity to take advantage of the Social Security fund. We are not talking, Mr. Speaker, about tier 1. We are talking only about tier 2 money. This is the workers’ own money. This is their money.

We have described it to our friends as we have talked on the subcommittee and we have had 380 to 400 cosponsors almost. It is like this commonsense approach that we have taken that you can see even when you walk down the hall and you will see that many of your colleagues are listening to you. We have 380 to 400 cosponsors. It is about $3 billion subsidy in 2000 from Social Security to stay afloat. I just find it hard to believe that you can say that you are looking out for them, and I hope you will, but to drop the age limit down to 60 when Social Security is up to 65, going to 67, it is hard to rationalize that.

Mr. Speaker, I yield such time as he may consume.

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

I want to thank the Members that have worked with us these past 2 years, particularly in the last 3 or 4 months, and most particularly the last 24 hours, to get us through a discussion with the administration, with those people who disagree with some of the things that we have talked about, but disagree respectfully.

Finally, I would like to thank the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Tennessee (Mr. CLEMENT) both for their efforts these last 2 years, particularly the last 4 or 5 months.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself such time as I may consume.

I appreciate the comments the gentleman made, his father and previous people in his family, I love the railroaders. They are good guys. We ought to take care of them, but I do not think they ought to get extra dollars. The railroad trust fund gets roughly a $300 million subsidy from general revenues when income taxes on tier 2 private pension equivalent, which the gentleman is talking about, are returned to the trust fund rather than general revenue. No other Americans have the taxes on their pensions returned to their pension funds.

The railroad retirement needed a $3.5 billion subsidy in 2000 from Social Security to stay afloat. I just find it hard to believe that you can say that you are looking out for them, and I hope you will, but to drop the age limit down to 60 when Social Security is up to 65, going to 67, it is hard to rationalize that.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Speaker, there are a couple of concerns that I have about this legislation:

One, it does mean absolutely that we are going to raid the Social Security and Medicare Trust Fund lockbox next year. So that is a real concern. Regardless of the kind of scoring, that is what we are doing. We are raiding anybody else’s money, such as the Social Security system.

What we have tried to do in this bipartisan effort these last 2 years is to strike a balance. We would like to say that we can get rail labor and rail management to work together on tier 2 money. This is the workers on the railroads and their widows and widowers to say that we will let you do what you think is best with that portion of the money that does not affect Social Security. The provision reflects a commonsense approach that trading in a bank account for a retirement savings account is not the same as taking that money in the bank account and spending it on a car. It is just not the same.

I want to thank the Members that have worked with us these past 2 years, particularly in the last 3 or 4 months, and most particularly the last 24 hours, to get us through a discussion with the administration, with those people who disagree with some of the things that we have talked about, but disagree respectfully.

Finally, I would like to thank the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Tennessee (Mr. CLEMENT) both for their efforts these last 2 years, particularly the last 4 or 5 months.
started a pretty good pension forum, and so they came to Congress with significant political influence, as they have today. They came to Congress and said, Look, we want you to allow us to have the equivalent of a Social Security deduction on our payroll, but we want to go into our own private account. So by 1937, the Congress changed the law and allowed them to have this sort of quasi-governmental retirement system.

The problem that I think is significant, by not taking the American taxpayer off the hook to bail out this system again, we are looking at a situation that by 2028, the revenues coming into the trust fund are going to be way below what is needed to meet the requirements of benefits. The simple bottom line fact is this bill increases benefits, it increases benefits to widowers, and says that you only have to be 60 years old now to receive full benefits if you put the required number of years in service.

So we increase the benefits, where in Social Security instead of 60 years old, you have got to go till 67 years old eventually down the road. That is the bill that we passed. So we are reducing the benefits contributed by railroad management, and we are increasing the benefits to retirees; and we are taking $15 billion out of our surplus money. That means we have got to go into the lockbox, and we are simply never taking the American taxpayer off the hook.

So when these taxes are required to go up to 40 and 50 percent in the year 2028, what do you think is going to happen in terms of the railroaders coming back to Congress to say, Look, having that kind of a payroll tax is impossible?

I would like to ask somebody sometime, why do we not consider taking the American taxpayer off the hook? Let me tell you what the politics on what the gentleman from Texas was saying in terms of the Federal contribution. The railroad retirement system has spent more than it has collected in payroll taxes every year since 1957, an average of $4 billion a year they spend in benefits more than they take in in their payroll contribution towards that benefit plan. The cumulative shortfall now exceeds $90 billion. But because of taxpayer subsidies for this railroad fund, we end up with an account in the trust fund of $90 billion, $15 billion of which we are going to take and say it is going to help solve the problems of the railroad retirement system.

Everybody wants fairness for every pension plan. The question is, how often, how much should the American taxpayer be asked to fund this system? And so with interest it is the equivalent of $90 billion now and the $15 billion is going out of the lockbox of Social Security and Medicare. I think the challenge for us is certainly to assist the railroad retirees but not in the way that it is going to jeopardize the benefits of future Social Security recipients.

Mr. OBERSTAR. Mr. Speaker, I yield 2½ minutes to the gentleman from Tennessee (Mr. CLEMENT), the ranking member of the Subcommittee on Railroads.

Mr. CLEMENT. Mr. Speaker, I thank the gentlewoman from Minnesota (Mr. OBERSTAR), our leader on the Democratic side on the Committee on Transportation and Infrastructure, as our walking encyclopedia and historian, because I do not think there is anyone who knows more about the facts and the information than he does when it comes to some of these tough, controversial decisions.

I want to also say to the gentleman from Alaska (Mr. YOUNG), the gentleman is our new chairman of the Committee on Transportation and Infrastructure and is doing an outstanding job. He had many others prior to him. He has gotten off to a very, very good start, not only representing the great State of Alaska but our entire country. The gentleman from New York (Mr. QUINN), who is the chairman of the Subcommittee on Railroads, and I am the ranking Democrat, we are working together as partners. That is somewhat unusual in the U.S. House of Representatives for a Democrat and Republican to work so closely together for the common good of the people of this country. We have worked together and the Subcommittee on Railroads has been very active. This is a prime example of something that we worked on very hard, and we made up our mind very early that other Congresses had tried but not been able to move this legislation, and we want to move it.

We know that a quarter of a million men and women work on America's railroads that will be affected by this legislation. There are 700,000 retirees and survivors of railroad workers. This is what this is all about. We have the Rail Retirement Improvement Act of 2001, what we are talking about tonight, is important legislation. I am pleased to be one of the original cosponsors. We have almost every Member of Congress that has signed on as a cosponsor.

Every week in my office, railroad workers and retirees call me about the status of this bill. In my district, the Fifth District of Tennessee, there are 364 active railroad workers. My district includes 1,226 beneficiaries of the railroad retirement system. This number includes retired employees, their spouses and survivors.

This legislation is important. Let us pass it now and send it to the U.S. Senate where hopefully they will take action.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield such time as he may consume to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding time. I thank him for his courage and service to our country, and frankly his courage tonight. This is not a pleasant thing that the gentleman is having to do. He is having to basically oppose his friends. He is having to ask for time in opposition. He is doing it because I believe when he got elected to Congress, he wanted us to be honest with each other. I believe when he got elected to Congress, he wanted us to tell the truth.

The truth is quite simple. Rail management and unions came to an agreement. It is a wonderful agreement. It is also bipartisan, Republicans and Democrats. It is a great plan: increase the benefits, reduce contributions to the fund, and have the taxpayers pay for it. What a system. Why would management oppose that?

The taxpayers pay. Why would the beneficiaries oppose? They will get increased benefits, and they will contribute less. It is a wonderful plan, so why are we not all for it? There are not enough for it, and why would they not be for it? They are going to have everybody call them up, all their railroad workers, and we all have them, and they are saying increase my benefits, take care of my needs.

That is logical. Let us take care of their needs. It is just dishonest. It is blatantly dishonest. It is asking the taxpayers to pay for something that is, in fact, a private benefit.

We are going to restructure the contributions to the fund, we are going to increase the benefits from the fund, and we are going to ask the taxpayers to pay for it, and we all should just fall in line, fall in step. There is a problem with that. The problem is, we have a responsibility to run this government. We have a moral obligation to run this government.

We reduced taxes in this government. I did. I was happy to reduce taxes, because it seemed like the right thing to do. Well, why should we do it? If we leave the money on the table, it is going to be spent, and this is one of the great examples.

We beat our chests and say how we are protecting the Social Security trust fund, but we are not, because right now we are going to raid it. And we say we are going to increase the age of retirement for beneficiaries from 65 to 67, but we are allowing railroad workers to retire at age 60 using Social Security trust fund money.

Give me a break. I do not get it. I do not understand why we do it.

I just thank the gentleman from Texas (Mr. SAM JOHNSON) for exhibiting the same kind of courage he exhibited when he was in Vietnam. This is wrong, we have got to stop it, and we should not do it. He was a hero for me for many years. I read his book, and I am just proud to be fighting the same cause.

Mr. OBERSTAR. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Oregon (Mr. BLUMENAUER).
Mr. BLUMENAUER. Mr. Speaker, I appreciate the gentleman's courtesy in sharing a few of these scarce moments with me.

I join, first of all, in expressing my appreciation to the leadership of our committee that has focused on the health and future of America's railroads. The gentleman from Alaska (Chairman YOUNG), the gentleman from Minnesota (Mr. Oberstar), the gentleman from Tennessee (Mr. Clement), the gentleman from New York (Mr. Quinn), and the gentleman from Connecticut (Mr. Shays) are standing job; and I am looking forward to working in the future with them.

One of the important parts of their job is to modernize this pension program. It is not Social Security. If they were part of Social Security and had been for years, this would be a much different situation. This is independently funded. These people are paying now 36.3 percent of total payroll into this. It is a significant tax on industry and these individuals.

The proposal that has been worked out retains the individual contribution, and it is still going to be 33 percent total investment. They are not pulling rabbits out of the hat. They are modernizing a system with a tier 2 benefits like you would any other modern pension program and diversifying the investment, moving beyond low-yield bonds.

I think we are going to be able to hit the target and exceed the target. This is certainly more conservative than the assumptions that some people have used to justify voting for the Bush tax program, but that is a different issue.

We have, I do think, an obligation to be honest; and I think we are doing a good job in terms of putting forward alternative sources of revenue, modernizing the rate of return, allowing industry to reinvest in badly needed infrastructure, being fair to almost 1 million employees, and bring this pension plan into the modern era.

But, please, do not confuse this with Social Security. It took us up until a long time, tier 1 tax revenues for Social Security is not involved is a misnomer. The fact of the matter is, the gentleman from Connecticut (Mr. Shays) pointed out earlier that I have a military background, and I have to tell you, I am scared to death that we are neglecting our military. If we pass this thing, which is a $15 billion hit almost immediately, there is not going to be any money left for our military to survive. To me, that is what the Congress ought to be talking about, protecting our Nation.

I would like to add at this point that the Citizens for Sound Economy are urging a "no" vote on this bill, and they say, "Perhaps the most troubling part of the bill is it pretends to pay for itself. The railroad retirement trust fund currently holds $15.3 billion in government bonds. H.R. 1140," that is the bill number, "would cash them in and set up a new railroad retirement investment trust to invest the money in the stock market." They are going to score this as a key vote. I thought Members should know that.

Mr. SPEAKER. Mr. Speaker, I yield 1 minute to the gentleman from Nebraska (Mr. Terry).

Mr. TERRY. Mr. Speaker, I thank the gentleman for yielding to speak on this important act for the 7500 retirees in my district.

I rise in support of this act. Why? Because these reforms in this act allow the railroad workers to move to a pension system that, frankly, mirrors most in the industrial world, manufacturing, teachers, firemen. These reforms allow railroad workers to have some level of control over their money and their pensions, being able to direct them into safe investments and earn a greater return so they can pay them back with better benefits.

Yes, government will continue to hold the majority of these dollars in the tier 1, the archaic system, but at least we inch forward to a modern system. The reforms allow for greater benefits for widows, who now receive 50 percent of their deceased spouse's benefit. I have heard from many widows in my district who have a great deal of difficulty making ends meet. This act will allow these widows a little more money and a lot of peace of mind.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to point out that there are not a lot of other industries that have a retirement program such as this. The steel industry does not, and teachers and other people do not either. They pay into their own programs, but not into Social Security, for the most part. Social Security does not finance these.

Let me make a point here that Social Security, according to the reform proposal that was handed out that goes with this bill and that has been occurring for a long time, tier 1 tax revenues are used to justify voting for the Bush tax plan. The Social Security benefit account also makes periodic transfers to tier 2, which is supported also by Social Security. So to say Social Security is not involved is a misnomer.

The fact of the matter is, the gentleman from Connecticut (Mr. Shays) pointed out earlier that I have a military background, and I have to tell you, I am scared to death that we are neglecting our military. If we pass this thing, which is a $15 billion hit almost immediately, there is not going to be any money left for our military to survive. To me, that is what the Congress ought to be talking about, protecting our Nation.

I would like to add at this point that the Citizens for Sound Economy are urging a "no" vote on this bill, and they say, "Perhaps the most troubling part of the bill is it pretends to pay for itself. The railroad retirement trust fund currently holds $15.3 billion in government bonds. H.R. 1140," that is the bill number, "would cash them in and set up a new railroad retirement investment trust to invest the money in the stock market." They are going to score this as a key vote. I thought Members should know that.

Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. SMTH).

Mr. SMITH of Michigan. Mr. Speaker, they are having a real problem with railroad retirement, but almost every corporation and company that is in the United States, as people live longer, as our medical technology allows them to live longer, run up having problems, whether it is Social Security or other pension plans. To say that the Federal Government should bail out this private pension plan I think is probably an unfair imposition on the rest of our taxpayers and on the Social Security system.

Now, Social Security right now has three workers, we are down to three workers, for every one retiree. Thirty years ago we had 30 workers financing every one retiree. Today there are three workers financing Social Security. Guess what it is in the railroad pension? There is one worker trying to fund three railroad retirees, one worker in railroad trying to fund three retirees.

Mr. Speaker, that is a huge burden, but, still, they have to run their own pension system. They cannot keep coming back to government. Again, $4 billion every year that they pay out in benefits more than they withhold in their taxes.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. Gilman).

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

Mr. Speaker, I rise in strong support of H.R. 1140, the Railroad Retirement Survivors Improvement Act of 2001. I commend the gentleman from Alaska (Mr. Young) for proposing this important measure.

This bill will bring much needed improvements to the 65-year-old railroad retirement program on which our Nation's retired railroad employees and families rely. The modernization of this program includes steps toward the increased privatization of the program's tier 2 pension plan, which will be achieved through the establishment of a nonprofit Railroad Retirement Investment Trust which will oversee and invest the assets of the program's trust fund. The trust will be managed by a panel of trustees, who have been chosen by rail management and rail labor and that will give greater control of the program to the men and women who benefit from it.

H.R. 1140 also contains a provision which will permit retired railroad employees to work in non-rail jobs with no penalties to their benefits. In addition, the bill also allows widows and widowers of retired railroad workers to collect the full amount of their deceased spouses' pension.

It is clear that this Roosevelt-era program is due for an appropriate restructuring that will reflect the current needs of our Nation's rail workers and their families. Accordingly, I urge my colleagues to fully support H.R. 1140.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 1 minute to my good friend and new colleague, the gentleman from Pennsylvania (Mr. Shuster).
Mr. SHUSTER. Mr. Speaker, I rise in strong support of H.R. 1140, the Railroad Retirement and Survivors Improvement Act. This landmark legislation will reform an antiquated retirement system, improve benefits for railroad retirees, increase benefits for approximately 50,000 railroad retiree widows, and reduce taxes on railroad employees.

Opponents of H.R. 1140 say the bill will have a first year cost of $15 billion and will reduce funds available for other programs. This is truth in budgeting, and this bill should never have been scored the way it was. We restore truth in budgeting through this bill. H.R. 1140 has the support of both labor and industry management and deserves the overwhelming support of this House.

This legislation is good for railroad families, it is good for America, and I urge the strong support for this legislation.

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

Mr. Speaker, I listened with great interest to the gentleman from Connecticut who said, "I don't get it." Well, I guess he does not get it is that he does not understand it.

The fact is that only tier 2 benefits are affected by this legislation. You cannot get early retirement under Social Security as a railroad worker. You have got to wait until your time under the Social Security law. You get your retirement early under the tier 2 benefits for railroad workers under that ancient law that predate Social Security. We are just trying to update it.

This is not a raid on the taxpayers, for heavens sakes. We are reducing the tax that the railroad companies pay into this system and the workers pay into their tier 2 benefits. So, we are trying to make it a little bit better. But it is not a raid on Social Security. They waited their time to get those benefits.

Just read the law. When all else fails and you do not understand it, read the bill. And the bill is very clear, we are only dealing with railroad workers' benefits.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 1 minute to the gentlewoman from West Virginia (Mrs. CAPITO), a member of the committee.

Mr. Speaker, I thank the gentleman from Alaska (Chairman YOUNG) and the ranking member, the gentleman from Minnesota (Mr. OBERSTAR).

Mr. Speaker, I rise quickly to express my support for the passage of H.R. 1140, the Railroad Retirement and Survivors Improvement Act. As the title suggests, this bill aims to provide equitable and fitting compensation for those who have served and those who are currently serving the railroad industry.

The move to modernize the railroad retirement trust fund is revolutionary, yet vital. With this bill, the railroad retirement trust fund will receive increased revenues for its beneficiaries through investment in a diversified portfolio.

In my home State of West Virginia, almost 12,000 railroad employees, retirees, spouses, and widows have benefited from this plan. In my district alone, 3,000 railroad beneficiaries would benefit from this. Many of these people have called my office over the past few months asking me to support this bipartisan effort. Widows of former railroad workers are not among the minimum benefits they receive, where they can barely pay their bills. Such stories should encourage us to act and act quickly.

Over the past century, the hard work, long hours, and true dedication of many men and women have built an effective network of rail tracks around this country.

Mr. Speaker, I urge this body to pass this legislation.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to read from a letter from the U.S. Railroad Retirement Board. This is a person who is a labor member there.

1930

They ask, how do the average monthly railroad retirement and Social Security benefits paid to retired employees and their spouses compare?

The average age annuity being paid by the Railroad Retirement Board at the end of 2000 to career railroad employees was $1,760 a month, and for all employees, the average was $1,300. The average age retirement benefit being paid by Social Security was about $300 a month, and spouse benefits averaged about $530.

So the Railroad Retirement Act does not need fixing, it needs support mone-
tarily, and guess where they are going to get it? They are going to get it from the Social Security Trust Fund.

Mr. Speaker, I would like to just reiterate that the President's proposals under this bill are violated. The bill demands using Social Security funds to subsidize other benefits. The Federal Government, disguised as the investment trust, would invest in the private sector, and also the bill would prohibit personal retirement accounts for railroad employees. Every one of us should vote against this bill.

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

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

I want to compliment everybody who has spoken tonight. I would just sug-
est again that this is tier 2; it is their money, they want to reinvest it. Yes, it is in government bonds, but it came from the workers. I thought this body was trying to set up a system where we did not take money from the workers to spend on other things. This is our retirement system. This is the railroad retirement system. It only affects tier 2.

For those people who are not on the floor tonight, I urge people watching the show to vote for this legislation. Keep in mind, this had 371 cosponsors.

Mr. WELLER. Mr. Speaker, I rise in strong support of H.R. 1140, The Railroad Retirement and Survivors' Improvement Act of 2001.

The Railroad Retirement and Survivors' Improvement Act of 2001 is historic legislation that will improve the lives of railroad workers and their spouses. I am proud to be a cospon-
sor with 367 of my colleagues of this important.

H.R. 1140 guarantees a better standard of retirement for the nearly 3,500 retirees in the 11th Congressional District of Illinois which I represent and for all future retirees and their families.

Under H.R. 1140, the quality of life for widows and widowers is significantly improved. Under current law, spouses are limited to one-half of the deceased employee's Tier 2 benefits. However, under this legislation, the bill increases Tier 2 benefits for widows and widowers to 100 percent of the deceased employ-
see's benefits on the date of death. Thus, wid-
owers and widows will continue to receive the same benefits as their spouse received prior to death. Widows should not have to face a losing income in addition to the death of a spouse. This bill ensures that is no longer a reality—widows will receive full benefits under this legislation.

Additionally, H.R. 1140 reduces the years of covered service to be vested in the railroad retirement system from the present 10 years to 5 years. Ten years is too long to wait to be vested in the railroad retirement system, and this legislation corrects this problem. Further, the retirement age is reduced from 62 to 60. By reducing this age, workers are given the opportunity to retire earlier without a cor-
responding loss of benefits. H.R. 1140 also fixes the cap on the "maximum benefit." Present law limits the total amount of monthly railroad retirement benefits payable to an employee and an employee's spouse to the amount of the employee's total contributions up to the year the retirement benefit begins. The Railroad Retirement and Survivors’ Improvement Act of 2000 removes this cap so that there is not a maximum ben-
efit limit.

Further, the legislation ensures the solvency of the Railroad Retirement Investment Trust. Through private investing, the trust fund will grow faster while decreasing taxes assessed on railroads. Seven private individuals will oversee the Railroad Retirement Investment Trust, thus ensuring any possible im-
portation role is eliminated. Labor and rail management will each select three trustees to reflect their interests, and these six trustees will select the seventh trust-
ee. Approximately one-quarter of all employ-
eses in the rail industry work for commuter and passenger rail, a growing industry. It is my sincerest hope that the Trust include a representa-
tive from all three categories of rail service: commuter, passenger and freight from among those appointees designated for rail manage-
ment.
Mr. RAHALI, Mr. Speaker, in the Third District of West Virginia, we have 8,300 citizens who will benefit from the Railroad Retirement and Survivors Improvement Act of 2001. This ranks southern West Virginia seventh in the nation.

My constituents have been calling and writing me on an ongoing basis, asking me when this bill will come to the House floor for a vote. Today I hope to be able to tell them it will pass in the House and we can send it on to the other body, where I hope it will get speedy consideration.

I want to thank the Chairman and Ranking Member of the Transportation Committee, Mr. YOUNG and Mr. OBERSTAR, for working to bring this bill to the floor with overwhelming bi-partisan support.

I also want to thank the Chairman and Ranking Member of the Railroad Subcommittee, Mr. QUINN and Mr. CLEMENT, for bringing this bill through the Subcommittee process quickly. And I want to thank the Ways and Means Committee for their cooperation.

My constituents have been anxious to see this bill become law because it would double benefits for widows of railroad retirees, reduce the retirement age from 62 to 60 years of age with 30 years of service, and allow a person to be vested in the system after five years of service, rather than 10 years, as currently required.

This bill includes the exact provisions of H.R. 4844, which I helped to write last year, and which passed the House by an overwhelming vote.

My constituents were disappointed and frustrated last year when the bill was not enacted into law, especially since it is a product of two years of negotiation between railroad workers and management of the railroad industry. With 368 co-sponsors in the House, this bill has overwhelming bi-partisan support, once again.

With 71 bi-partisan cosponsors in the Senate, I look forward to its passage on the Senate floor, and I ask President Bush to sign the bill into law expeditiously.

Once this bill becomes law, it will enable railroad retirees and widows to enjoy a better quality of life, by receiving the increased benefits they worked for and deserve. They spent their working lives paying into their retirement and they deserve to reap good benefits.

Mr. CRANE. Mr. Speaker, I rise today, to discuss a specific issue regarding H.R. 1140, the Railroad Retirement and Survivors’ Improvement Act of 2001, specifically, the representation of commuter rail on the Board of Trustees for the Railroad Retirement Investment Trust that is created by the bill. My district is served by Metra, the nation’s second largest commuter rail system in the country. Last year, Metra provided nearly 82 million passenger trips—setting a 32-year ridership record. Over the years, Metra has received numerous awards and accolades for its outstanding service, and none of those would have been possible were it not for the hard work and dedication of its more than 2,500 employees.

These 2,500 employees of Metra join their counterparts in other commuter and passenger rail systems around the country, and together they account for approximately one-quarter of all employees in the rail industry. This percentage of commuter and passenger rail employees is only expected to increase in the near future as customer demand for more commuter rail service grows. I have long-supported Metra and commuter rail, and I believe their unique interests deserve a voice on the Board of Trustees created in this legislation.

Consequently, it is my hope that the Board of Trustees will include a representative from the ranks of commuter rail. This would be a substantial acknowledgment of the growing importance of commuter rail.

Mr. ENGLISH. Mr. Speaker, this legislation represents the culmination of years of discussions between rail management and a sizable majority of rail labor.

I am pleased to support the Railroad Retirement and Survivors’ Improvement Act of 2001. This legislation is designed to improve significantly the financing and benefits of railroad retirement benefits.

H.R. 1140 improves the performance of the Railroad Retirement Account (RRA) by enhancing employees benefits, reducing employer and employee tax rates, and promoting financial growth of the railroad retirement trust fund. More than 3,400 of my constituents in the northern Pennsylvania will benefit from reforming the current railroad retirement system. In fact, many of those people have called my office urging Congress to pass this legislation that represents benefit improvements for them and their families including:

— an expansion of widower[s]’ benefit by guaranteeing no less than the amount of the annuity that the retiree received;

— liberalized early retirement which allows retirement at age 60 with 30 years of service without a benefit reduction; and

— expanded vested commuting in which means brings this requirement consistent with private industry practices. This entails the reductions of the ten-year requirement to vest for Tier I and Tier II annuities to five years.

This is a long proposal and I urge my colleagues to support it.

Thank you Mr. Speaker. I yield back the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I urge my colleagues to join in support of H.R. 1140, the Railroad Retirement and Survivors Improvement Act of 2001.

This legislation serves to modernize the current railroad retirement system and will benefit hundreds of thousands of retirees, and surviving widows and dependents. I believe that passage of this bill would bring us significantly closer to achieving retirement security for rail workers and retirees. Surviving spouses and dependents suffer substantial reductions in benefits upon the death of a railroad worker or retiree. This bill will provide a guaranteed minimum benefit for survivors. While benefiting survivors, H.R. 1140 will also benefit railroads by reducing payroll taxes.

This is a good piece of legislation—it’s good for workers, it’s good for survivors, and it’s good for railroads.

Mr. REYES. Mr. Speaker, I rise today in strong support of the Railroad Retirement and Survivors’ Improvement Act of 2001. This bill has almost 370 cosponsors and I urge my colleagues to vote in favor of this bill. This bill amends the Railroad Retirement Act of 1974 and increases benefits to railroad employees and their beneficiaries. In addition, this important legislation provides for full annuities to employees and their spouses at age 60 with 30 years of service. This bill also reduces the vested requirement for railroad retirement benefits for employees and survivors from ten to five years of service. This legislation is fair and must be enacted into law.

El Paso, Texas has a long history and association with the railroad. In fact, the original Arizona-Southwestern Railroad, built in 1886-1889 by the Copper Queen Consolidated Mining Co., a subsidiary of Phelps Dodge Corporation, was built to transport copper from a smelter in Bisbee, Arizona to a refinery in El Paso, Texas. The railroad and its workers have always played an integral role in the fabric of our city.

The Railroad Retirement and Survivors’ Improvement Act of 2001 recognizes the work that our rail workers perform in service of this country and takes into account their extremely physical work. Again, Mr. Speaker, there are almost 370 cosponsors of this legislation representing literally millions of people across the country. I urge my colleagues to vote in favor of this extremely important piece of legislation.

Mr. UDALL of New Mexico. Mr. Speaker, I strongly support H.R. 1140, the Railroad Retirement and Survivors’ Improvement Act of 2001. This critical legislation makes important improvements in the benefit structure for retired railroad workers, especially for widows and survivors.

After many railroad bankruptcies during the Depression, the government assumed responsibility for workers’ pensions, financed with a special payroll tax paid by both rail concerns and their employees. The system is now $40 billion short of what would be required to pay benefits to all the workers who have yet to retire and their survivors.

Congress has a responsibility to provide railroad retirees and their survivors with increased benefits, as well as making necessary changes to update and modernize the railroad employee benefit system.

To that end, I urge my colleagues to join me in support of H.R. 1140. More than 670,000 retirees and dependents and 245,000 active railroad retirees and their beneficiaries are counting on this legislation to improve the railroad retirement and benefit system.

I strongly urge my colleagues to vote in support of H.R. 1140. More than 370 cosponsors in the Senate and House support our nation’s railroad workers, rail retirees and spousers by supporting this critical reform package. Vote yes on H.R. 1140.
Mr. THOMAS of Mississippi changed their vote from ‘‘yea’’ to ‘‘nay.’’

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

The result of the vote was announced as above recorded.

Reconsideration to be laid on the table.

Stated for:
Ms. WATSON of California. Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

Ms. WATSON of California. Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.

---

BONUSES FOR TOP U.S. POSTAL SERVICE EXECUTIVES

The Speaker pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Ohio (Mr. Brown) is recognized for 5 minutes.

Mr. BROWN of Ohio addressed the House. His remarks may appear hereafter in the Extensions of Remarks.

Mr. Speaker, on rollcall No. 305, I had not been detained at a speaking event, I would have voted ‘‘aye’’ on rollcall No. 305.
the postmaster general has told its top managers that they could see performance bonuses of up to 25 percent of their salaries.’’

Now, Mr. Speaker, I think when an agency or a business, whatever it might be, awards projected $2 billion this year, yet they are giving bonuses to their top management of 25 percent, with the taxpayers of this country who use the postal system paying the freight for that increase, there is something wrong.

The second part of the paragraph says, ‘‘The postal service has increased postal rates twice this year, but United States Postal Service officials are still projecting a deficit of $1.6 billion to $2.4 billion, blaming higher fuel costs and increasing competition from online services.’’

Mr. Speaker, the reason I wanted to come forward is because in the year 2000, the post office ended the year with a $1.9 million loss, yet that same year, as late as 2000, they paid out $197 million in bonuses to employees. Again, I came to the floor tonight because I think there is something seriously wrong when the U.S. Postal Service is losing that kind of money yet paying $197 million in bonuses.

In this great Nation that we live, America, we are usually rewarded for being successful, not for losing money and then charging the customer the rates they have been charged. Let me read a couple other points to my colleagues.

This is from the Federal Times Postal News, and it says ‘‘The outlook may appear sour for this year for the U.S. Postal Service, which is facing a potential $2 billion deficit, but many postal service executives may be on the brink of a banner year. Postmaster General John Potter told top postal executives if the postal service continues increasing productivity this year, their bonuses could amount to 25 percent of their salaries.’’

He says they are increasing productivity, yet they are still losing between $1 billion and $2 billion. That is kind of laughable to me, quite frankly, Mr. Speaker. Let me also mention that in 2000, which I mentioned earlier, they paid out over $208 million while losing money.

Mr. Speaker, I guess the reason I wanted to come to the floor tonight is simply to point out that the American people are looking to those of us in the United States Congress to tell the post office to get their act straight, to start serving the people and making some money, and then maybe those bonuses will be worth it.

I have put in a resolution that would deal with this. It is a nonbinding resolution, quite frankly, but it would give Members of the House a chance to come to the floor and talk about the fact that they are not worthy of this kind of increase in their bonuses, in my opinion.

I will make quick reference to a Washington Times article of this past Friday called ‘‘Going Postal Bonus,’’ and it talks about just how absolutely ridiculous it is that the post office is giving themselves this kind of bonus and raise when they are losing money.

So, Mr. Speaker, in closing, I would just like to bring the attention of those in the United States House of Representatives that I hope my colleagues will support my nonbinding resolution so we can come to the floor of the House and speak on behalf of those small businesses and the post office that are losing a whole lot in increases while the executives, who are losing money, up to $2 billion, are giving themselves a bonus.

As my colleague, the gentleman from Ohio (Mr. TRAFICANT), would say, shame on them and shame on us if we do not debate this on the floor of the House.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa (Mr. FALEOMAVAEGA) is recognized for 5 minutes.

(Mr. FALEOMAVAEGA addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

TRIBUTE TO ISABEL BRIGGS MYERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BOEHLEHT) is recognized for 5 minutes.

Mr. BOEHLEHT. Mr. Speaker, I rise today to talk about an interesting conference that will soon take place in my congressional district. On September 20 and 22, 2001, Hartwick College in Oneonta, New York, is sponsoring a symposium in honor of a truly remarkable woman: Isabel Briggs Myers. It is well deserved.

Isabel Briggs Myers spent decades working to perfect the Myers-Briggs Type Indicator. At the age of 82, she was still at work on a new manual for the indicator, long after she was profoundly weakened by her final illness. Today, the Myers-Briggs Type Indicator has been translated into over 30 languages and is used by career counselors, colleges and universities, the Department of Defense, and numerous corporations.

On September 22, 2001, Hartwick College will confer, posthumously, an honorary doctorate degree to Isabel Briggs Myers. It is well deserved.

Mr. Speaker, in closing, I would like to bid the symposium attendees and Isabel’s family my best wishes for the success of their event; and I applaud their desire to honor such an able scholar, and true visionary: Isabel Briggs Myers.

SUPPORT OF BIPARTISAN PATIENT PROTECTION ACT, H.R. 2563

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Rhode Island (Mr. LANGEVIN) is recognized for 5 minutes.

Mr. LANGEVIN. Mr. Speaker, I rise tonight to voice my strong support of the Ganske-Dingell-Norwood-Berry patients’ bill of rights. I am a proud co-sponsor of this bill which our wise counterparts in the Senate passed more than 1 month ago.

Today’s organizations endorse the Ganske-Dingell-Norwood-Berry patient bill of rights, and numerous surveys show overwhelming support for the
kind of bipartisan common sense protections this bill provides. We must pass this bill and not delay or deny the American public what so many of us have promised them time and time again since 1998.

More than 100 million Americans receive health services through managed care. Sixty-three percent of the insured population in this country have employer-based insurance. This patients’ bill of rights would not only ensure that all levels of health care for these Americans but also ensure that doctors, and not bureaucrats, are making decisions when it comes to patient care.

We must pass the newly revised Ganske-Dingell-Norwood-Berry patients’ bill of rights, H.R. 2563. This bill gives HMO patients the right to choose their own doctor, covers all Americans with employer-based insurance, ensures that independent reviews are conducted by independent and qualified physicians, and holds a plan accountable when it makes a decision that harms or kills someone. It also provides access to emergency room care, OB-GYNs, pediatricians, specialty care providers, and clinical trials and prescription drugs.

And while it does allow patients to sue in Federal and State courts, the newly revised bill makes it clear that employers will not be sued for wrongs committed by health plans. It limits employer liability by providing an exemption for self-employed plans and permitting employers to appoint a decisionmaker to immunize them from lawsuits.

Mr. Speaker, furthermore, this legislation narrows the scope of defined violations to provide meaningful protections for employers trying to provide the best care they can for employers trying to provide the best care they can for their employees.

Mr. Speaker, an understandable and equally important concern for many of America’s hardworking employers is the increased cost of providing health care for their employees. H.R. 2563 has been crafted to minimize this risk as well. The Congressional Budget Office issued a cost analysis of the McCain-Edwards-Kennedy bill, which is virtually identical to H.R. 2563, and concluded it would increase health insurance premiums by only a de minimis amount.

Moreover, a cost increase may never occur, since many HMOs have promised them time and time again since 1998. The American public what so many of us have promised them time and time again since 1998.

RURAL CLEANSING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, we can never satisfy government’s appetite for money or land. If we gave every department or agency up here twice what they are getting now, they would be happy for a short time but then they would be coming back to us crying about a shortfall in funding. But it is this threat to land and to private property that especially concerns me tonight.

The Federal Government today owns over 30 percent of the land in this country, and State and local governments and quasi-governmental agencies own another 20 percent. So that half the land today is in some type of public control.

2015

The alarming thing is the rapid rate at which that government control of land has been increasing in the last 30 or 40 years. Then on top of that, we continue to put more and more restrictions on what people can do with the private property that remains in their hands.

We have to realize at some point, Mr. Speaker, that private property is one of the few things that has set us apart from countries like the former Soviet Union and Cuba and other socialist and communist nations. We need to recognize that private property is a very, very important part of our freedom and our prosperity.

I have talked about these restrictions on what people can do with their land. There are groups all over the country that protest any time anybody wants to dig for coal, drill for any oil, cut any trees, or produce any natural gas. What they are doing is hurting the poor and lower- and middle-income people most of all by destroying jobs and driving up prices on everything.

I want to bring to the attention of my colleagues this column that was in the Wall Street Journal a few days ago called “Rural Cleansing” by Kimberley Strassel, who is an assistant editor and columnist for the Wall Street Journal.

She wrote a column, most of which I want to read at this time. She talks about the cut off of water to 1,500 farm families in Oregon and California’s Klamath Basin in April because of the sucker fish: “The environmental groups behind the cut off continue to pressure them with calls for the welfare of a bottom feeder. But last month these environmentalists revealed another motive when they submitted a proposal for the government to buy off the farmers and move them off their lands. This is what is really happening in Klamath. Call it rural cleansing. It is repeating itself in environmental battles across the country.”

Indeed, the goal of many environmental groups from the Sierra Club and others is no longer to protect nature. It is to expunge humans from the countryside.

The strategy of these environmental groups is nearly always the same. To sue or lobby the government into declaring rural areas off limits to people who live and work there. The tactics for doing this include the Endangered Species Act and local preservation laws. In some cases, owners lose their property outright. More often, the environmentalists’ goal is to have restrictions placed on the land that eliminate its utility and force property owners to leave of their own accord.”

The column continues that there was a court decision in this case. “Since that decision, the average value of an acre of farm property in Klamath has dropped from $2,900 to about $35. Most owners have no other source of income. So with the region suitably desperate, the enviros dropped their bomb. Last month they submitted a proposal urging the government to buy the farmers off.”

“The council has suggested a price of $4,000 an acre which makes it more likely the owners will sell only to the government. While the amount is more than the property’s stress on the Endangered Species Act and local preservation laws. In some cases, owners lose their property outright. More often, the environmentalists’ goal is to have restrictions placed on the land that eliminate its utility and force property owners to leave of their own accord.”

“The environmental groups have picked their fight specifically with the farmers but its universe will include large landowners who sell off many of their acres for development. The farm acreage that farmers are selling off because of the Endangered Species Act and local preservation laws.”

The city limits into a giant park. Do the environmentalists continue, “But the West is a primarily arid region. Its history is one of turning inhospitable areas into thriving communities through prudent and thoughtful relocation of water.”

“Environmentalists argue,” this column continues, “that farmers should never have been in the dry Klamath Valley in the first place and that the government should buy them off. The council has suggested a price of $4,000 an acre which makes it more likely the owners will sell only to the government. While the amount is more than the property’s stress on the Endangered Species Act and local preservation laws.”

The city limits into a giant park. “But the West is a primarily arid region. Its history is one of turning inhospitable areas into thriving communities through prudent and thoughtful relocation of water.”

“Environmentalists argue,” this column continues, “that farmers should never have been in the dry Klamath Valley in the first place and that the government should buy them off. The council has suggested a price of $4,000 an acre which makes it more likely the owners will sell only to the government. While the amount is more than the property’s stress on the Endangered Species Act and local preservation laws.”
Ms. Strassel says, “The American dream has always been to own a bit of property on which to pursue happiness. And we are very slowly doing away with that in this country.”

GENOCIDE AGAINST TAMILS IN SRI LANKA

The SPEAKER pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentleman from Illinois (Mr. DAVIS) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, genocide is often described as the planned and systemic annihilation of a racial, political or cultural group. As we examine at different situations around the world, we often see instances in which genocidal activities are being carried out. We examine the struggle for self-determination in Kosovo, the ethnic conflicts in Bosnia and Macedonia and every other place where we have gone so far and we safeguard the rights of ethnic minorities.

We failed to do that in Rwanda, and I do not want us to ever sit by and allow this level of atrocity to occur again without our intervention.

Unfortunately, there is another serious ethnic conflict under way of an almost genocidal bent in another part of the world. Let me tell you where it is and why we, the American people, do not know much about it despite the fact that our government is involved. The conflict of which I speak is the ethnic conflict that is taking place in Sri Lanka where the Tamil minority is systematically being destroyed by the Sinhalese-dominated Government and its military.

I have every reason to believe that the Tamil minority in Sri Lanka has been denied their legitimate rights and are being subjected to the most inhumane treatment by the Sinhalese-dominated Government since the nation became independent in 1948.

Since the Tamil people and the Sinhalese people are concentrated predominantly on different parts of the island since ancient times, Sinhalese politicians have virtually ignored the legitimate concerns of the Tamil minority because they are elected almost exclusively by Sinhalese electorates.

The Tamil minority, which yearned for the benefits of their newly found freedom with the Sinhalese, were dumped into a new system that has been created in the wake of the British withdrawal from Sri Lanka in 1948. The new dominantly Sinhalese Government rejected Tamil demands for the use of their language for regional administration, seek administration to universities based on merit, to secure employment opportunities without discrimination, to prevent the Tamil traditional lands from being settled by Sinhalese citizens under government-sponsored colonization schemes and to develop their districts.

Furthermore, Tamil demands for any measure of regional autonomy for Tamil areas receive rejection by the Sinhalese-Buddhist clergy on the grounds that it would threaten the spiritual and ethnic integrity of the Sinhalese-Buddhist nation.

Every peaceful demonstration staged by Tamils to show their displeasure with the government was broken by force, mostly with the tacit approval of Sinhalese politicians. Hundreds of Tamils have been killed; their property damaged. As a result, almost half a million Tamils have had to take refuge in foreign countries. Another half million have been displaced from their homes within Sri Lanka. Their most treasured library along with some of the rarest books describing their ancient history and culture were deliberately burned by the army with the tacit approval of a government minister.

Under these circumstances, Tamils felt as if they had no choice but to encourage their youth to organize, and many of their young people have taken military action, fighting back as part of a self-determination and liberation front.

The LTTE, as in every civil war, has carried out some violent acts that targeted government establishments in Sinhalese areas to counter the brutal activities of the Sri Lanka Government and has succeeded in some instances. Now comes the time for the real intervention that is needed. We ought not stand by and allow this ethnic conflict to continue to the demise of a people, specially those who constitute the minority.

Therefore, I hope that our government, this government, will become more diplomatically involved, will try and bring about peaceful resolution of this conflict that is wrecking a nation.

ENERGY POLICIES FOR THE FUTURE

The SPEAKER pro tempore. Under the Speaker’s announced policy of January 3, 2001, the gentleman from Pennsylvania (Mr. PETERSON) is recognized for 60 minutes as the designee of the majority leader.

Mr. PETERSON of Pennsylvania. Mr. Speaker, tonight a group of us here would like to talk about energy. We have heard a lot of discussion about energy. In fact now that gasoline prices have kind of dropped off, home heating prices have declined and things have sort of settled down, electric shortages in the South have happened for a few weeks, people say there is no crisis, it is just a lot of hype, a lot of smoke.

I am not one who believes that, and I agree with President George Bush and Vice President DICK CHENEY. This country needs a comprehensive energy policy. Let us look at the record and see the trends happening.

Recent trends, everybody has concern that the dependency on oil was increasing from parts of the world that do not care about us, OPEC nations. We are approaching the 60 percent factor. That is not a healthy thing for our country.

Coal, there has been a very flat use of coal and a resistance to the new clean coal-use technologies. Coal use has been flat in this country, and maybe slightly declining.

Then look at nuclear where the percentage is slowly dropping. There has been a moratorium on new nuclear uses ever since the problem that happened in Pennsylvania many years ago. There have been no new plants built or planned; and the interesting part is in a recent report from the Department of Energy, the problem with nuclear continuing is the resistance of relicensing of existing nuclear plants. If we do not relicense our current plants, we are going to lose a great deal of our electricity.

Then we have hydro. The Department of Energy had the same mark beside hydro: flat, slightly declining, difficult to relicense. That is the view of the Department of Energy.

Then we have renewables, and we would like to see them grow and expand and take up the marketplace. In renewables, we have had very slow growth in solar, wind, geothermal, and more recently fuel cells. hydro: flat, slightly declining, difficult to relicense. That is the view of the Department of Energy.

Then we have the infrastructure issue that we take for granted. We do not worry about how our electricity gets to us, or how our natural gas gets to us; but we have a gas transmission system that is not well connected and not large enough, and does not cover some parts of the country so there are parts of the country that do not have access to natural gas.

Electric transmission. We do not think much about those electric lines going from community to community; but that is how we get our power, and that system is aging, inadequate to supply the needs of today.

The refining capacity in this country has been slowing down, the number of refiners; and yet our use of petroleum products has been climbing at a fast rate. Is that a healthy situation to be in?

If we really want to have energy that is affordable and dependable, we have to have stable prices. To have stable prices, we have to have ample supplies of all kinds of energy.

In the few years we were sort of drunk in this country on $9 and $10 oil, and $1.50 natural gas, and that made us very complacent about conservation. It made fuel costs very insignificant. But that has all changed, and it can continue to change.

We need a plan for energy in this country that meets our future economic needs, we need to have one that increases energy efficiency and conservation, one that ensures adequate energy supplies in generation, renew and expands the energy infrastructure. We need to encourage investment in energy technologies, provide energy assistance to low-income households, and...
ensure appropriate consideration of the impacts of all the regulatory policies.

Mr. Speaker, I think there are a lot of things to do. These are all complicated issues. I am going to conclude my comments and then call on the gentlewoman from New Mexico, but just look at the road we have looked down the road 19 years to the year 2020, and there is not much change on those who are estimating.

Our gas usage will increase because we are now using a lot of gas for power generation, something we did not do, will go from 23 percent to 28 percent. Petroleum will drop from 40 percent to 39 percent. Coal will drop from 40 to 21 percent. Nuclear will drop from 8 to 5 percent. Renewables will remain at 7 percent. That is the projections of the Department of Energy. In my view, we have some very large issues that need to be dealt with. We have some mountains to climb if we are going to provide affordable energy to the American citizens.

With this I will call on my good friend from New Mexico (Mrs. WILSON).

Mrs. WILSON. I thank the gentleman from Pennsylvania. I also thank him for hosting this 1-hour discussion this afternoon. We are actually on the eve of a very important debate here in the House, the first debate on a comprehensive energy plan for this country that has occurred here for 20 years. I think the leadership in this House, on both sides of the aisle, deserves a lot of credit for the work that has gone on over the last month to bring forward a very balanced and in many ways bipartisan bill that seeks to protect the country. It certainly is the leader in the Congress, the President and Vice President CHENEY, and his administration that has put forward some ideas that were then worked on here in the House, and then on the Committee on Commerce, in the Committee on Science, in the Committee on Ways and Means to bring to the floor of the House tomorrow a comprehensive, long-term energy plan for the country.

This plan does not just rely on increased production; it also emphasizes conservation. But it recognizes that you have to do both. We cannot conserve our way out of the energy problem, but we cannot drill our way out of the energy problem, either. We have to have a long-term, balanced approach to our energy policy. I think the bill that we are bringing to the floor of the House tomorrow accomplishes that, and I think the leadership on both sides should be commended for all of their work in this area.

Most folks do not know that we are more dependent on foreign oil today than we were at the height of the energy crisis in the 1970s. We get 56 percent of our oil from abroad, mostly from the Mideast. The number six supplier of oil to the United States and the fastest growing supplier of oil to the United States is Saddam Hussein. America should not be that dependent on its enemies for its sources of oil. We are going to be even more dependent on them by 2010. Estimates are that two-thirds of our oil will come from abroad. But it is not only oil that this bill is about. We are increasing our consumption of natural gas; yet natural gas prices have soared over the last year to triple what they were a year before. We have had no nuclear plants licensed in this country for over 10 years. If we do not do something to make sure that nuclear power continues to be a viable option, continues to be part of our energy mix, then it will decline over the next 20 years. Yet nuclear power is the safest, most reliable, most renewable energy source. That is the projections of the Department of Energy. In my view, we have some very large issues that need to be dealt with. We have some mountains to climb if we are going to provide affordable energy to the American citizens.

I think the bill that we will bring to the floor tomorrow, to the floor of the House, we will add that we have an energy problem, and it is time to talk about what kind of reformulated gas you have to use. It changes by the season, so you might have one formula of gas required in Milwaukee and another one in Chicago, and then it changes on different dates. We have the problem of having to drain their tanks and get the new gas. It creates local shortages.

In this bill we are bringing to the floor tomorrow, to the floor of the House, we will address the problem of boutique fuels that are causing gasoline prices spikes across the country. We need to expand our refining capacity so that if we have a fire or a pipe break at a refinery, we can give everybody’s gas prices go up in the West, particularly right in the summer when we need the gas most.

I think the bill that we will bring to the floor of the House tomorrow is a balanced and comprehensive bill. A lot of people, Democrats and Republicans here in the House, have worked very hard to make sure that it is so and it is a product we are all going to be able to be proud of when we leave here tonight. The gentleman from Pennsylvania, for asking me to join him. I think this bill is very important for consumers in this country, to be confident that when you flick the switch, the lights go on and that when you go to the pump, you pay the price you say is reasonable, that is the gas that you get, and the appliances that you buy are as efficient as they can be, so that people do not have to worry about these things because we prevent the next energy crunch from ever occurring.

Mr. PETERSON of Pennsylvania. I thank the gentlewoman from New Mexico for her thoughtful comments.

Mr. Speaker, I yield to the gentleman from Michigan (Mr. EHLEERS), a physicist of the body here, a man who is used to very complicated issues. I am interested to hear his views tonight of where he thinks America is in energy.

Well, EHLEERS, thank the gentleman from Pennsylvania. As he noted, I am a physicist, but I am going to try to keep this discussion very simple and not get into any complicated equations, although it would be fun to do that; but as you know, a physicist cannot think about one thing at a time, so I will not be able to do that tonight.

Energy, energy, energy. That is all we are hearing these days, especially on the floor of the House. Tomorrow we are going to hear even more, energy, energy, energy, because for the first time in 20 years we will be talking about a new national energy policy.

What is the big fuss? Why are we so concerned about energy? What is it all about? Let me put it in the simplest terms I can. Energy represents the ability to do work and, to put it in even more simple terms, you get up in the morning, you say, oh, I feel full of energy today. That means you got lots of energy. If you are eager to work, you can do things. Or if you get up and say, oh, I’m really dragging today, it means you do not have much energy.

Where do we get our energy, our personal energy? From the food we eat. We may enjoy eating for other reasons, but the basic biological reason for eating is because we need the energy from the food that we eat.

For millennia, the people on this planet did not have any energy other than the energy from the food they ate. And so the work that they did, they had to do themselves, and their work was converting food energy into useful work. Agriculture developed only after we discovered something other than human energy, namely, animal energy. As soon as they could use animals to pump water, to pull the plows, to thresh the grain, then we began agriculture, because we had learned how to capture the energy of something other than ourselves.

Today throughout this world, over two-thirds of this world still thinks of the most basic form of energy as the most important, the energy in food, because they do not know how to eat. And without enough to eat, they do not have enough energy to work. Without the energy to work, they have trouble producing enough food to feed themselves. But that brings us into another issue which we are not discussing here. Throughout the ages, we have tried to do work, but to get other things to do the work. First human energy, then animal energy; then when we entered the industrial era, we found ways to use fossil fuels as energy. Extracting the energy which is really stored solar energy within the earth, we found that we could use that energy, whether it is coal, oil, natural gas. We could use
Physicists became involved in this about that time. In fact, you would not have had the Industrial Revolution without the work of physicists who developed the laws of energy and dynamics and allowed them to build very efficient engines, steam engines in particular, and that led later on to other engines. That meant we no longer depended on human energy; we no longer depended on that animal energy. We then began to depend on energy recovered from artificial sources, fossil fuels in this case. And then later on we developed nuclear energy with Einstein’s discovery that E=MC2, in other words, you could convert matter into energy which is what a nuclear reactor does. All of this represents the ability to do work, and that is what it is all about.

But how does that affect us today? It affects us in so many ways we do not even recognize it. We walk in the house, we flick the light switch, the light goes on, where did that energy come from? Not from the switch, not from the wires, although that transmitted it there. It came from a power plant, either nuclear, gas-fired or coal-fired that converted energy from that form into a very usable form of electricity.

Suppose we want to go to the store and get some groceries. It takes a little energy to get from the store to our home, because they are fairly light, a few pounds, 10 pounds, 15 pounds. It does not even take that much energy for us to get to the store and back home. We could walk it if we had to. But we take our car, and it takes a lot of energy to get that car to the store and back. If you do not believe that, next time you go into the store, do not drive your car there, push it and see how much energy you use. Some of us think that car is not bad. That is where our major sources of energy are today, not in feeding ourselves, not in manual work but in all the many things we have to do work for us.

Every one of those things cost money. But they are also totally essential to the economy we have. Sometimes we do not realize it, but it is no secret why every shortage of energy was followed by a recession or at least an economic slowdown. This happened in 1973 with the shortage then, in the early 1980s, roughly in 1990, and now today energy prices went up, we now are in an economic slowdown. There is a cause and effect there, because energy is so vital to our economy. We do not even recognize it, but it is and that controls our fates to a large extent. Why is that?

Suppose you want to manufacture something. It could be a tin can; it could be a car. Sometimes it is hard to tell the difference. But in any event to start with, you have to dig a hole in the ground to get at the ore, the iron ore, or the aluminum ore, whatever you may have. That takes energy to dig that hole. It takes energy to take the ore out. It takes energy to transport it to the smelting plant, to purify it and make it into ingots. Once again it takes energy to transfer it to a rolling mill where it gets rolled into steel or aluminum. It takes energy to transport that rolled steel or aluminum to the factory. It takes energy to fabricate it into the tin can or to the car, and then it takes energy to transport the thing to your home. Every single step of the way requires the use of energy. That is why we are so totally dependent on energy.

But why do we not recognize this? For a very simple reason: energy is intangible. We cannot see it, we cannot touch it, we cannot perceive it. It is not like a material resource. In fact, it is totally different from a material resource. And so we are using this energy that we cannot see, we cannot hear, we cannot see, and we cannot see the effects of very easily. How do we know it is there? One tangible way is the price at the gas pump. And so we get very upset when that goes up. That means energy is in shorter supply. Our utility bill is another tangible evidence. But we do not see it and we do not feel it; we do not recognize its effect in our lives.

That is why it is so extremely important that President Bush took it upon himself to try to develop a national energy plan. He knows about energy. He has been in the oil business. He understands the importance of energy. I have wanted energy independence for a long time, but it has been very hard to get the attention of the people without a shortage of energy. We had a shortage of energy this year. We still have looming potential shortages of energy, and even if we do not, we need to think about this energy plan. We have looming potential shortages of energy, and even if we do not, we need to think about this energy plan.

Tomorrow, the House of Representatives will debate such a policy. It has taken months of work, first on the part of the Vice President and his working group, secondly the support and work of the President, and now it is in the hands of the Congress. We have spent months working on it in different committees, conducting hearings, learning from the experts, trying to put together what is the past and the present and the future of energy in the United States which will benefit every single one of us.

So I urge that we all work together and adopt this plan, and I hope the Senate will join us in this so that we can have a good plan for the future and not run into the pit that was outlined by the gentlewoman from New Mexico (Mrs. WILSON) of becoming dependent on Saddam Hussein and other dictators who control oil, and that we can develop low-cost, dependable sources of energy of various types, both new ones and existing ones, so that the people of this country will once again enjoy a good economy.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I thank the gentleman from Michigan for his wise words. You can tell the gentleman is a physicist by his thought processes.

We are delighted to be joined now by the gentlewoman from West Virginia (Mrs. CAPITO), who comes from what I would call coal country.

Mrs. CAPITO. Mr. Speaker, I thank the gentleman very much. It is a pleasure to be here this evening to talk about the impending energy legislation that will be before us tomorrow.

I was listening to the gentleman from Michigan (Mr. EHLENS) discuss his definition of energy: When you wake up in the morning you feel energized, or sometimes you do not feel so energized. I want to think about this energy plan. That makes me think of the future.

For the past 20 years, America has coasted blindly into the future, naively trusting that our sufficient resources would be ready and available whenever we would need them. But we know the recent blackouts in California and serious fluctuations in the prices of gasoline have shown that our well of energy has dried up a bit.

Fortunately, we have an administration before us now with President Bush and Vice President Cheney who have compiled a plan that is balanced and comprehensive, and it provides for our energy in a safe and clean manner.
The Bush plan calls for increased production, but it also calls for greater technology, greater research and development, and also has a large component of conservation, there again, striking a balance between all the elements. Not only will this help protect the environment from power blackouts and huge electricity price spikes, but, for me, living in West Virginia, one of the bonuses is it will create more jobs. That is welcome news for us as West Virginians.

We benefit from the diversity in the plan in the amount of research in funding that goes to green energy, a new resource, and alternate sources such as biomass. There is an expansion of the biomass tax credit and more funding for biopower energy programs.

The reason I bring this up, even though coal is a great part of what I want to talk about, just last week a few of my constituents came in to see me about implementing a potential biomass production project in my district. Because our State of West Virginia also has a large timber industry, they proposed using the energy from the wood scraps and the leftover wood by-products to provide local power, and I thought that, was very impressive. They were creating green power out of what has basically been and formerly been a waste product from the timber industry. They have a wonderful idea of how to use another West Virginia resource in an environmentally clean way and to provide for that basic need, energy.

Aside from being environmentally friendly, the use of this type of energy positively impacts our local rural economies. For instance, to transport the timber would be very expensive, so you place the power plant very close to the fuel crop of timber, and then you can use that raw material to generate green power. This creates a new plant and provides economic opportunity.

The Bush energy plan directs more time and resources to exploring these projects and others like them. For instance, about a month ago I went to West Virginia State College, a college in my district, in Institute, West Virginia. They had just imported from another area in my district, Moorefield, that has quite a few chicken farms, and they had imported a digester. They are taking the chicken by-products and with the digester they can create power; small levels of power, but enough to power the football field, some of the athletic facilities, at West Virginia State College. It is experimental, but, there again, a different approach to creating energy.

In addition to providing more alternative fuels like biomass, we see more production in this plan for the traditional sources of power. Another one we have in abundance in West Virginia is natural gas. We are one of the largest exporters of natural gas in the whole country. We are digging deeper and becoming more productive in our ways of getting natural gas.

This energy plan we have before us has a large component of natural gas. I think the gentleman from Pennsylvania (Mr. PETERSON) mentioned in his opening statement that natural gas is still the largest fuel used for energy. I would like to turn, with 35.4 billion tons of coal in reserve, West Virginia has a ripe opportunity to help in this time of a national energy crunch. The amount of coal that lays sleeping in our West Virginia hills amounts to $4.5 trillion in value. Last year in West Virginia the coal industry alone employed 21,000 West Virginians, up almost 4 percent from a year ago. It is clear that increasing production of this resource would be good for economic development in West Virginia, a state that is always searching for more jobs.

Last year in West Virginia in the transportation and public utilities industry we employed 37,000 people. Well, with new clean coal technology and an advanced way to burn and use our coal more efficiently, not only would we have more coal production, but we would also have offshoots of this, like transportation in the construction industry. A plan that calls for more production and more construction of power plants, and more infrastructure will make these 70,000 employees more productive and more useful.

I see a tremendous amount of potential in this energy plan, because it is balanced. We are not finding one solution to a very large problem; we are looking at a myriad of solutions to try to meet an enormous problem and to face the future of the next at least 25 to 30 years.

I think timing is everything in politics, they say, and I think in terms of facing energy needs, there could be no more timeliness than the present moment. America cannot walk blindly into the future and naively assume, I think as we have in the past, that our children’s energy needs will be met. We must have long-term vision and must plan not only to produce, we must learn to conserve, and we must learn to act tomorrow to implement what I think is an innovative, exciting energy plan for the country.

Mr. PETERSON of Pennsylvania, Mr. Speaker, I thank the gentlewoman from West Virginia for her very thoughtful comments, especially about coal.

We are now joined by our friend the gentleman from Utah (Mr. CANNON). Welcome to our discussion on energy.

Mr. CANNON. I thank the gentleman from Pennsylvania (Mr. PETERSON). I thank my friend from Pennsylvania, another coal state, for his time here. And while I think it is very important that we produce green energy, I really love coal, and it is what fires America, keeps our lights on, and I want to say H.R. 4 is a carefully crafted bill that balances energy conservation and increased production. It is the product of the work of the gentleman from Utah (Chairman HANSEN), the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from New York (Mr. BOHLEKERT), and it is one that we should all support for the good of our Nation.

I do believe there is a need for additional work on an important facet of our country’s energy policy, the role that American Indian and Native Alaskan Tribal Governments can play in the development of new energy resources. Some tribes, like the Utes in my district in Utah, are located on or near oil, shale, coal, petroleum or natural gas reserves, and others have the good fortune of being located near the power grid and thus could easily become energy producers.

Indian energy also provides an opportunity for us in Congress to put our money where our mouths are when it comes to tribal sovereignty and economic independence. Many of my friends on both sides of the aisle are big supporters of Tribal governments and see Tribal energy as a means of economic development for Indian country.

None of us in this chamber want to see Tribal governments relying on the revenue solely for job creation and economic development for Indian country. I think I speak for many of us in saying that we would like to broaden the economies of Indian Tribes so that gaming becomes less and less important over time.

Energy production is the ideal opportunity to fulfill our responsibilities to these local governments and provide Tribes with the tools to help their members, but how do we do that? One answer is to establish more Federal bureaucracies that, while well-intended, often create more burdens than benefits. Such solutions often do more harm than good by furthering Federal paternalism that undermines the concept of sovereignty. Rather than create more bureaucracies, we must ensure that our tribes are in the driver’s seat in order to reduce regulatory barriers to energy production. We will only add to this list of endless orders that Tribes should look to streamlining the process for Tribes to take lands into trust, specifically for energy production, so long as the local communities continue to have input into such acquisitions. We should also consider allowing Tribal governments to do their own environmental assessments, rather than having to rely on the Federal bureaucracy. In Washington, D.C., Congress should consider whether, as sovereign governments, Tribes should have licensing and permitting authority for Federal production facilities.

Mr. Speaker, we must fully consult with Tribal governments to see what they feel is necessary to encourage the development of new energy sources on Indian lands.
I look forward in the weeks and months to come to working with my colleagues on both sides of the aisle and our friends in the Native American community. Specifically I hope to move legislation in the Committee on Resources that will promote Tribal sovereignty and self-sufficiency while fostering meaningful economic development.

I would like to thank the gentleman from Pennsylvania for his efforts.

Mr. RADANOVICH of California. Mr. Speaker, we thank the gentleman from Utah. We hear now an Indian perspective of energy potential also.

We are really covering the country tonight, from one end of the country to the other. We are now at the far West Coast, where there have been real challenging, interesting energy problems.

I yield to my good friend, the gentleman from California. It would have corrected the problem and, frankly, saved the State billions of dollars, that right now. But they should know that had the Governor acted earlier, the price increases would have only been about 20 to 25 percent and would have corrected the problem and, frankly, saved the State billions of dollars, at least $8 billion, probably $20 billion.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I would ask the gentleman,what kind of electric cost increases are happening in your state?

Mr. RADANOVICH. Right now, because the Governor waited so long to do any price increases, the PUC eventually raised prices up to about 48 percent. We have a home in California and we just pay generally for electricity not there for about $48 a month, and it went up to about, in our particular case, almost $200 a month, even when we are not there on occasion, and so the price increases are very steep in California.

Californians are beginning to feel that right now. But they should know that had the Governor acted earlier, the price increases would have only been about 20 to 25 percent. What have we been doing in California? We have been doing cataract surgery when the lights went out and they struggled around for about 30 to 60 seconds before they could get their private generators going. The gentleman can imagine, if he is in the doctor's chair getting cataract surgery, I assume that you are awake during this whole time, and all of a sudden the power goes out on you.

We also have one of the largest plate glass manufacturing plants if the country. There are about four of them all over the place that use enormous amounts of energy and, of course, in order to make glass, you have to heat it up to where it becomes molten and then it goes through a lot of sophisticated equipment before it comes out as plate glass. When you have a power outage for 8 hours, all of that molten stuff freezes up inside all of that sophisticated machinery and you lose every bit of it.

So these companies in California have been scrambling to make sure that they have an alternative energy supply to click on real fast once we do get a blackout. This generally makes us more reliant on power sources that are not necessarily energy efficient and environmentally efficient. So generally, what we rely on are power plants that generate the air more than what we want, certainly, or should allow, and cause, I think, more environmental damage in California.

I yield to my good friend, the gentleman from California. It would have corrected the flaws in this 1995 deregulation bill. Because that leadership was not provided in California, of course, we began to be familiar with the terms “rolling blackouts” and “price spikes” and “$3,800 power,” these kinds of things. It was because the leadership was not provided at the State level.

It also made us more appreciative of this President, the fact he has come up to the plate and decided to take on issues that may not be all that popular. But they need to be addressed in this country. Because as in California, and we are thankful that the temperatures have not gotten too hot, that we have not had the rolling blackouts, yet, that we had anticipated for this summer, but the threat is still there, and because the President is tackling I think the rest of the country what California has had to go through in learning tough lessons.

So, the President is providing the leadership. I think it is up to us in the House to pass his package, which I fully support. It is a balanced package. It is not overly reliant on any one type of energy. It spreads our liability through many, and also makes us more dependent on our own resources, which I think is really the moral thing to do in the United States.

As much as we do not like a power plant perhaps in our backyard, we certainly do like to flip the switch and see the lights go on, and we only do so if we like to turn the faucet and see water come out of it. That is the bottom line for the United States.

So, again, I applaud the President. I think he is doing a great job in his policy. I support this energy plan, and I look forward to its passage in the House tomorrow.

So it is not a good position to be in if one is an energy user or one is concerned about the environment. It kind of swings both ways.

Mr. PETERSON of Pennsylvania. Mr. Speaker, economically, it may take a little while, but when a company in California or any State that has a prolonged energy spikes and the rest of the country does not, we have put that company in a non-competitive position immediately and, in time, they will not be able to compete with companies that are using a lot more less costly power.
Mr. RADANOVICH. Right. And in California, we pride ourselves as being the seventh largest economy in the world. We rank up there with nations. We are very, very proud of that. But we cannot last long like that if we cannot even supply the basics. This is basic infrastructure, talking about an affordable price. When it is more affordable in any other State in the country, business will leave. It will drastically affect the economy of California. So these are the concerns that we have because being a Californian and those of us that live there, we care about our State and we want to make sure that we get through this reasonably well. But it has vast economic impacts.

Mr. PETERSON of Pennsylvania. Mr. Speaker, just to look at a few of the spikes that were regional in the last few years. In 1999, the fuel oil, truck fuel price was, in the East, from about Pennsylvania up to New England and for natural gas, truck fuel price were companies were calling me and going out of business because they could not compete with their competitors because their fuel prices had doubled. But they were regional problems.

The year 2000, in Chicago and many areas that had the huge gasoline peaks and gasoline prices there and I think they were over $2 a gallon. Last winter, the changes, because of the problem the gentleman is having in California, and 95 percent of the new generation for electricity is natural gas. Historically in this country, we did not use natural gas for power generation. Maybe a little bit of peaking, but not regular power generation.

It was basically saved for home fuel and for commercial industrial, as the easy, clean fuel. So now that we are major into using natural gas for power generation, we have spiked the price. Because last winter, gas prices in my part the country were up 120 percent for home heating. Now, that took a lot of money out of spendable income.

A lot of people have not talked too much about it, but last November and December in this country were the coldest November and December in history since they have been keeping track of temperatures. So they were not real cold temperatures, but they were cold every day of the month, each month. They were very cold months, the cold. So there were tremendous natural gas use and there was inadequate supplies in storage, because they put natural gas in the ground in the summertime in storage caverns and then they use it in the winter.

So last winter, we had gas prices running $2 and something a thousand re.

tail, they went to $8, $9, and $10 a thousand. In my district I actually lost businesses who depend on natural gas, who are heavy gas users; and we had a fall out from that. I had a company re-locating to Louisiana, and another one went out of business because they no longer were competitive because of the natural gas prices.

I think with this great consumption of natural gas now for power generation, until the drilling can catch up, until the gas lines, the transmission lines can be built, in my view, natural gas spikes a couple of winters in a row can really have a huge impact on seniors staying in their homes. Mr. RADANOVICH. Right. Mr. Speaker, that is why I think the President's plan is wise, because it relies on diversifying our energy sources.

We in California too reliant on natural gas, as the gentleman mentioned, and one can never put all our eggs in one basket and not expect to suffer at some point in time. So that is why I applaud the President for not just concentrating on say natural gas reserves or supplies, but also on some of the other Nation's resources, like coal reserves, renewable energy sources, nuclear energy and such. Those are all, I think maybe not equally dependent on all of them, but they all have a huge role to play in our energy mix, and that is why I applaud the President for making sure that that is a part of this energy plan.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I think we all should be applauding for raising this issue, because it was not a popular political issue, but it is an issue that needs to be addressed. Because if America is going to grow, and our energy use is growing, but maybe we do not give all of the credit that goes to natural gas, while the economy in this country grew 126 percent, energy use grew 30 percent. So we have improved our efficiency, we have done that, very much so. But we need to continue to do so.

Now, $10 oil and $1.50 gas a few years ago kind of took our eyes off the ball. It made all other forms of energy non-competitive. We could not compete with cheap gas, and cheap oil, now. If the prices do not get too high, but stay stable to where other energies can compete with them, wind and solar and geothermal and fuel cells have a chance of competing in areas, so they can become a bigger factor when they can compete price wise.

Mr. RADANOVICH. Right. And I think that conservation and renewable energy sources play a big part in the President's overall energy plan. But if we are going to deal with things realistically, we have to understand that a large portion of our energy is consumed as transportation, and hopefully, a greater percentage of nuclear energy.

Right now, the technology says that these are our main energy sources. And we can hedge those and help cut back on those by renewable energy sources and conservation, but it all has to work together. The gentleman has the graph, and a large part is oil and natural gas.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I will give the gentleman the figures here. This is the Department of Energy. This is interesting. I will give the gentleman the change.

Currently, 22 percent of our energy is from coal, and they are predicting it will be 21 percent in the year 2020, that is 19 more years. Oil is currently 40 percent and will decrease only to 39 percent. Natural gas is the growth area. It is going to go from 23 to 28 percent. And nuclear they show dropping from 8 percent of our energy source to 5 percent, and they show renewable staying at 7. Now, that will be growth in renewables, but only as much as the growth in energy consumption because the percentage is not changing.

Now, I hope we can do better than that. I hope renewables could. But if we double renewables in the next 20 years, we would still only be 14 percent of our overall energy use.

One issue I wanted to mention on natural gas too; now, in oil, as we stop producing enough oil to run our economic, we then started to import from all over the world. We import from 20 different parts of the world. Unfortunately, a lot of it is from unstable parts of the world that are not real friendly to us. But natural gas, we only import from two countries, Mexico and Canada, where we do it on pipeline. We do import a little bit of natural gas, but it has to be liquefied and I think there is only one port in the United States that can accept tankers of liquefied natural gas from other parts of the world. That is the only way you can transport it to turn it into liquid and then turn it back into gas again, and we only have one port.

So we cannot import natural gas like we can import oil. Only from Canada and Mexico. We are 80-some percent self-sufficient ourselves currently, but with the amount of power plants we are hooking up; when we hook up a power plant, it takes a lot of gas well to fill up that pipeline to supply that power plant. So in my view, the next year or two, the amount of natural gas we can have on hand is going to be very important to make sure we do not have spikes in natural gas that would push our seniors out of their homes and push businesses out of business.

Mr. RADANOVICH. Mr. Speaker, if I may use a little bit of the gentleman's time to comment on one thing that I think will come up in tomorrow's debate on the energy plan and that is on the issue of price caps. As the gentleman knows, we have been facing that in California quite often; and we have deliberated over it many, many hours when we were putting together this energy plan.

As a result, FERC, the Energy Regulatory Commission, came up with what they call the 7-24, which is a 24-hour, 7-day week, period of price regulation. That put a cap on the market to make sure that if there were any overcharges that they would all be susceptible to refund. After that imposition, it was interesting, because in California, the ISO, the energy provider for California now, out of the Department of Water Resources, had the opportunity, or they were buying power at
Mr. RADANOVICH. I have to say if the North Slope were a Third World country, we would be exploiting that oil right now; and the environmental standards would be lower than the ones we are placing on it at this time.

Mr. PETERSON of Pennsylvania. I think the energy plan is going to diversify us. We are far too dependent. Our largest dependence is 45 percent on oil.

I think we need to lower that percentage, because we only have somewhere between 2 and 3 percent of the world's oil in this country under our own control, when we have 45 percent of the world's coal, we have a lot of our own natural gas, we are producing some of our own natural gas without imports.

Mr. RADANOVICH. I think if the gentleman were to go to the coldest, most barren, desolate, unappealing part of the world, that would be the North Slope. I think because so many people have not been there, there is this assumption that caribou are running wildly among mountains and there are streams and waterfalls and everything.

This is not an appealing place. I think people need to remember that, that it is not representative of the beautiful State of Alaska at all. This is a cold, barren, desolate place that we would not want to be there.

Mr. PETERSON of Pennsylvania. The animals are only there a few months of the year. Back to the other issues, in Penn State they have new research that has been very successful at making jet fuel out of coal. They also get a carbon product that could be used in the carbon industries. That is moving to refinery development this year.

They also have some coal boilers that interest me. They have one that would burn gas, powder coal, or oil. Think if a factory, hospital or business had the ability to burn any one of those three fuels cleanly. And the clean technology is with us; the scrubbers and all the equipment is with this boiler.

Now if you are a business person, a hospital, or one of our educational facilities, we buy the fuel that is the cheapest. We are not in bondage to any one fuel. They also have the fluidized bed boiler that we are utilizing in Pennsylvania a lot for burning our old waste coal piles, with high sulfur and very low Btu. The waste coal was piled on top of the ground. We are now burning and getting rid of it because it was an environmental hazard.

Now if we had some means we would be able to burn almost anything, that process where we use crushed limestone with whatever we burn, and the limestone locks up with the pollutants. Then with the scrubbers, we really have a very fuel-efficient and a very clean burn.

That is another type of burner that I think we ought to be promoting, because again, we could burn coal and animal waste, or oil, a blend of oil and coal, could burn it cost effective. In some cases it might be animal waste, animal fat, or different things we know are problematic today to dispose of, they could be burned as fuels. They are doing some very interesting research at our universities to help us diversify on this. Mr. RADANOVICH. All due to increased technology.

Mr. PETERSON of Pennsylvania. We are in the technology wave, that is about time to pass this up. Let us quickly go over the chart down front, America's energy situation. Foreign oil dependence is now 56, and we
will be 66 in 10 years. Natural gas prices soared to triple last year's prices, which caused home heating last year in my area to be a real pain and caused some businesses to go out of business.

No new gasoline refineries built in 10 years; no new nuclear plants licensed in over 10 years. There is new nuclear technology today that is much superior to the past, not nearly as expensive to put in place.

No new coal plants built in 10 years. There is a few one being built in Pennsylvania right now. It is going to be using, again, waste coal that is on top of the ground already.

Gas and electric transmission capacity is overloaded.

These are some of the problems. Anyone who says we do not have energy problems in this country, we have distribution problems and access problems. As we said in the beginning, for energy to be affordable and available to the American people, we need strong, ample supplies of each and every kind of energy. And we need to develop a system that is not so dependent on oil, not so dependent on one fuel, but gives people alternatives. Then people that use a lot of fuel in a business could choose the fuel that is the cheapest for the day.

We have the technology to do it cleanly. We need to, as time goes along, to grow the renewables. I think fuel cells are a great potential. There will be slight growth in wind and solar. I do not think they will be major players. Geothermal has some potential.

None of those will put enough into the system to even take care of our growth in energy needs. Fuel efficiency, conservation and fuel efficiency, can only take up half of the slack of the energy-need growth, so we have to have more energy and a system to deliver it.

Mr. PALLONE. I want to thank the President for bringing to the Congress his energy plan, and I hope we pass it tomorrow by wide margins.

Mr. PETERSON of Pennsylvania. I do, too. I thank the gentleman from California, a good friend. So from the east coast to the west coast, we will join hands and hopefully can bring this one home for the people of this country.

I thank all who participated tonight to talk about energy, an issue that is number one in this country and one that I commend President Bush and Vice President Cheney for having the courage to tackle.

It is our future. Energy is what runs this country, and we must have abundant supplies a delivery system, and we must use it wisely.

HMO REFORM AND THE REAL PATIENTS' BILL OF RIGHTS

The SPEAKER pro tempore (Mr. SHUSTER). Under the Speaker's announced policy of January 3, 2001, the gentleman from Pennsylvania (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, this evening I plan to talk about HMO reform and what I call the real Patients' Bill of Rights.

Mr. Speaker, I have been here many times before in the last few weeks and even in the last few years to talk about this issue, because I do think it is so important to the American people. We know about many abuses that have occurred within managed care where people have HMOs as their insurance; and frankly, almost a day does not pass by without somebody mentioning to me the problems that they have had with HMOs.

Over the last few years our concern over this, particularly in our Health Care Task Force on the Democratic side, has manifested itself by supporting a bill called the Patients' Bill of Rights, which is sponsored by the gentleman from Michigan (Mr. Dingell), the gentleman from Iowa (Mr. GANSKE), and the gentleman from Georgia (Mr. NORWOOD), who happen to be two Republicans.

We had a vote in the House of Representatives in the last session of Congress, every Democrat supported the Patients' Bill of Rights, and 68 Republicans also supported it. Unfortunately, the Republican leadership here in the House of Representatives has never supported the bill and continues to oppose it.

Also unfortunately, now President Bush has indicated since he took office his opposition to this legislation.

What is happening now is that we had a commitment from the Speaker to bring up the Patients' Bill of Rights over the last few weeks, and specifically last week; but he announced last week that that vote was postponed and delayed because the votes did not exist for an alternative HMO reform bill authored by the gentleman from Kentucky (Mr. FLETCHER).

I hate to say it, Mr. Speaker, but the bottom line is that this alternative Fletcher bill is not a real Patients' Bill of Rights; it is a much weaker version, if you will, of HMO reform. I could make a very good case for saying that it does not accomplish anything at all and continues the status quo.

What we hear today is that the Republican leadership plans to bring up health care bills this week. In fact, in just a few hours there might actually be a markup in the Committee on Rules on the legislation.

But again, the issue, Mr. Speaker, is what are we going to be able to vote on. Will we be able to vote on the real Patients' Bill of Rights, the Dingell-Ganske-Norwood bill, or are we going to see the Fletcher alternative or some other weakening effort, so we do not have a clean vote on the Patients' Bill of Rights.

Unfortunately, Mr. Speaker, I was reading in Congress Daily, the publication that we receive about what is going on on Capitol Hill. It actually indicates tonight that the Republican plan is to somehow separate out various pieces of the Fletcher bill and propose them as amendments to the real Patients' Bill of Rights.

I do not really know what the Republican procedure is, but if this is the case, once again, it is a sort of insidious way of trying to kill the real Patients' Bill of Rights.

The Congress Daily says that "likely amendments include the Fletcher liability provisions, a change of proposals seeking to expand insurance, possibly an amendment replacing the bipartisan bill's patient protections with those in the Fletcher bill. Also possible is an amendment to impose caps on medical malpractice awards."

Let me tell the Members, if any of these things do in fact happen, if this is how the Republican leadership intends to proceed, it once again indicates that they are not in favor of a real Patients' Bill of Rights; that they are not making an effort to bring this to the floor, rather, to kill the bill. I think that is very unfortunate.

I have some of my colleagues here, and I will yield to them. But I just wanted to point out why this Fletcher bill is not a real Patients' Bill of Rights, and it does not achieve real HMO reform. It is an effort essentially to peel off votes from the bipartisan Patients' Bill of Rights and undermine the effort to pass real HMO reform this year.

An example, the Fletcher bill contains almost no protections for patients; and it gives patients almost no ability to appeal their HMO's decisions to an independent panel, or to take HMOs to court when they are denied treatment or harmed in any other way.

The real key to HMO reform that is personified, if you will, that is manifested in the Patients' Bill of Rights, the Dingell-Ganske-Norwood bill, is the ability to say that your physician and you as a patient would make decisions about what kind of medical care you get, not the insurance company.

The second most important aspect of the real Patients' Bill of Rights is that if one is denied care because the HMO does not want to give it to us, we have a right to redress our grievances and go to an independent panel, separate and independent of the HMO, to overturn that initial decision. If the Fletcher bill basically does not accomplish this, which it certainly does not do, then it does not achieve real HMO reform.

I have a lot of other things that I could talk about this evening, and hopefully that we will get to, but I have two of my colleagues here who happen to be both of them from the State of Texas. The State of Texas has a real Patients' Bill of Rights in effect. It has had that since 1997.

I heard some of my Republican colleagues on the other side of this issue say that the Dingell-Norwood-Norwood-Ganske bill to pass because if it does, it will mean there will be a lot more lawsuits. The cost of health care will go up, health insurance will go up,
Well, the Texas experience tells us that is simply not the case. In Texas, over the last 4 years, there have only been 17 suits filed. In Texas, the cost of health insurance has gone up somewhat, but not as much as the national average. So it simply is not the case.

The one thing that I think is most crucial, that I want to mention before I introduce and yield to my two colleagues from Texas, is that what the Fletcher bill does is to preempt a lot of the rights and patient protections that Texas and other States have. Because the Fletcher bill essentially preempts the States’ rights and makes all the protections under the Federal law.

What that would mean for States like Texas and New Jersey and about 11 other States that have good patient’s bills of rights on the State level, is that they would even be undermined because of what is happening with the Fletcher bill. This is just the opposite of what we would like to see and what we have been fighting for. It is very unfortunate that we might see this Fletcher bill, or some parts of it, become the focus of debate on Thursday, when this bill comes up.

Mr. Speaker, I wish to yield to a colleague from Texas (Mr. LAMPSON) and with my colleague, the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Speaker, I appreciate very much the opportunity to share this hour with the gentleman from New Jersey (Mr. Pallone) and with my colleague, the gentleman from Texas (Mr. Lampson).

We have a unique perspective on this issue, being from Texas, because Texas was one of the first States in the Nation to pass patient protection legislation. I am sure that there are people tonight listening to us talk about this issue who really wonder what is the big deal about this patients’ bill of rights debate in Washington.

We are gathered here tonight on the eve of the consideration of this very important legislation on the floor of this House. We have been at least led to believe that this bill will be considered either Thursday or Friday. Now, this is not the first time this bill has been on the floor. We considered it over a year ago. We passed it in the House. At that time, the bill died in the Senate.

This year, we have a situation where the bill has passed in the Senate; and it is now up to the House to move on the same legislation. The bill in the Senate, sponsored by Senator McCaIN, Senator Kennedy, Senator Edwards is almost identical to the bill that we support in the House, the Norwood-Dingell-Ganske-Berry bill. That is the patients’ bill of rights that we believe the American people deserve.

All of this really comes down to one central thought, and that is that when an individual is lying flat on their back in the hospital, fighting for their life, they should not have to be fighting their insurance company. It is important, we believe to guarantee that patients and their doctors make the decision about their health care rather than some insurance company clerk in some far away city.

Because managed care companies, HMOs, assume the determination whether certain treatment prescribed by an individual’s doctor is medically necessary, their opinions often conflict with what a doctor recommends as treatment. Countless doctors have reported to us that they spend hours, literally hours on the telephone arguing with some insurance clerk representing a managed care company trying to get treatment approved, when in many cases we know that mere minutes can mean the difference in life and death.

So the Norwood-Dingell-Ganske bill is a strong piece of legislation designed to ensure certain basic rights and protections for patients: to be sure patients are treated fairly, to be sure they have the opportunity to have the best medical care available, to be sure that doctors and not insurance companies practice medicine.

We are very hopeful that this good strong bill will pass this House intact. Now, as the gentleman from New Jersey (Mr. Pallone) indicated, there was another version of the patients’ bill of rights sponsored by the gentleman from Kentucky (Mr. Fletcher). It is a much weaker bill, in my opinion; and it creates many unusual rights for insurance companies, basically designed, in my opinion, to protect them from accountability.

We all believe in this society in personal responsibility, personal accountability. In Texas, we have some good accountability. They are working well. What we found in Texas is that when we proposed the legislation in 1995, and I carried that bill as a member of the State Senate, the opponents of the bill said, well, it is going to cause health insurance premium costs to rise and it is going to result in a lot of litigation.

We passed that bill in the State Senate to 3 to the House of Representatives in Texas passed it by voice vote. The next session after the legislative session was over. We had no chance to override the veto. The next session of the legislature, in 1997, the identical bill was broken down into four parts. Three of those bills passed and received the Governor’s signature. The fourth, by an overwhelming majority, related to insurance company accountability and insurance company liability. Then Governor Bush let that one become law without his signature.

Again, the opponents of the bill said it is going to result in higher insurance premiums and it will result in a flood of litigation. We have had that bill in place as law in Texas for 4 years. The record is clear: health insurance rates in Texas have risen at approximately half of the national average. And as we look at the litigation, we see that there has really been very little litigation. What has happened under the bill is that 14,000 patients and their doctors disagreed with the decision of the insurance company about their treatment, and they utilized the protections of Texas law to appeal that insurance company’s denial of care.

In 52 percent of those cases, the patient prevailed. In 48 percent of the cases, the insurance company prevailed. In no cases where the patient was denied the care that the patient and their doctor sought, only 17 lawsuits have resulted. I hardly call that a flood of litigation, as the opponents asserted when the bill was passed in 1997.

So the Norwood-Dingell-Ganske-Berry bill is modeled after the Texas law, and it is very similar to laws in many of our States designed to protect patients. So the States are way ahead of the Federal Government in this area. Texas, the Texas law stands as a model for the Nation.

Unfortunately, only about half of those enrolled in managed care in Texas are covered by the Texas law. When we passed the legislation in 1997, that also covered managed care plans that operate in more than one State. The Federal Court ruled that those enrolled in managed care plans that operate in more than one State are not covered by these State patient protection laws. That is about half the people in Texas and in most other States.

So the Norwood-Dingell-Ganske bill is designed to fix that. It is designed to say that every managed care insurance company in this country will be personally responsible and personally accountable, and they will be accountable under the Norwood-Dingell-Ganske bill in the same way that every business and individual in this country have liability under the laws of our land.

So we believe that this bill is essential to eliminate a loophole that exists
in the law that allows managed care health insurance companies to be the only business in America without responsibility.

The Norwood-Dingell bill has many protections for patients. It sets up a review process allowing a patient to make an appeal of a managed care health care decision internally within the plan. If they are dissatisfied, they can appeal to an external independent review panel if they are dissatisfied with that decision, they have the right every other business and individual in America has, and that is to go to a court of law and have that matter heard by a jury of one’s peers.

That legislation is all about the Fletcher bill denies that. And I am sure that when the Norwood-Dingell-Ganske bill comes to the floor of this House, there will be many who will do the bidding of the managed care industry and try to carve out a special status under law for the managed care industry.

In Texas, in 1995, we had a major piece of legislation commonly referred to as the Norwood-Dingell-Ganske bill. It was one of Governor Bush’s planks of platform when he ran and was elected as governor. He pushed that in the legislature and the legislature agreed that we needed managed care reform in Texas. It resulted in some limits on the amount of damages that can be awarded in lawsuits. It limited what we call punitive damages. That is those damages that can be awarded against a defendant when it turns out that that defendant did something wrongfully and with malice and has committed such a grievous tortuous act that they should be punished. That is punitive damages.

And in Texas, in the tort reform effort, they and the legislature limited the amount of punitive damages that can be awarded in litigation, and it did so by a formula. That formula says that punitive damages shall be kept at whatever a judge or jury finds is the economic damages, that is the loss in earnings and wages, multiplied by two, plus up to $750,000 of noneconomic damages, pain and suffering and those things that cannot be equated easily to dollars. But that was a cap that the legislature and the Governor signed on punitive damages.

Frankly, what we see in the Fletcher bill is a limit on damages that far exceeds any limit we put in the law in Texas. Frankly, when we saw the Governor and the legislature pushing tort reform and limits on punitive damages, nobody suggested that there should be a special carve-out, a special exception, a special rule for the HMOs in the managed care industry. Economic damage is the loss in earnings and wages, multiplied by two, plus up to $750,000 of noneconomic damages, pain and suffering and those things that cannot be equated easily to dollars. But that was a cap that the legislature and the Governor signed on punitive damages.

That is what this debate is all about: are we going to hold insurance companies who have managed care health insurance plans accountable on the same basis as every other business and individual in our respective States are held accountable and responsible. I hope that when it comes to the debate this Thursday or Friday, that the point of view that I am expressing will prevail. It is consistent with the historic right of the States to pass the laws that govern in the area of personal injury. That is the way it should be.

When we look at the Fletcher bill and some of these amendments that will probably be offered to the Norwood-Dingell-Ganske bill, what we see is an effort to federalize these kinds of issues that have really been the rights of our States. I know that the members of the Texas legislature are proud of the patient protection legislation that they passed. I know that they believe in States’ rights, and I think it would be wrong in an effort by those who would seek to carve out a special exception for the managed care industry to try to federalize a cause of action to create a Federal cause of action that would be able to be tried separate and apart from the protections of law in every State in this country.

That is what this debate is all about: are we going to hold insurance companies who have managed care health insurance plans accountable on the same basis as every other business and individual in our respective States are held accountable and responsible. I hope that when it comes to the debate this Thursday or Friday, that the point of view that I am expressing will prevail. It is consistent with the historic right of the States to pass the laws that govern in the area of personal injury. That is the way it should be.
service, and I am proud of the fact that he had the concern of people then in his mind when he tried to fix the problems that we faced in the State of Texas and now has the ability to come here to the United States House of Representatives and try to do the same thing for our country because this is a most, most important concern for everyone in this country.

Mr. Speaker, we need to live up to the promises that we have made to the American people. Bring this truly bipartisan Fletcher-Dingell-Bill of Rights that will put medical decision-making back into the hands of physicians and patients here to the floor of the House of Representatives and let us have this debate properly.

I know that we passed it overwhelmingly last year, and it got hung up in a conference committee where there was an intentional effort to appoint those people who had voted against the bill to guarantee that it would not move and to sabotage the law of this land and that it would not help people, like a lady who was a friend of mine who was a schoolteacher in Needlewood, Texas, Regina Cowles. She contacted our office after she learned that she was diagnosed with breast cancer. She found a treatment for that cancer that was growing in her body in Houston, but her insurance company said that that was one particular treatment that they did not recognize, and that they were not going to pay for it. If she wanted to have it, she had to do it on her own.

That was one of many stories that I had heard, and my office became involved, and other offices as well became involved; and several months went by, but ultimately Regina was able to get that treatment that she needed. But unfortunately, it was too little too late, and she died of that ailment.

I wondered then how many more people were going to have to die before we brought this issue to the people's House and resolved it; that we get our colleagues to realize that we are playing not with words on paper, but with people's lives. And to act on it. To change it, to make it right for me and you, everyone that is watching here.

Mr. Speaker, I guess it came home to me in two ways. One of them was one day that I spent, and the gentleman from Texas, Mr. Turner, talked about the time doctors spend in trying to precertify patients based on what insurance companies will determine they are willing to pay to the doctor to make that treatment possible. I periodically do these programs called Worker for a Day, and one day I was working at a cardiologist's office in Texas, and the doctor had me spend some time with one of his aides in the office making telephone calls to insurance companies to precertify the patient's coverage to his point of view of a particular treatment. I was flabbergasted, to say the least. I spent a significant amount of time talking with people, and I intentionally asked what their background was; and oftentimes I was talking with people who had no medical training and they were making the decision as to whether Dr. de Leon would be able to treat the patients who walked into his office complaining about serious health problems.

It does not take very long to realize that is not the way that these decisions need to be made in this country. I do not want anyone who has not been to medical school or some particular professional knowledge about medical care, health care, telling a doctor what is going to happen in my life if I need help. I want a qualified health care professional making the decisions that are going to allow me to live and to allow me to live the kind of quality life that I want to be able to live.

I quickly became involved in this piece of legislation following that. It was not long after that I had another incident occur. This time it was my daughter. I had two different doctors tell my daughter that she was in need of an operation. My own insurance company, the one that represents us here in the House of Representatives, said no, that is cosmetic surgery, we are not going to pay for it. Two different doctors said it was important for her to have this operation.

Well, I did everything that I could possibly do to help my daughter, and she said she is fine. And the insurance company relented. But it made me wonder, what is most people, as most people are in this country, not as aggressive as I am or was in the case of my own daughter and fought for a week or 10 days or whatever it took me before we got the agreement to go forward with that operation. How many of them will take the answers that they get the first or second or third time and put it off and delay, well, I think I will have to go and mortgage my home to make this happen because I want my daughter to have the chance that other people's daughters will have in growing up.

Those are not decisions that we need to be making in our lives. When someone works hard, does the right thing, provides for their families, makes sure that they have insurance coverage for catastrophic problems that face them, the least we can do is because someone decides that it is cosmetic or experimental or that it does not match their specific criteria that they laid down on their papers based on what profit they can make for their company, that is absolutely wrong and we cannot stand for it in the United States of America.

Managed care reform is an issue of the absolute, utmost importance. As more and more stories about HMOs denying care are publicized, it brings it to the forefront of what we need to do to pass this legislation. The public and health care providers have witnessed firsthand that while managed care organizations such as HMOs may have helped to hold down the cost of medical care, they too have frequently done so at the cost of denying needed care to patients.

Unfortunately, the Republican leadership continues to stall and to obstruct passage of the Ganske-Dingell-Norwood Patients' Bill of Rights that passed overwhelmingly, I think 275 votes last year. They continue to stall on a vote and have introduced their own bill, the Fletcher bill, that the gentleman from Texas (Mr. TURNER) and the gentleman from New Jersey (Mr. PALLONE) have talked about in an attempt to poison this Patients' Bill of Rights that we have been trying so hard to pass.

The assertion that they have crafted a responsible plan is simply untrue. Their plan prevents doctors from disclosing all medical options to patients. It creates a review process that is stacked against the patient, and it removes medical decision-making power from the hands of doctors and patients. I urge my Republican colleagues and President Bush both to quit stalling and to pass and sign a meaningful patient protection bill that puts control of medical decisions back into the hands of patients and doctors. I thank the gentleman for allowing me to participate this evening.

Mr. PALLONE. I want to thank my colleague, because I think, number one, when you give examples and particularly one from your own personal life, it helps people understand, both our colleagues and the public, what we are talking about and how significant it is to pass a Patients' Bill of Rights.

The other thing that my colleague from Texas did work. I think it is very important is that he pointed out some of the patient protections that are in the real Patients' Bill of Rights, the Dingell-Norwood-Ganske bill, and why they do make a difference. One of the concerns that I have is that, as I mentioned earlier, there are possible amendments that we may get or that the Republican leadership may make in order and try to push if this bill
comes up on Thursday is replacing the patient protections in the Dingell-Norwood-Ganske, the bipartisan bill, with the patient protections in the Fletcher bill, in the Republican leadership bill. I assure my colleagues that effectively there are no significant protections in the Fletcher bill.

If I could just contrast that a little bit to give us an idea of the differences, some of those differences were mentioned by the gentleman from Texas. He talked about a gag rule and what is under the Fletcher bill HMOs could continue to tell physicians that they are not entitled to tell their patients about procedures or medical activity or medical equipment or stay in a hospital or any kind of medical procedure that the HMO does not plan to cover. It is called the gag rule because you never find out what the doctor really thinks you should have done to you because he is not allowed to tell you if the HMO says he is not allowed to.

The other thing that comes to mind is the financial incentives. Right now a lot of the HMOs have financial incentives so that if the HMO wants to give the physician a little more money because he is not providing as much care or not having his patients stay in the hospital for too long, they can provide a financial incentive to him at the end of the month so he gets more money if those things occur, which is an awful thing to do to the reality with many of the plans today.

The other thing that I think was so important is when the gentleman from Texas (Mr. LAMPSON) talked about how of the plans today. Emergency care, another example that affects not only women but anybody. The Fletcher bill uses a prudent professional standard rather than the prudent layperson for neonatal emergency care. Let me give you an example. Right now, as many people in HMOs know, they often cannot go to the emergency room of the hospital closest to them but rather may have to travel 50, 60 miles away to a different hospital. We are saying is that in the case of an emergency, if the average person would think that they cannot travel that distance and they have to go to the local hospital because otherwise, for example, if they have chest pain and they think that they are having a heart attack, well, that is the prudent layperson's standard, which basically says that if I get chest pains of this severity that I have got to go to the local hospital rather than 50 miles away, then I go to the local hospital and the HMO has to pay for it. You do not have that kind of standard under the Fletcher bill with regard to neonatal emergency care.

There are so many other cases. Clinical trials. An astonishing number of women suffer from Alzheimer's, Parkinson's, cystic fibrosis and other debilitating diseases. Under the Dingell-Ganske-Norwood bill, it covers all FDA clinical trials. But the Fletcher bill, the Republican leadership bill, only covers FDA cancer trials, preventing women with other serious conditions from receiving potentially lifesaving care. There are so many examples like this. The bottom line is the Fletcher bill makes it very difficult to access specialty care.

We used another example the other night of the floor about pediatricians. Under the Dingell-Norwood-Ganske bill, you have direct access to a pediatrician for your child. You do not have to have prior authorization. But you also have the opportunity to go to a pediatrician specialist which now, I have three children, and now you often go to a pediatric specialist rather than a pediatrician, who is almost like a general practitioner. What happens under the Fletcher bill is you do not have that kind of choice. Employed HMOs initiates which are a very important part of the patient protections simply do not exist under the Republican leadership alternative.

As I said, what we are hearing is that it is very likely that the Committee on Rules tonight will allow all these different provisions in the Fletcher bill that weaken patient protections to be included as amendments and voted on in an effort to try to achieve a bill that is a lot weaker than the real Patients' Bill of Rights. But I see, as the Dingell-Norwood-Ganske bill evidences, and they just do not know why we cannot get it done.

We understand that this bill is likely to come to the floor of the House at the end of the week. I hope so. As you noted, I am delighted to join my colleague from Texas. We have previously already spoken about how this bill has worked and how it has been effective in the State of Texas. First of all, there has been no increase in premiums and the increase in premiums nationwide generated without a Patients' Bill of Rights. We have not seen any increase in the uninsured which the opponents of the bill have represented would occur.

We have not seen a proliferation of frivolous lawsuits. We have not even seen a proliferation of lawsuits under states. We have not seen a proliferation of lawsuits under States of Texas has had the opportunity to hold HMO accountable.

So the real question for the House leadership is why? Why, since this bill in its present form, with a few enhancements, meaning the Ganske-Dingell bill, passed two terms ago, why can this not be the bill that we all conclude is the right direction to go? What is the purpose of putting forward a bill with the idea that it represents an alternative when that is not accurate? Because the Fletcher bill has a number of poison pills. It has medical savings accounts. Not to say those are not meritorious legislative initiatives that this body should not address, but what the American people want most of all is that they do have an HMO, which most of the employers are involved in and utilize to create coverage for their employees, that the HMO does not intervene, interfere and stop good health care and procedures for you or your loved one. How clear can we get?

I, when we spoke the last time, noted a lot of tragic stories: the woman in Hawaii who could not get care in Hawaii while she was there because her HMO denied it. She had to get on a plane to Chicago, and my recollection of that final result is that she did not survive, because they denied her the care that she needed because she was not from Hawaii. The tragedy of being denied the most accessible emergency room; the tragedy of
being denied pediatric specialists; the unseemly result of not allowing a woman to choose an OB-GYN specialist as her primary caregiver. That is allowed in the Ganske-Dingell bill.

There are so many positives that the American people have decided that they need and want that are in the bill that we are proposing and supporting, the real Patients’ Bill of Rights, along with the array of diverse medical groups that are supporting it, including, I think, one of the strongest medical groups, of course, is the American Medical Association, that has not moved from its position that this is the only bill that they will support and that we should support, and, that is, to ensure the sanctity, if you will, of the patient-physician relationship.

I would like to thank my good friend for his leadership, and I could not help but join you in hoping that someone might hear us this evening. And, of course, sometimes our words are distant. They fall distant because we are here in Washington. But I can tell you in the conversations that I have had with my constituents who are physicians, the difficulty that they have had in plainly giving good health care, in making the decisions on good medicine at this door, no more a certain disease that you must care for them in one certain way, sort of the physician who treats a particular ethnicity versus another. Then it makes it very difficult if a bureaucrat tells a physician who treats a particular ethnic group that has a high percentage of a certain disease that you must care for them in one certain way, sort of the boxcar way as opposed to responding to the needs of Americans in their different environmental backgrounds. That will be prevented if we do not pass the Dingell bill and pass

the so-called alternative, I thank the gentleman for giving me this time.

Mr. PALLONE. I want to thank the gentlewoman for coming down again tonight as she has so many other times to express her opinion on the Patients’ Bill of Rights. I know it is tough for us because we know that this bill is going to come up. We are hearing again that it is going to come up this Thursday.

I guess we are at the point we will not believe it until it actually occurs. The gentlewoman mentioned a few points that I have to bring up, because we did not include them as part of the debate tonight, and I think they are very important.

One is the number of health professional groups that support the real Patients’ Bill of Rights, the Dingell-Norwood-Ganske bill. The gentlewoman mentioned the American Medical Association, the Nurses Association, all the specialty doctors groups. I think there are something like 700 different groups, all the major health care professional groups.

The bottom line is it is because they are very concerned about the fact they cannot provide care now with the way some of the HMOs operate, and they want the freedom and sort of the ability, we call it the American way, to be able to provide care that they think is necessary for their patients.

The other thing that the gentlewoman mentioned, which I think is so important, is, again, the Texas experience; the fact that even though President, then Governor, Bush complained at the time when this legislation was being considered in the Texas legislature that it was going to increase costs for health insurance and was going to cause all this litigation. None of that turned out to be true.

The example from Texas (Mr. TURNER) mentioned earlier that the increased costs for health insurance in Texas is half of the national average. The gentlewoman mentioned approximately 20 or so lawsuits that have been brought in 4 years, which is nothing. What is that, that is like five per year.

Because basically what happens is now people have the ability to go to an external independent review to overturn the HMO if they did the wrong thing. We have the almost 1,500 cases of that, and they are handled easily and that is the end of it.

The other thing the gentlewoman mentioned, which I think is so important, I said earlier this evening that my fear is the Committee on Rules, when they meet later this evening, I think they are supposed to go in at midnight, which says a lot about the procedure around here with the Republican leadership, that they may put in order some of these poison pills from the Fletcher bill.

I mentioned earlier in Congress Daily they said likely amendments include a so-called access package, a proposal seeking to expand insurance through broader access to medical savings accounts and creation of association health plans. Further, it says in Congress Daily, it is possible there will be an amendment to impose caps on medical malpractice awards.

Now, I do not happen to like the medical savings accounts. I think they are sort of a ruse. But whether or not you approve of MSAs or approve of caps on malpractice or approve of these associations, the point is there is no reason why these need to be included in this legislation. We know that the majority of the House supports the Patients’ Bill of Rights, and it support it because of the patient protections. We do not need to deal with these other much more controversial issues like malpractice and medical savings accounts in the context of this bill.

The only reason the Fletcher bill includes some of those things and the reason why the Fletcher bill would be considered under the procedure is because the Republican leadership wants to throw them in, mess this whole thing up, and create a situation where it goes to conference committee, if that is what it did between the House and Senate, and nothing happens because there is too much controversy over all these other things that are unrelated. That is what I am fearful of, to be honest.

I know we do not have a lot of time left here tonight, but I would, again, appeal to the Republican leadership: All we are asking for is to bring this bill up and allow us a clean vote on the real Patients’ Bill of Rights. You can have all the other votes you want, but let us have a clean vote on this bill.

I am confident that if that happens, this bill will pass, because I know that almost every Democrat will vote for it, and that there are probably a significant number of Republicans that will as well.

But I am fearful, honestly, that we are not going to have that opportunity, because we do not control the process. The Republican leadership controls the process. They are particularly mad right now. As the gentlewoman knows, their wrath is against some of the Republicans that are willing to join us and support the real Patients’ Bill of Rights, they are being criticized. They are being criticized by the people back home, and being told you are not a real Republican. This is not about who is a real Republican or who is a real Democrat, this is about who is a real American and who is going to stand up for the people that need help.

Ms. JACKSON-LEE of Texas. I thank the gentleman very much. As the gentleman was speaking, I was thinking of one point I wanted to add. You have heard those of us from Texas speak about the Texas law, and what I say very directly is there is no reason to be afraid of the state legislature, the House and the Senate. Of course, the gentleman realizes the bill was not signed by the President, it
was simply allowed by our laws in the State of Texas to go into law because there was no action. However, I think the evidence of its success should be very evident for our President, and he would see that we could live with accountability and in fact not have a disastrous impact.

But I do want to note for those who are thinking, well, you have it in the State of Texas, but in many states that do have some form of an HMO accountability plan, it does not cover everyone. And the reason why it is important for this to be passed at a Federal level is that when you pass it at a Federal level, all states must be in compliance. The Patients’ Bill of Rights then becomes the law of the land, and whatever your HMO is, you have the opportunity to ensure that there is accountability for the HMO.

I think that is very important, because the question has been raised, well, a number of states already have done it, why do you have to do it? Because you have states that have done it, but do not have full coverage, and you have states that have not done it and, therefore, it is important for Federal law for us to act.

Mr. PALLONE. I agree. Reclaiming my time, the bottom line is that even in the states that have strong patient protections, like Texas, a significant amount of people, sometimes the majority, are not covered by those protections, because of the Federal preemption.

I would say right now there are only about 10 states that have protections as strong as Texas, my own being one of them. But the other 40, some have no protections, some have much weaker, weaker laws. So this notion that somehow everybody out there is already getting some kind of help is not really accurate for most Americans. That is why we really need this bill.

I think we only have a couple of minutes, so if I could conclude and thank the gentleman from Colorado (Mr. McNINIS) is recognized for 60 minutes.

Mr. McNINIS. Mr. Speaker, I know it is late in the evening, but this evening I wanted to visit with you about an issue that I think is inherently important to every citizen of America, and not just the citizens of America, but to the world as a whole, to every country in this world as we go into the future. Tonight I want to speak to you about a subject that I think we have an obligation to use some vision about, to think about future generations, and what this generation needs to do not just to protect itself, to ensure that we protect future generations, to give future generations the type of security that as American citizens they deserve, that as American citizens they can expect their elected officials, they can obligate their elected officials to provide for them. Tonight I want to visit about missile defense.

Now, we have heard a lot of rhetoric in the last few days about missile defense. Well, we do not need it. It is going to escalate the arms race. Why, building a defense to protect your country and to protect your citizens from an incoming missile is not something we should undertake. In fact, the recommendation seems to be, leave our citizens without protection.

I take just exactly the opposite. I think every one of us have an obligation to protect our citizens with a shield that will mean something, not simple rhetoric.

Now, I had an interesting thing happen to left here a poster, and tonight I am going to go through a series of posters. If you will pay close attention, I think you will find that these posters advocate a strong case of why this country, without hesitation, should move forward immediately to engage in a missile defense system, to put into working order with other countries some kind of an understanding that the United States of America feels it has an inherent obligation to protect its citizens with some kind of shield.

Let me go over a couple of points here. First of all, to my left, I call this poster “probability of events.” When you look at it, you see my first box, my first yellow, my first intentional launch. There I am referring to an intentional launch of a missile against the United States of America. I call this a probability. I have the next box called accidental launch. I call this a probability. At some point in the future, against the United States of America, some country, unknown to us today as far as which country will do it, but the facts are that some country will attempt to launch a missile against the United States of America. That is why it is our obligation as elected officials representing the people of America, who swear under our Constitution to protect the Constitution, which within its borders obligates us to provide security for the citizens of the United States, that is why it will be our responsibility to begin to provide that security blanket for the American people and for our allies, that when this intentional missile launch comes, we will be prepared.

The second thing I speak about is an accidental launch. Do not be mistaken. We know the most sophisticated, most well-designed aircraft in the world, can be a civilian plane, a 747, once in awhile they crash. Take the most sophisticated, the finest invention you can think of, whether it is a telephone, whether it is a radio, whether it is a computer, whether it is a biological system, there are accidents. In fact, I am not so sure that we have had much of any invention that at some point or another does not have an accident.

It is probable that at some point in the future some country, by mistake, will launch a missile towards the United States of America. And, right now, as you know, an accidental launch against us, number one, we would not know whether it was accidentally launched, and, two, our only defense we have today, the only defense we have today against an accidental launch, is retaliation. And what is retaliation going to bring? Because of an event, a horrible consequence of a missile launched against an innocent country, by accident, our retaliations could initiate the Third World War, the most devastating disaster to occur in the history of the world.

Now, we can avoid this, because if we have a missile defensive system in place and a country launches a missile against the United States by accident, or intentionally, but here we are referring to the accidental launch, the United States of America can shoot that missile down and they can stop that war from occurring.

There are plenty of other less severe, significantly less severe measures, we can take against a country that accidentally launches the retaliations is not one of them that we should take, but retaliation is the only tool left today. I can assure you that the President of the United States, whatever party they belong to, if some country by accident launches a clear missile into Los Angeles or New York City or into the core of this country, into the middle of Colorado, where my district is located, the likelihood is that the President would retaliate forthwith.

Now, I had an interesting thing happen to me this evening while I was waiting speak, listening to my colleagues. I was outside talking to a couple of officers, Officer Conrad Smith and Officer Wendell Summers. Good chaps. I was out there visiting with them, and they brought up an interesting point.

They said, “What are you going to speak about tonight, Congressman?” I said, “I am going to speak about missile defense, like an intentional launch against our country, or an accidental launch against our country.”

Do you know what Officer Smith said? I did not think about it, but it is so obvious. Officer Smith said to me, “Do you know what else we could use a missile defense system for? It is space junk. Like, for example, Congressmen, if a space station or the like the Mir Space Capsule is reentering the United States, we could use our missile defense to destroy that in the air, so that
it doesn’t land on some country or kill some people when it reenters from space.”

I never thought about that. Now, there is a logical use for a missile defense system; dealing with space junk. As we know, space junk falling out of space and reentering our atmosphere is a problem. Its orbit is an issue that future generations are going to have to deal with on a fairly extensive basis.

Our generation has gotten away with it because we are launching into space, and by the time our generation moves on, there will be lots of objects in space that have lost their momentum and begin the reentry. Office Summers and Officer Smith had something to add tonight, and I think they are right, and I can assure my colleagues that I am going to put that right here. We will see a new yellow box on my next poster in regards to missile defense.

Now, what kind of responses do we have? My poster lists the responses. Look, it is real simple. It is not complicated. The responses are: one, we have a defense; or two, no defense. That is it. That is as black and white as the choice. We either defend against a missile, incoming missile to the United States, or we do not defend against it. There is no muddy waters, there is no middle ground. We either defend against it or we do not defend against it.

Where are we today? Where is the most sophisticated, the most technologically advanced country in the history of the world today? We are today check-marked the second box. No defense. What do I mean by that?

We have a military base, we share it with the Canadians, called NORAD, located in Colorado Springs, Colorado, the district of my good friend, the gentleman from Colorado (Mr. Hefley) in Cheyenne Mountain, the granite mountain. We went into the mountain, we cored out the center of the mountain, and we put in there an airspace system for detection.

What does that system provide for us? Very simple. It can tell us anywhere in the world at any time of the day, with any kind of weather conditions, under any kind of temperature when a missile has been launched. It can tell us the approximate speed of the missiles. It can tell us the target of the missile. It can tell us the estimated time of impact of the missile. It can tell us what type of missile they think it is. It can tell us whether or not, based on the information that they have gathered, whether the missile has the likelihood of a nuclear warhead on top of it. But then, guess what? That is it. That is it.

They can call up the President of the United States, and they say, Mr. President, we have an emergency at NORAD. Mr. President, we have an incoming missile. We believe the target of impact is Los Angeles, California. Mr. President, we think that the time of impact is 15 minutes and counting. Mr. President, we think this is a realistic threat; our confidence factor is high. We have confirmed an incoming missile. The President thinks, what can we do? Of course, the President knows what we can do, but just for this example, what can we do? Mr. President? The President says, What can we do? to his military commanders, to our space command. Mr. President, you can contact the mayor of Los Angeles, tell them they have an incoming missile, they now have we will say prayers for them, and that is it.

Now, you tell me that is not a dereliction of duty of every one of us elected in these Chambers. Every one of us in these Chambers, we have the technical capability to put in place a missile defensive system in this country. We have that technical capability, and we have a commitment from this President, who has been very solid on his support and on his leadership. Thank goodness he did that. But President George W. Bush has stepped forward to lead us into a missile defense. We had a test 3 weeks ago. It was a remarkable test. It shows that we are well on our way towards coming up with the tests that is necessary to deploy a missile defensive system for our country. What happened? They put a target, an incoming missile into the sky. It was approaching at 4 5/8 miles per second; 4 ½ miles per second. It was that fast, 4 ½ miles per second, and then fired an intercept missile. Now, remember, these two missiles cannot miss by a foot; they cannot miss by six inches. These missiles have to hit head-on. We cannot afford a missile miss with an incoming nuclear warhead.

What happened? Our intercept missile coming at 4 ½ miles per second, the incoming missile at 4 ½ miles per second, and we brought two speeding bullets together. That is a major accomplishment.

Do we know what is happening around the world? We have heard a lot of publicity lately. The Europeans, for example, Europe is ag NST that the United States would even think of abrogating the ABM Treaty, which I will discuss in detail here in a moment. Why would they think about building a missile defense system?

Well, let me, first of all, make it very clear to my colleagues that when we hear a report here to our missile defense system and we hear them say, the Europeans are opposed and it is going to break our relationships with the Europeans, let me tell my colleagues something; the Europeans are not unified in their opposition to our missile defense system; they are not unified in their opposition to a missile defensive system.

In fact, the leader of Italy has come out and not only strongly supports, but encourages, the United States of America to deploy a missile defensive system. Our good friends, the United Kingdom, the British, who are always at our side, have come forward. They support this President on building a missile defense system. Spain. Spain has taken a very careful look at the missile defense system.

Do we know what is going to happen? Count on it. Count on it. Just as sure as I am telling my colleagues today, we can count on it. Those European countries, one by one, will have to answer to their citizens why they do not have some type of protection, some kind of security blanket like the United States offers for its citizens and, one by one, those European countries will come across the line from opposing and from being a check mark in this box to my left of “no defense.” one by one, led by Italy and the United Kingdom and Spain right behind them, one by one, they will cross that territorial line and they will go into the defensive category. They will build, or not being able to figure that out.

Now, how many of those culprits are foreign countries or agents of foreign countries? We do not know. And we are not going to be able to figure that out. We have to have to do is just the same as we do for our computers. On our computers, we do not put our defense computer out there and say we are not going to build a shield against people who are trying to break into our computer system or put a bug in our system. Do we know what we do with our national computer systems, our defense computer systems, our military computer systems? We build a defense for the bug. We put in shields within our computer programming. We put in walls wherever we can. Those are the technical things; we put in walls to prevent those people from coming in.

What is the difference between an incoming missile and somebody trying to manipulate one of our computers, perhaps manipulate a computer to issue a false order regarding a military exercise, for example? So we have to worry about information warfare. We are addressing that as we speak right now. Obviously it is a priority of the military: How do we protect our communication systems? How do we protect our information systems? How do we protect our software?

The second threat is a terrorist threat. This is a tough one. Now, do
not let people say, well, missiles are not the real threat to this country, the real threat is somebody carries a vial of bacteria and they come to Washington, D.C. and drop it into the water supply. Well, of course it is a threat, but that is the third threat, and that is a missile-delivered attack right here, weapons of mass destruction, WMD. The delivery of a weapon of mass destruction attack, a biological weapon, a nuclear weapon, some other type of poisonous weapon.

Some are developing terrorist and missile capabilities. We know that is happening. I know on here: U.S. reserves the right to strike terrorist bases. We know this. We have to reserve that right. But my point with this poster is we really had that three-pronged attack, information attack, attack on our information systems, and we are building a defense for that. We have a defense in place. We constantly have to change that defense. Because if we put up a wall and somebody tries to figure out how to get around it. It happens thousands of times every year. It happens around the clock with the Pentagon's computers. We know it is happening.

Then we are discussing the terrorist threat, we are addressing that. We are building defenses against that. We were fortunate enough, for example, to catch a couple of years ago at the Canadian border through a lot of good luck, but nonetheless through a lot of good police work, we would be able to stop what could have been a horrible disaster at one of our airports. Of course, the missile delivered weapons of mass destruction. But what is happening? I have some of my colleagues on this House Floor who, in my opinion, with all due respect are in make-believe land when they think that we should not build a defensive system for our citizens, to give our citizens protection in this world, and that we can get in place against an incoming missile, whether launched by accident, or whether it is intentional.

Now, let us talk about the big roadblocks that some people have been putting up as a reason not to have a missile defense. It is called the Anti-ballistic Missile Treaty, the ABM Treaty. Let us just go over some of the basics of it. Let me tell my colleagues the basic thought pattern of the Anti-ballistic Missile Treaty. First of all, understand that this treaty was made almost 30 years ago. It was a treaty not between the United States and a number of other countries; it was a treaty made between the only two countries in the entire world, in 1972, there were only two countries in the entire world that could deliver a missile anywhere in the world; only two. It was the Soviet Union and the United States of America.

So in 1972, the Soviet Union, which, by the way, no longer exists, and the United States of America entered into a treaty. The thinking was that since there are only two countries in the world, the way to protect ourselves is we will both agree that we cannot defend ourselves. Now, how does that make sense? The theory being, we would be reluctant as the United States to fire a missile against the Soviet Union if we were prohibited from defending a retaliatory attack against us. In other words, we knew that any attack we made on Russia would be retaliated on, because we were not allowed to build a defense. That is the thinking behind the Anti-ballistic Missile Treaty.

Now, I do not agree with it. I do not think the thinking was very solid in 1972, but it did have some justification in thought in 1972 because it was built on the basic thought pattern of the Anti-ballistic Missile Treaty, the ABM Treaty. First of all, the Anti-ballistic Missile Treaty was not built on the premise that a number of countries in the world had the capability to deliver a missile anywhere in the world. This treaty, the antiballistic missile treaty, was built entirely on the premise that only two nations in the world had the capability to deliver a missile anywhere in the world. This treaty, the antiballistic missile treaty was not built on the premise that a number of countries in the world would have the capability to deliver a missile anywhere in the world, and that is the situation that is happening.

Mr. Speaker, we have had extraordinary circumstances which have changed in the last 30 years. Take a look at your car. Take a look at a car in 1972. There have been a lot of dramatic changes and we should not be afraid since 1972 to stand up; in fact, I think we have a responsibility to stand up to the people that we represent. Today, the threat to America, the threat to the citizens of America is a whole lot different and a whole lot more serious than the threat to citizens in 1972. We have an obligation as elected officials to make sure that our country stays up to speed; that our citizens do not drive 1972 cars and our citizens do not drive 1972 ABM defensive system or nonsystem to protect them.

Let us look at the treaty very quickly: again, the Anti-ballistic Missile Treaty. Each party agrees to undertake limited antiballistic missile systems, defensive missile systems, and to adopt other measures in accordance with the treaty. I am going to skip through here at this point.

The treaty, by the way, is not a comprehensive treaty. It is very easy to get your hands on. 3, 4, 5, 6 pages. It is not a treaty that is a big thick book like that, it is simply 4 or 5 or 6 pages. For the purposes of this treaty, it is a system, a defensive system, the ABM. Each party, and this is crucial language in the Anti-ballistic Missile Treaty: each party undertakes not to develop, test or deploy ABM defensive missile system, or components which are sea-based, air-based, space-based or mobile land-based.

Each party undertakes not to develop, test or deploy ABM defensive missile system, or components which are sea-based, air-based, space-based or mobile land-based.

What has happened? What is the rest of the treaty about? Let me bring up another part of the treaty.

Remember, this treaty was put together by scholars. This treaty contains within its four corners, within the four corners of the document, this treaty contains certain rights, certain rights bestowed upon the United States of America, certain rights bestowed upon the Soviet Union. Of those rights which is being wholesaley ignored by the rhetoric of the people who are trying to convince the American people that they should not defend themselves in the case of a missile attack, one of the arguments they put forward is ridiculous, to say the least.

What is that argument? Their argument is, oh, my gosh, if you want to abrogate or pull out of, if you want to pull out of the antiballistic missile treaty, that means the United States would start violating treaties all over the place. That means the United States walked away from treaty obligations. That means the United States broke their word on a treaty that they are a signatory to.

That is so inaccurate it borders right on the edge of inaccuracy and an outright lie. The treaty contains within its four corners the right for the United States of America or the right for the United States of America to pull out of the treaty. That is a right. It is not a breach of the treaty. It is not described as a breach of the treaty. It is a right that is bestowed by the language, specifically bestowed by the language.

Let us take a look at the specific language that I am speaking of. It is important that we go through this. Please, look at my poster here, Article 15 of the antiballistic missile treaty: "... this treaty shall be of unlimited duration."

Now, obviously I highlight this next section. This is the right of which I speak, which we can use. Any time we hear someone say we are breaking a treaty, we are not breaking any treaty. Someone who says we are walking away from a promise we made, that is baloney. This is the treaty right here. These are rights contained within it.

Let us go on.

Number two: "Each party shall,... shall, in exercising its national sovereignty have the right," the right, that is what I have been speaking about, "to withdraw from this treaty if it decides that extraordinary events, extraordinary events, and "extraordinary events," that is a key buzz word, "extraordinary events," and I am going to show some extraordinary events very shortly.

Let us go on: "If it decides that extraordinary events are to the subject matter of this treaty have jeopardized its supreme interests." That is another buzz word, "jeopardized."

Do we have in place, number one, extraordinary events, right here, extraordinary events; do we have a jeopardizing of our national sovereignty? Then, "It shall give notice of its decision to the other party 6 months prior..."
to the withdrawal of the treaty. Such notice shall include a statement of the extraordinary events the notifying party regards as having jeopardized its supreme interests.”

Thank goodness, the President of the United States, George W. Bush, understands that we cannot have this treaty and a missile defense at the same time. Thank goodness that the President of the United States, George W. Bush, understands that it is not a violation of the treaty to withdraw from it. It is not far-fetched to think the treaty to notify the other side that we will no longer, after a 6-month period of time, be held to the obligations of the treaty. Why? Because within the treaty it is a right for us to withdraw.

Fortunately, the people who drafted this treaty understood and had the foresight that future generations may have extraordinary events that jeopardize the sovereignty of their country, that threaten that sovereignty, which may be prevented as a basic right of this treaty to withdraw from the treaty.

Let us talk about what could jeopardize the United States of America and our sovereignty, and let us talk about what could be extraordinary events. Do Members know what I have a poster that I think explains it. A picture, as they say, is much better than words. Take a look at this poster.

Let us talk about an extraordinary event that took in his history in 1972, there were two nations in the world, the Soviet Union and the United States of America, that had the capability to deliver a missile anywhere in the world. No other country, no exception, no other country had the capability to deliver a missile anywhere else in the world.

Frankly, no one envisioned that for any reasonable period of time in the future that any other country in the world, except for the United States or Russia, would have the capability to deliver a missile anywhere in the world. No other country, no exception.

This is an extraordinary event. Clearly, what this poster depicts jeopardizes the national sovereignty of the United States of America. Let us take a look, extraordinary events: no longer just Russia, no longer what used to be the Soviet Union. Every one of these points: every one of these arrows, see the arrows here on the map, and they are small, Mr. Speaker, but all of these arrows point to one thing. They point to North Korea, they point to Pakistan, they point to India, they point to Israel, they point to China.

All of those countries I just named, every one of those countries has the capability to deliver a nuclear missile, to fire a nuclear missile. That is nuclear.

Let us continue. In addition, Iran, Iraq, Libya, all have ballistic missile technology that can deliver a chemical or a biological weapon. In other words, it is extraordinary that now there are not two countries but there are any number of countries in the world that can launch a nuclear missile.

I am going to show a poster a little later on to show exactly what North Korea could do to Alaska, for example. Members do not think with this kind of threat facing the United States of America, we do not think that as Congressmen of the United States, that we do not have some type of inherent commitment or obligation to duty or privilege with a protective shield. Of course we do. Failure to do that would be the grossest negligence in recent history of this country, in my opinion.

Let us move.

Do Members want to talk about extraordinary events, a threat or something that jeopardizes the future of the United States of America? Do Members want to see it? It is right here. If Members can take a look at it, and after looking at it, walk away and with a straight face say to any one of our constituents that the United States of America should not deploy a missile defense system, then that Member has just performed disfavor with and has brought discredit, discredit to the vision that one is obligated to provide for future generations in this country.

Ballistic missile proliferation, countries that we know today are possessing ballistic missiles. Remember, in 1972, 30 years ago, there were two nations, the United States and the Soviet Union. The treaty that those two nations signed between each other said that we are the two, and the way to defend that this does not get out of hand between us, let us put this treaty into effect.

But when we put this treaty into effect, if we think that if extraordinary events occur, as a right of this treaty, a basic right of this treaty, that jeopardize the national sovereignty of either the Soviet Union or the United States of America, we could walk out of the treaty and withdraw from the treaty. It is a breach of the treaty: it is a right of the treaty. Here we are. Take a look at it.

Ballistic missiles: Hungary, India, Iran, Iraq, Israel, China, Croatia, the Czech Republic, Egypt, France, North Korea, South Korea, Libya, Pakistan, Saudi Arabia, Russia, Ukraine, United Kingdom, Vietnam, Afghanistan, Argentina, Bulgaria. I think I mentioned Croatia. How much more proof do we need?

Where is the proof? Right here is the proof. We do not call this an extraordinary event? We do not think that this kind of map here, look at the blue. That is where there are ballistic missiles. Look at this little area right here, the United States of America, that its elected officials, that its President, should not build a defensive system that protects it from an incoming missile from any one of these countries, either accidental or intentional?

How can Members even step forward with that kind of an argument? There is only one choice we have. The extraordinary events that have occurred in the last 30 years offer us only one choice. That choice is, we have no option other than to build a defensive security system for the citizens of the United States of America. Failure to do so would be a dereliction of our duty and our oath, sitting here on the floor of the House of Representatives.

Let me just reemphasize another startling poster. Let me show something else, in case some of my colleagues are not convinced that extraordinary events have occurred since 1972. If some of my colleagues are not convinced that we face the jeopardizing of our national security, of our national interests, take a look at this poster, just in case they need convincing.

Nuclear proliferation, here we are. Every red spot on this map has the capability of delivering a nuclear missile into the United States of America. Let us look at the ones. We have high suspicion, I think probably verifiable, that we have countries who have that capability today.

They are Iran, maybe not the capability, but right on the edge; Iraq, right on the edge; North Korea, they possess the capability to hit the United States of America, first of all Alaska, and soon the coast of California; Libya.

Now add onto that back here Britain, nuclear missile capability; China; India; Israel; Russia; and the United States. There has been a proliferation, a proliferation of offensive nuclear weapons in this world. We as leaders have an obligation to step forward and provide for our citizens some type of defensive system.

I mentioned earlier about North Korea and the capability of North Korea. Let us look specifically at North Korea as an example. North Korea can currently reach Alaska with its missiles. It will only be a matter of time before they can reach the continental United States.

What do we mean by “a matter of time”? I mean a matter of months to maybe a few short years, if they do not already have the capability to launch a missile, a ballistic missile, against the continental United States. And remember, maybe not necessarily intentionally. For a little country like North Korea to intentionally launch a nuclear missile against the United States of America, suicidal thought, the United States would retaliate with a minimum amount of retaliation and wipe North Korea out.

So maybe North Korea would not fire intentionally a missile against the United States, but Pakistan? I think that North Korea has the type of fail-safe systems on their nuclear systems that we would feel comfortable with? I do not think they do.

So what if North Korea by accident, by accident hit the button and launched a missile against the United States of America? Do Members think we should be prepared for that kind of
consequence? Do Members think that it is responsibility that demands that we have that kind of preparedness? Of course it is. Look what happens.

Look at this right here. Look at the range. First they were here, then they got out to 1,500 kilometers, then out to 4,000 kilometers, and now where they are, 6,000 kilometers.

Let me ask the Members, how much more clear can a threat be? Again, for those who are not convinced that any country would ever launch intentionally against the United States, first of all, with due respect, I think they are being naive. But if in fact they truly believe that, how many can assure their constituents, can assure the American public or our allies or our friends that an accidental launch will never occur against the United States of America? They cannot do it, and they know they cannot do it.

Let us for a moment assume the unassumable, the worst kind of scenario, the next to a intentional launch. Let us assume that a nation that has the capability of hitting the core, hitting the middle of the United States or even the eastern border; let us take Philadelphia, for example. It fires a nuclear missile by accident against the United States, and the incoming missile will impact in Philadelphia. Let us say it is not a particularly big missile. It has two warheads on it.

As many know, nuclear missiles have multiple warheads on them. One of our submarines, a Trident submarine in the United States naval force, can deliver, what, 195 missiles because of the multiple missile warheads that we have?

Let us just say that just two of those, a small missile with two warheads on it, was fired accidentally against the city of Philadelphia.

What do we have? Take a look at this poster right to my left. I will tell my colleagues exactly what we have. We will have 410,000 people dead, 410,000 people dead in an accident that was preventable. Dead in an accident because we on the House floor, we in the Senate have neglected to give our President, in my opinion, the necessary support that he is demanding to protect the United States of America with a missile shield, a shield of protection. We have that obligation.

President Bush and the Vice President, Mr. Cheney, are practically begging us to give them support; not fight them. This is not a partisan issue. Now, some people are trying, as usual, to say that out of 500 tests of a missile defense system are war mongers. But the fact is this is about as strong a non-partisan issue as exists in the United States House of Representatives today. This is not an issue of the Republicans protecting the United States of America who want a protection shield and the Democrats refusing to protect the United States of America. This is an issue that crosses party lines. This is a responsibility placed squarely on the shoulders of every one us sitting in this room.

For those of my colleagues who are refusing to carry the weight that has been placed on their shoulders, defending this country, I just want to say, why don't you stand up and say it to me? Why don't I say on you. Because someday, some day that is going to happen. Those fortunate to be a survivor had darn well better be able to look in the mirror and say, I did what I could for the citizens of America to protect them from exactly what is depicted on this poster to my left.

Now, how does a missile defense system work? I want to show how we can do it. Technologically, this is going to be done. Technologically, future generations are going to have the capability to do exactly what I am saying needs to be done, and that is to provide a system in this country for defense. How does it work? Let us take a look.

Space-based. Take a look. We know we are going to have a space-based unit. Why? Because a space-based unit, or that staging of our missile defensive system, allows us to do a couple of things. One, satellites we can move. Satellites are not stationary. If we see a threat arising in Pakistan or we see a threat arising in North Korea, we can move our satellite so that satellite is over that country, so that the laser beam that would come out of that satellite, and, using our technology, the laser beam that can come out of that satellite can be shifted around. It is a mobile defense.

What is the other big advantage of having a mobile defense? The other big advantage is we can stop that missile on its launching pad. How many of these countries would want to have a missile preparing to fire against the United States only to face the threat that the United States could fire an instantaneously and destroy the missile on its pad, meaning that that missile would go off in their country instead of its intended target, the United States of America. That is why we have to have a space-based ingredient in this missile defense system.

The second point. Sea-based. We have to have the capability to hit that missile, if the missile is successfully launched either intentionally or by accident off its launching pad, and we are not able to stop it on the launching pad as it heads over the ocean, we need to have the capability from a ship-based defensive system to take that missile down while it is over the ocean.

Now, we will have wind currents and things like that, but the minimal amount of casualties will occur if we somehow bring that missile down even without exploding it or deto nating it. If we could hit it with some type of laser or some type of device to bring it down without detonation. And if we have to do that, we need to do it somewhere over the ocean where, obviously, we do not have a heavy population.

But let us say it goes beyond that. Air-based. Here is a good demonstration. Here is our laser-based satellite. This is the incoming missile. Now, remember, this entire period of time may take, at a maximum, probably 30 minutes. If you go from the United States. We also need an airborne laser so that if we miss it on our satellite laser, if we miss it on our sea-based laser, we still have the capability from aircraft to fire a laser rendering the incoming missile nonfunctional.

And then finally, over here on the end, we have our command and control. We have an interceptor missile. That is the type of missile I was talking about earlier where we had a successful test 3 weeks ago. Now, some people, and I do not understand their argument, but some people are saying, look, if we have a failure, if the test does not work, we should abandon a missile defense system.

Give me a break. Give me a break. How many times did we have to try surgery or try the new invention of a machine, how many times did the Wright brothers and fail to get in those airplanes and figure out accident after accident after accident, test after test after test how to improve it, how to make it work? That is exactly what we have here. Not all our tests are going to be successful. We know that. And we need to admit it up front. Last week we had a successful test. We are going to have more success in the future. And eventually, and I mean in short order, I think in a matter of years with the leadership of our President and the support of this Congress, and the support of future Congresses, through testing and through dedication and through resources and research, we will have fulfilled our duty by developing, from a technological point of view, a missile defense system.

So let me review what I think are a few very, very important points. Let us start out with a premise. We have an anti-ballistic missile treaty that is called the ABM Treaty. This treaty was executed in 1972. It was negotiated in the late 1960s and the early 1970s, and, again, executed in 1972. Now, at that point in time two countries in the world, two countries in the world, the Soviet Union and the United States of America, were the only countries that had the capability to deliver a missile anywhere they wanted in the world.

At that point in time, not China, not North Korea, not Pakistan, not India, not Pakistan, not Argentina, not Israel, none of these countries were thought to have at any time in the near future the capability to fire a missile, a nuclear missile, anywhere in the world.

But let me step back just for a moment. The vision of the people who negotiated this treaty on both sides of the treaty was that there could be extraordinary circumstances, for example, other countries having the capability to deliver missiles; for example, many other countries developing nuclear capability; for example, the acts
of terrorism that we have seen in these last few years. Those are extraordinary events. And the drafters of this treaty understood, and though I do not agree with the premise under which they drafted this treaty, they understood there might be extraordinary events that threatened the national sovereignty of a country. And if that occurred, it should be a fundamental right, a basic right contained within the four corners of that treaty, that allowed a country, a United States or a Soviet Union, to withdraw from the treaty.

And that is exactly where we are today. We have no choice, in my opinion, but to withdraw from this treaty, and we have no choice but to offer protection to the American people.

What has happened in these 30 years? We know, from my earlier graph that I showed, that nuclear proliferation now exists throughout the world. We know that the probability of a missile attack against the United States, either intentionally or accidentally, is going to occur at some point. In fact, every day that goes by gives us 1 more day to make sure that when that missile attack occurs or when that accidental launch occurs, we are prepared to defend against it.

Now, if we fail, for example, and the worst failure or the worst scenario I can imagine is some country, because they do not have the fail-safe mechanism that our country has, accidentally or accidentally, or by design against the United States. Under those circumstances, right now our only response really is to do nothing, which no President is going to do when you lose hundreds of thousands of people, or to retaliate.

Mr. Speaker, no President is going to go without retaliation. So if anything, you would have to have a missile defense system in place so that an accidental launch does not start World War III. So if someone launches against the United States, or if somebody launches against an ally of the United States of America, or let us take it further, let us say some country accidentally launches against an enemy country, let us say someone launches against North Korea, the United States of America, our vision will allow our country to have the capability. We find out from our command center that India has by accident just launched a missile against North Korea; we should have the capability to stop that missile so it does not even hit a country like North Korea throughout the world which can prevent a horrible disaster from occurring, only if, however, my colleagues on this House floor support the President of the United States in demanding that this country forthwith deploy a missile defense system on behalf of the citizens of the United States of America.

That is an accidental launch. Let us talk about an intentional launch. Do you think you will continue to see in the future a proliferation of missiles if the people building the missiles know there is a system in the country that will stop their missiles on the launching pad? That there is a system that the United States of America possesses that will not only stop an incoming missile, but hitting the United States or an ally, but is so technically advanced that they can destroy their missile on their launching pad? How many more missiles do you think they will build?

The vision that I have for the future, for my children's generation, for my grandchildren's generation is that they will look back at us and say, missiles were those useless things back then. Nobody has any use for a missile today because anytime a missile goes off, it is stopped instantaneously. That is the goal.

We should not stand by some treaty that says the way to stop proliferation of missiles in the future is not to defend against them. Give me a break. That is like saying the way to stop the spread of cancer is not to take any chemotherapy. Do not offer chemotherapy as a threat, and maybe then people will stop smoking. That does not make any sense at all. We cannot do anything without a vision. It does not make any sense at all to the way, the theory to stop missile proliferation is not to defend against it.

By the way, there are only two countries in the world subject to the antiballistic missile treaty. India is not subject to it. North Korea is not subject to it. China is not, Pakistan is not, Israel is not subject to it. Only two countries: the United States of America and the old Soviet Union. The day has arrived, colleagues. The responsibility has arrived. The duty has arrived. We owe it to the people of America. We owe it to the people of the world to build a missile defense system. We have the technology, or we will secure the technology within the no-too-distant future.

I cannot look at any of you more seriously than I look at you this evening to say that your failure to help this Nation build a missile defense system for its citizens and for the people of the world is a gross dereliction of duty and responsibility bestowed upon you when you took the oath to serve in the United States Congress.

PRESIDENT'S ENERGY POLICY IS HUGE MISSED OPPORTUNITY

The SPEAKER pro tempore (Mr. KELLER). Under the Speaker's announced policy of January 3, 2001, the gentleman from Washington (Mr. INSLEE) is recognized to address the House not beyond midnight.

Mr. INSLEE. Mr. Speaker, I do not normally participate in Special Orders, especially after midnight, but there is something that the House is going to consider tomorrow that I believe we are heading in the wrong direction on, to wit, the President's energy policy, that I felt compelled to come here this evening to speak about this huge missed opportunity that this energy policy represents.

Mr. Speaker, as I was walking over here this evening thinking about what I was going to say to the leadership when John F. Kennedy stood right behind me at the rostrum and said that America, this was back in the early sixties, said America should put a man on the moon and bring him home safely within the decade. A huge challenge at that time before computers were existent and we had multistage rockets, an enormous visionary challenge to America to move forward on a technological basis, even though some of the technology was not there yet. President Kennedy understood the space race and the potential capability of the country to move forward, and challenged America with a policy.

The President's energy policy, unfortunately, does not challenge America to do anywhere. There is nothing in this energy policy, which we will vote on tomorrow in this Chamber, is a continuation of the last 100 years of old technology.

I would like to address, Mr. Speaker, why that policy misses so many golden opportunities. Let me say simply that a summary of this energy policy would be simple. It is of the oil and gas companies, it is by the oil and gas companies, and it is for the oil and gas companies. In ways that should be obvious to anyone who will look at this plan, will realize that the oil and gas companies should smile giant smiles when they consider the enormous giveaways by the American taxpayer to this old industry.

Of the $33 billion of taxpayer money that essentially is handed out through tax incentives and royalty relief, fully 70 percent or more goes to fossil fuel-based industries, our old technological base. Royalty relief in the millions of dollars to excuse payments that are owed by oil and gas companies to the American taxpayers are written off the books, just excused. Billions of dollars in tax incentives, not for a new industry on the cutting edge of technology but for something that has been doing for over 100 years, drilling holes in the ground to get oil and gas. This may have been a good policy in 1901, 100 years ago. It may have made sense when we needed to perfect technology, and drilling holes in the ground where we needed to give incentives to the automobile industry. But this massive give away encapsulated in this bill is now 100 years out of date. It is a perfect energy plan for a different century.

Mr. Speaker, we would like to make efforts to change that. I have offered an amendment with a Republican colleague of mine, the gentleman from
Connecticut (Mr. SHAYS), and I offered an amendment to try to reorient some over to clean fuels that do not burn carbon and to give people breaks when they buy an energy-efficient car or build an energy-efficient house, to help the geothermal industry, to help get more efficient systems to shift just a portion of those tax give-aways to the oil and gas industries over to these new cutting-edge technologies.

What happened? We are told as of this moment at least, the majority party will not allow us to even vote on that issue. That is wrong. Mr. Speaker, for the U.S. House not to get to vote on the distribution of these tax incentives.

It is interesting because we are told we are going to be allowed a vote on some other things. What I think proves and oil and gas has said, “Well, you can vote on these policy issues, but don’t touch my money. Don’t let anybody else have a fair crack at these tax incentives.” That is wrong.

The second issue I want to address as to why this energy policy is such a missed opportunity is 3 weeks ago, I was on the shores of the Aichilik River up in the Arctic National Refuge, the national refuge established during the Eisenhower administration. I went there to take a look at this refuge and see in fact whether it is something that America ought to preserve. I also spent a day at the Prudhoe Bay oil field taking a look at what an oil field looks like. I came away with two very distinct impressions after 4 days up on the shores of the Arctic. Number one, this Arctic National Refuge that the President wants to violate is the largest intact ecosystem in America. The President is asking us to create an oil field in the very heart of the most pristine area left in America, an area where the largest caribou herd in North America has its calving grounds. He wants us to put oil processing facilities right smack dab where the porcupine caribou herd, wrong, calving grounds. That is one in their incredible migration over hundreds of miles across Alaska and Canada. The biologists have told us that that could damage the caribou herds. I saw birds from every one of the 50 States in the union, the most prof- lific bird life I have ever seen. I have tramped around a lot of back country in this country.

Simply put, this is an intact eco-system that is unique. I came away concluding that what Dwight David Eisenhower had proposed and George W. Bush should not put under. The other reason for that is taking a look at Prudhoe Bay, although I saw some peo-
But instead of even allowing that, this bill has fully three-quarters, three-quarters, of all the tax incentives of $33 billion go to the industry that is responsible for putting global climate change gases into the air, the oil and gas and coal industries. Instead of going forward with new technologies, they want to go backward and ignore this problem of global climate change.

Mr. Speaker, I want to tell you, I am afraid the White House is way behind the American public on this. The American public that I am talking about do get it when it comes to global climate change. They want to see reasonable actions taken. They want to see research taking place. But, instead of that, this administration has given their political friends 75 percent of all the benefits in this bill, instead of the technologies that could fully move us forward to deal with global climate change. A tremendous missed opportunity.

The sixth issue, and here is a small issue. I will tell you how maybe small things add up. We have introduced a bill that actually has had some bipartisan support called the Home Energy Savings Act. This would allow Americans when they generate electricity in their home or their small business through solar or wind or other fuel cell technology, it would allow them to sell electricity back to the grid. Your meter, when you do this, would run backwards. If you are not using the energy, you sell it back to the utility. Our bill would say to the utility, it has to buy it back from you. A reasonable request.

It is very important to the development of these technologies, solar, wind, fuel cell technology, these distributed energy technologies, it is important because those are the industries that do not contribute global climate change gases. It is a small suggestion, but I guess because oil and gas does not like it, it might reduce a little bit our demand for oil and gas and coal, we do not find it in this bill. We do not even get to do that. That is wrong. We ought to do some common sense measures on this.

Seventh, here we have a chance for America to lead on these new technologies by having the U.S. Government buy new technologies. Does it not make sense when the U.S. Government is one of the biggest purchasers of equipment in the world to have the U.S. Government lead by buying fuel efficient vehicles, by buying energy efficient electrical appliances, by making sure that our transmission systems are efficient when we do it for the U.S. Government? Does that not make sense, when the climate is changing?

But, no, this bill does not address that issue. Give us in the United States Government lead. The only thing the President proposed is to buy a little tiny thing that turns your VCR off when you are not using it. That is a good idea, I suppose, but maybe we could be more effective if we have the U.S. Government buy new fuel efficient vehicles, which we do not do.

We are trying to expect Americans to conserve electricity and use efficient vehicles, and the U.S. Government does not do it. Tomorrow we hope the majority party will support it. But, again, a missed opportunity of the energy bill.

Finally, the eighth point I want to make, we have had an energy crisis on the West Coast. I am from the State of Washington. People I represent have seen their energy prices go up 50, 60 percent, and they are going to go up more possibly as a result of this energy crisis. From the beginning, the President has simply said it is a California problem. I am not going to help. He has done a good job of not helping.

We still need some help. I will tell you what we need; we need refunds. The people I represent have been gouged in their electrical bills. For 7 months now we have been beating a drum in this House and outside of this building to ask the administration to lift a finger to help the West Coast, lift a finger to help the Home Energy Savings Act. Out of the hangs this drum, the Federal Energy Regulatory Commission finally issued a ruling that they want to move forward with evidentiary hearings to set a price so that in certain circumstances it is not too high. They also finally suggested that we have refunds, at least to the California citizens.

Well, we want to make sure that the energy bill makes sure that this happens, not just in California, but in Washington and Oregon as well. Why should not folks in Washington who have been overcharged for electricity have refunds as well as those in California? We have dragged the administration kicking and screaming to do something about this, but this energy bill needs to put it in law so that no one can backslide in this regard.

So, tonight I have offered eight things, and I suspect there are more that need fixing in this bill. We are going to give it every single energy we can tomorrow to try to fix this bill. But, Mr. Speaker, from what I have heard tonight, we will be denied an opportunity to even vote on quite a number of these subjects. I think that is wrong.

We think this country is not a desperate country. We do not think we are a desperate people. We think we are a creative people. We think we are an optimistic people. We think we are a positive people. We are positive there are things we can do to get us out of this energy pickle, get us out of this global climate change problem, if we just look at the future instead of adopting an energy policy for the past.

Tomorrow we will have a chance to move for that future if we fix this bill, and reject it if it is not adequately. It is an opportunity we ought to seize.
Tuesday, July 31, 2001

Daily Digest

HIGHLIGHTS

Senate passed Legislative Branch Appropriations Act.

Senate

Chamber Action

Routine Proceedings, pages S8403–S8497

Measures Introduced: Fourteen bills and five resolutions were introduced, as follows: S. 1272–1285, S. Res. 142–144, and S. Con. Res. 62–63.

Measures Passed:

Commending James W. Ziglar: Senate agreed to S. Res. 144, commending James W. Ziglar for his service to the United States Senate.

Legislative Branch Appropriations: Senate passed H.R. 2647, making appropriations for the Legislative Branch for the fiscal year ending September 30, 2002, after striking all after the enacting clause and inserting in lieu thereof the text of S. 1172, Senate companion measure, as amended.

Senate insisted on its amendment, requested a conference with the House thereon, and the Chair was authorized to appoint the following conferees on the part of the Senate: Senators Durbin, Johnson, Reed, Byrd, Bennett, Stevens, and Cochran.

Subsequently, pursuant to the order of July 19, 2001, passage of S. 1172 be vitiated and the bill be returned to the Senate calendar.

Human Methods of Slaughter Act Enforcement: Committee on Agriculture, Nutrition, and Forestry was discharged from further consideration of S. Con. Res. 45, expressing the sense of the Congress that the Humane Methods of Slaughter Act of 1958 should be fully enforced so as to prevent needless suffering of animals, and the resolution was then agreed to.

Emergency Agriculture Assistance Act: Senate continued consideration of S. 1246, to respond to the continuing economic crisis adversely affecting American agricultural producers, taking action on the following amendments proposed thereto:

Adopted:
Allard Amendment No. 1188, to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

Rejected:
Lugar Amendment No. 1190, in the nature of a substitute. (By 52 yeas to 48 nays (Vote No. 261, Senate tabled the amendment.)

Withdrawn:
Specter/Landrieu Amendment No. 1191, to reauthorize the consent of Congress to the Northeast Interstate Dairy Compact and to grant the consent of Congress to the Southern Dairy Compact, a Pacific Northwest Dairy Compact, and an Intermountain Dairy Compact.

Pending:
Lugar Amendment No. 1212, in the nature of a substitute.

Voinovich Amendment No. 1209, to protect the social security surpluses by preventing on-budget deficits.

A unanimous-consent agreement was reached providing for further consideration of the bill at 10 a.m., on Wednesday, August 1, 2001.

Department of Transportation Appropriations—Agreement: A unanimous-consent agreement was reached providing for further consideration of H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, at 11 a.m., on Wednesday, August 1, 2002, with a vote on the motion to close further debate on the bill.
Appointments:

**British-American Interparliamentary Group:** The Chair, on behalf of the President pro tempore, and upon the recommendation of the Republican Leader, pursuant to 22 U.S.C. 2761, as amended, appointed Senator Cochran as Vice Chairman of the Senate Delegation to the British-American Interparliamentary Group during the 107th Congress.

**NATO Parliamentary Assembly:** The Chair, on behalf of the Vice President, in accordance with 22 U.S.C. 1928a–1928d, as amended, appointed Senator Gordon Smith as Vice Chairman of the Senate Delegation to the NATO Parliamentary Assembly during the 107th Congress.

**Messages From the President:** Senate received the following messages from the President of the United States:

- Transmitting, pursuant to law, the Report on the National Emergency with Respect to Iraq; to the Banking, Housing, and Urban Affairs. (PM – 38)
- Transmitting, pursuant to law, the report of the Continuation of Iraqi Emergency; to the Banking, Housing, and Urban Affairs. (PM – 39)

**Nominations Confirmed:** Senate confirmed the following nominations:

- James W. Ziglar, of Mississippi, to be Commissioner of Immigration and Naturalization.

**Nominations Received:** Senate received the following nominations:

- John F. Turner, of Wyoming, to be Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs.
- Martin J. Silverstein, of Pennsylvania, to be Ambassador to the Oriental Republic of Uruguay.
- John N. Palmer, of Michigan, to be Ambassador to the Republic of Portugal.
- Bonnie McElveen-Hunter, of North Carolina, to be Ambassador to the Republic of Latvia.
- Brian E. Carlson, of Virginia, to be Ambassador to the Republic of Latvia.
- Matrie R. Sharpless, of North Carolina, to be Ambassador to the Central African Republic.
- R. Barrie Walkley, of California, to be Ambassador to the Republic of Guinea.
- John W. Suthers, of Colorado, to be United States Attorney for the District of Colorado for the term of four years.
- Anna Mills S. Wagoner, of North Carolina, to be United States Attorney for the Middle District of North Carolina for the term of four years.

Thomas E. Moss, of Idaho, to be United States Attorney for the District of Idaho for the term of four years.

William Walter Mercer, of Montana, to be United States Attorney for the District of Montana for the term of four years.

Michael G. Heavican, of Nebraska, to be United States Attorney for the District of Nebraska for a term of four years.

Todd Peterson Graves, of Missouri, to be United States Attorney for the Western District of Missouri for the term of four years.

John L. Brownlee, of Virginia, to be United States Attorney for the Western District of Virginia for the term of four years.

Paul K. Charlton, of Arizona, to be United States Attorney for the District of Arizona for the term of four years.

Fred L. Dailey, of Ohio, to be a Member of the Board of Directors of the Federal Agricultural Mortgage Corporation.

Grace Trujillo Daniel, of California, to be a Member of the Board of Directors of the Federal Agricultural Mortgage Corporation.

John J. Danilovich, of California, to be Ambassador to the Republic of Costa Rica.

Gilbert G. Gallegos, of New Mexico, to be a Commissioner of the United States Parole Commission.

Kent R. Hill, of Massachusetts, to be an Assistant Administrator of the United States Agency for International Development.

Leslie Lenkowsky, of Indiana, to be Chief Executive Officer of the Corporation for National and Community Service.

Cranston J. Mitchell, of Missouri, to be a Commissioner of the United States Parole Commission.

Mary E. Peters, of Arizona, to be Administrator of the Federal Highway Administration.

Marie F. Ragghianti, of Maryland, to be a Commissioner of the United States Parole Commission.

Edward F. Reilly, of Kansas, to be a Commissioner of the United States Parole Commission.

Marvin R. Sambur, of Indiana, to be an Assistant Secretary of the Air Force.

3 Army nominations in the rank of general.

2 Navy nominations in the rank of admiral.

A routine list in the Marine Corps.

**Executive Communications:**

**Petitions and Memorials:**

**Messages From the House:**

**Measures Referred:**

**Measures Placed on Calendar:**

**Statements on Introduced Bills:**
Committee Meetings

(Federal not listed did not meet)

FEDERAL FARM BILL

Committee on Agriculture, Nutrition, and Forestry: Committee held hearings on the conservation provisions of the proposed Federal farm bill, focusing on conservation programs to assist landowners and operators to manage and protect their land and water resources, receiving testimony from Lee Klein, Battle Creek, Nebraska, on behalf of the National Corn Growers Association and the American Soybean Association; George Dunklin, Jr., DeWitt, Arkansas, on behalf of the U.S. Rice Producers’ Group; Gary Mast, Millersburg, Ohio, on behalf of the National Association of Conservation Districts; Dave Serfling, Preston, Minnesota, on behalf of the Land Stewardship Project; and Mark Shaffer, Defenders of Wildlife, Washington, D.C.

Hearings recessed subject to call.

APPROPRIATIONS—MILITARY CONSTRUCTION

Committee on Appropriations: Subcommittee on Military Construction concluded hearings on proposed budget estimates for fiscal year 2002 for military construction programs, after receiving testimony in behalf of funds for their respective activities from Dov S. Zakheim, Under Secretary of Defense (Comptroller); Raymond P. DuBois, Deputy Under Secretary of Defense for Installations and Environment; John Molino, Deputy Assistant Secretary of Defense for Military Community and Family Policy; Patricia Sanders, Deputy Director for Test, Simulation, and Evaluation, Ballistic Missile Defense Organization; Lt. Gen. William Tangney, USA, Deputy Commander in Chief, Special Operations Command; Maj. Gen. Leonard M. Randolph, Jr., USAF, Deputy Executive Director, TRICARE Management Activity; Paul Johnson, Deputy Assistant Secretary of the Army for Installations and Housing; Maj. Gen. Robert L. Van Antwerp, USA, Assistant Chief of Staff for Installation Management; Brig. Gen. Michael J. Squier, ANG, Deputy Director, Army National Guard; and Maj. Gen. Paul C. Bergson, USAR, Military Deputy (Reserve Components), Deputy Under Secretary of the Army for International Affairs, United States Army Reserve.

NOMINATIONS

Committee on Armed Services: Committee concluded hearings on the nominations of John P. Stenbit, of Virginia, to be Assistant Secretary for Command, Control, Communication and Intelligence, and Ronald M. Sega, of Colorado, to be Director of Defense Research and Engineering, both of the Department of Defense, Michael L. Dominguez, of Virginia, to be Assistant Secretary for Manpower and Reserve Affairs, and Nelson F. Gibbs, of California, to be Assistant Secretary for Installations and Environment, both of the Department of the Air Force, Michael Parker, of Mississippi, to be Assistant Secretary for Civil Works, and Mario P. Fiori, of Georgia, to be Assistant Secretary for Installations and Environment, after the nominees testified and answered questions in their own behalf. Mr. Sega was introduced by Senator Lott, Mr. Parker was introduced by Senators Lott and Cochran, Mr. Fiori was introduced by Senators Cleland and Thurmond, and Mr. Johnson was introduced by Senators Warner and Thurmond.

AUTHORIZATION—NAVY SHIPBUILDING PROGRAMS

Committee on Armed Services: Subcommittee on SeaPower concluded hearings on proposed legislation authorizing funds for fiscal year 2002 for the Department of Defense and the Future Years Defense Program, focusing on Navy shipbuilding programs, after receiving testimony from John J. Young, Jr., Assistant Secretary of the Navy for Research, Development, and Acquisition; and Adm. William J. Fallon, USN, Vice Chief of Naval Operations.

SPECTRUM MANAGEMENT

Committee on Commerce, Science, and Transportation: Subcommittee on Communications concluded hearings to examine the issues of spectrum management and 3rd generation wireless service, focusing on tools to ensure the availability of spectrum for the rapid deployment of new advanced technologies such as the development of Third Generation wireless, and the promotion of spectrum efficiency in order that this scarce resource is put to its most valuable use, after receiving testimony from William T. Hatch, Acting
Assistant Secretary of Commerce for Communications and Information; Julius P. Knapp, Deputy Chief, Office of Engineering and Technology, Federal Communications Commission; Linton Wells II, Acting Assistant Secretary of Defense for Command, Control, Communications and Intelligence; Dennis F. Strigl, Verizon Wireless, Bedminster, New Jersey; Carroll D. McHenry, Nucentrix Broadband Networks, Inc., Carrollton, Texas; Mark C. Kelley, Leap Wireless International, Inc., San Diego, California; Thomas E. Wheeler, Cellular Telecommunications and Internet Association, Washington, D.C.; and Martin Cooper, ArrayComm, Inc., San Jose, California.

NATIONAL PARKS
Committee on Energy and Natural Resources: Subcommittee on National Parks concluded hearings on S. 689, to convey certain Federal properties on Governors Island, New York, S. 1175, to modify the boundary of Vicksburg National Military Park to include the property known as Pemberton’s Headquarters, S. 1227, to authorize the Secretary of the Interior to conduct a study of the suitability and feasibility of establishing the Niagara River National Heritage Area in the State of New York, and H.R. 601, to ensure the continued access of hunters to those Federal lands included within the boundaries of the Craters of the Moon National Monument in the State of Idaho pursuant to Presidential Proclamation 7373 of November 9, 2000, and to continue the applicability of the Taylor Grazing Act to the disposition of grazing fees arising from the use of such lands, after receiving testimony from Senator Clinton and former Senator Moynihan; Representatives LaFalce and Simpson; Denis P. Galvin, Deputy Director, National Park Service, Department of the Interior; F. Joseph Moravec, Commissioner, Public Buildings Service, General Services Administration; Bernadette Castro, New York State Office of Parks, Recreation and Historic Preservation, and H. Claude Shostal, Regional Plan Association, both of New York; John C. Drake, City of Niagara Falls, Niagara Falls, New York; and Jane Thompson, Thompson Design Group, Boston, Massachusetts.

NOMINATIONS
Committee on Finance: Committee concluded hearings on the nominations of Robert C. Bonner, to be Commissioner of Customs, and Rosario Marin, to be Treasurer of the United States, both of California, both of the Department of the Treasury, Jon M. Huntsman, Jr., of Utah, to be a Deputy United States Trade Representative, with the rank of Ambassador, and Alex Azar II, of Maryland, to be General Counsel, and Janet Rehnquist, of Virginia, to be Inspector General, both of the Department of Health and Human Services, after the nominees testified and answered questions in their own behalf. Mr. Huntsman and Ms. Rehnquist were introduced by Senator Hatch.

NOMINATIONS
Committee on Foreign Relations: Committee concluded hearings on the nominations of Vincent Martin Battle, of the District of Columbia, to be Ambassador to the Republic of Lebanon, Edward William Gnehm, Jr., of Georgia, to be Ambassador to the Hashemite Kingdom of Jordan, Edmund James Hull, of Virginia, to be Ambassador to the Republic of Yemen, Richard Henry Jones, of Nebraska, to be Ambassador to the State of Kuwait, Theodore H. Kattouf, of Maryland, to be Ambassador to the Syrian Arab Republic, Maureen Quinn, of New Jersey, to be Ambassador to the State of Qatar, R. Nicholas Burns, of Massachusetts, to be United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank and status of Ambassador, Daniel R. Coats, of Indiana, to be Ambassador to the Federal Republic of Germany, Craig Roberts Stapleton, of Connecticut, to be Ambassador to the Czech Republic, Johnny Young, of Maryland, to be Ambassador to the Republic of Slovenia, Richard J. Egan, of Massachusetts, to be Ambassador to Ireland, Nancy Goodman Brinker, of Florida, to be Ambassador to the Republic of Hungary, Robert Geers Loftis, of Colorado, to be Ambassador to the Kingdom of Lesotho, Joseph Gerard Sullivan, of Virginia, to be Ambassador to the Republic of Zimbabwe, Christopher William Dell, of New Jersey, to be Ambassador to the Republic of Angola, Carole Brookins, of Indiana, to be United States Executive Director of the International Bank for Reconstruction and Development, Ross J. Connelly, of Maine, to be Executive Vice President of the Overseas Private Investment Corporation, Jeanne L. Phillips, of Texas, to be Representative of the United States of America to the Organization for Economic Cooperation and Development, Randal Quarles, of Utah, to be United States Executive Director of the International Monetary Fund, and Patrick M. Cronin, of the District of Columbia, to be Assistant Administrator for Policy and Program Coordination, United States Agency for International Development, after the nominees testified and answered questions in their own behalf. Mr. Gnehm was introduced by Senators Hollings and Enzi, Mr. Burns was introduced by Senators Sarbanes and Kennedy, former Senator Coats was introduced by Senator Lugar, Mr. Egan was introduced by Senators Kennedy and Kerry, and Ms. Brinker and Ms. Phillips were introduced by Senator Hutchison.
NOMINATION
Committee on Governmental Affairs: Committee concluded hearings on the nomination of Daniel R. Levinson, of Maryland, to be Inspector General, General Services Administration, after the nominee testified and answered questions in his own behalf.

ASBESTOS CONTAMINATION AND SAFETY
Committee on Health, Education, Labor, and Pensions: Committee concluded hearings to examine workplace safety and asbestos contamination, focusing on the combined authority and efforts of the Occupational Safety and Health Administration, Mine Safety and Health Administration, and the Environmental Protection Agency to prescribe and enforce regulations to prevent health risks to workers from exposure to airborne asbestos, after receiving testimony from Senator Baucus; Representative Rehberg; David D. Lauriski, Assistant Secretary for Mine Safety and Health, and R. Davis Layne, Acting Assistant Secretary for Occupational Safety and Health, both of the Department of Labor; Kathleen M. Rest, Acting Director, National Institute for Occupational Safety and Health, Centers for Disease Control and Prevention, Department of Health and Human Services; Michael Shapiro, Acting Assistant Administrator, Office of Solid Waste and Emergency Response, Environmental Protection Agency; Richard Lemen, Emory University Rollins School of Public Health, Atlanta, Georgia, former Assistant Surgeon General of the United States; John Addison, John Addison Consultancy, Edinburgh, Scotland; Michael R. Harbut, Wayne State University School of Medicine, Detroit, Michigan, on behalf of the Center for Occupational and Environmental Medicine; Alan Whitehouse, Klock and Whitehouse, Spokane, Washington; Ned Gumble, Virginia Vermiculite, and David Pinter, both of Louisa, Virginia; and George Biekkola, L'Anse, Michigan.

INDIAN HEALTH CARE
Committee on Indian Affairs: Committee concluded hearings on proposed legislation to revise and extend programs of the Indian Health Care Improvement Act, focusing on the challenges confronting the Indian Health Service, tribally-administered health care programs, and urban Indian health care programs with regard to recruiting and retaining health care professionals, after receiving testimony from William C. Vanderwagen, Acting Chief Medical Officer, Indian Health Service, Department of Health and Human Services; Barry T. Hill, Director, Natural Resources and Environment, General Accounting Office; Michael E. Bird, American Public Health Association, Albuquerque, New Mexico, on behalf of the Friends of Indian Health; Robert Hall, National Council of Urban Indian Health, Washington, D.C.; Anthony Hunter, American Indian Community House, Inc., New York, New York; Carole Meyers, Missoula Indian Center, Missoula, Montana; Martin Waukazo, Urban Indian Health Board, Inc., San Francisco, California, on behalf of the Native American Health Centers; and Kay Culbertson, Denver Indian Health and Family Services, Denver, Colorado.

NOMINATIONS
Committee on the Judiciary: Committee concluded hearings on the nomination of Robert S. Mueller III, of California, to be Director of the Federal Bureau of Investigation, Department of Justice, after the nominee, who was introduced by Senators Boxer and Feinstein, testified and answered questions in his own behalf.

House of Representatives

Chamber Action
Bills Introduced: 15 public bills, H.R. 2678–2692; and 3 resolutions, H. Con. Res. 204, 206–207, were introduced.

Reports Filed: Reports were filed as follows:

H.R. 2603, to implement the agreement establishing a United States-Jordan free trade area, amended (H. Rept. 107–176, Pt. 1);

H.R. 2460, to authorize appropriations for environmental research and development, scientific and energy research, development, and demonstration, and commercial application of energy technology programs, projects, and activities of the Department of Energy and of the Office of Air and Radiation of the Environmental Protection Agency, amended (H. Rept. 107–177);

H. Res. 216, providing for consideration of H.R. 4, to enhance energy conservation, research and development and to provide for security and diversity in the energy supply for the American people (H. Rept. 107–178); and
H. Res. 217, providing for consideration of motions to suspend the rules (H. Rept. 107–179).

Guest Chaplain: The prayer was offered by the guest Chaplain, Rev. Monsignor John Brenkle, St. Helena Catholic Church of St. Helena, California.

Journal: Agreed to the Speaker’s approval of the Journal of July 31 by recorded vote of 359 ayes to 44 noes with 1 voting “present,” Roll No. 299.

Recess: The House recessed at 9:40 a.m. and reconvened at 10 a.m.

Suspensions: The House agreed to suspend the rules and pass the following measures:

United States-Jordan Free Trade Area: H.R. 2603, amended, to implement the agreement establishing a United States-Jordan free trade area;

Veterans Benefits Act of 2001: H.R. 2540, amended, to amend title 38, United States Code, to make various improvements to veterans benefits programs under laws administered by the Secretary of Veterans Affairs (agreed to by a yea-and-nay vote of 422 yeas to none voting “nay,” Roll No. 301); and

Railroad Retirement and Survivors’ Improvement Act of 2001: H.R. 1140, amended, to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries (agreed to by a yea-and-nay vote of 304 yeas to 33 nays, Roll No. 305).


Agreed To:

Rothman amendment No. 1 printed in H. Rept. 107–171 that makes available $75,000 for the installation of compact fluorescent light bulbs in table, floor, and desk lamps; and

Traficant amendment No. 2 printed in H. Rept. 107–171 that prohibits funding to persons or entities convicted of violating the Buy American Act.

House agreed to H. Res. 213, the rule that provided for consideration of the bill by voice vote.

Presidential Messages: Read the following messages from the President:

Six Month Periodic Report on the National Emergency re Iraq: Message wherein he transmitted a 6-month report on the national emergency with respect to Iraq that was declared in Executive Order 12722 of August 2, 1990—referred to the Committee on International Relations and ordered printed (H. Doc. 107–110); and

Continuance of the National Emergency re Iraq: Read a message from the President wherein he stated that the Iraqi emergency is to continue in effect beyond August 2, 2001—referred to the Committee on International Relations and ordered printed (H. Doc. 107–111).


Rejected the Lofgren motion that sought to recommit the bill to the Committee on the Judiciary with instructions to report it back to the House forthwith with an amendment that allows the use of human somatic cell nuclear transfer for the development or application of treatments for various diseases including Parkinson’s disease, Alzheimer’s diseases, diabetes and cancer by a recorded vote of 175 ayes to 251 nays, Roll No. 303.

Pursuant to the rule, agreed to the Committee on the Judiciary amendments now printed in the bill (H. Rept. 107–170).

Agreed to the Scott amendment No. 1 printed in H. Rept. 107–172 that directs the General Accounting office to conduct a study to access the need or amendments to the prohibition on human cloning within 4 years after the date of enactment. The study shall include a discussion of new developments in medical technology concerning human cloning and somatic cell nuclear transfer.

Rejected the Greenwood amendment in the nature of a substitute No. 2 printed in H. Rept. 107–172 that sought to ban the use of human somatic cell nuclear transfer technology to initiate a pregnancy but allows the use of somatic cell nuclear transfer technology to clone molecules, DNA, cells, or tissues, requires each individual who intends to perform human somatic cell nuclear transfer technology to register with the Secretary of Health and Human Services, and preempts state law that establishes different prohibitions, requirements, or authorizations regarding human somatic cell nuclear transfer technology by a yea-and-nay vote of 178 yeas to 249 nays, Roll No. 302.

H. Res. 214, the rule that provided for consideration of the bill was agreed to by a yea-and-nay vote of 239 yeas to 188 nays, Roll No. 300.
Bankruptcy Abuse Prevention and Consumer Protection Act of 2001: The House disagreed with the Senate amendment to H.R. 333, to amend title 11, United States Code, and agreed to a conference.

Pages H4953–55

Appointed as conferees from the Committee of the Judiciary, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Chairman Sensenbrenner and Representatives Hyde, Gekas, Smith of Texas, Chabot, Barr of Georgia, Conyers, Boucher, Nadler, and Watt of North Carolina. From the Committee on Financial Services, for consideration of sections 901–906, 907A–909, 911, and 1301–1309 of the House bill, and sections 901–906, 907A–909, 911, 913–4, and Title XIII of the Senate amendment and modifications committed to conference: Chairman Oxley and Representatives Bachus and LaFalce. From the Committee on Energy and Commerce, for consideration of Title XIV of the Senate amendment, and modifications committed to conference: Chairman Tauzin and Representatives Barton of Texas and Dingell. From the Committee on Education and the Workforce, for consideration of section 1403 of the Senate amendment and modifications committed to conference: Chairman Boehner, Castle, and Kildee.

Pages H4954–55

Agreed to the Baldwin motion to instruct conferees on the disagreeing votes of the two Houses on the Senate amendment to the House bill to agree to title X (relating to protection of family farmers and family fishermen) of the Senate amendment.

Pages H4953–54

Recess: The House recessed at 11:36 p.m. and reconvened at 1:22 a.m. on Wednesday, August 1.

Amendments: Amendments ordered printed pursuant to the rule appear on page H4950.

Quorum Calls—Votes: Five yea-and-nay votes and three recorded votes developed during the proceedings of the House today and appear on pages H4894–95, H4895–96, H4915–16, H4916, H4942–43, H4944–45, H4945, and H4966. There were no quorum calls.

Adjournment: The House met at 9 a.m. and adjourned at 1:23 a.m. on Wednesday, August 1.

Committee Meetings

NATIONAL DEFENSE AUTHORIZATION ACT


NATIONAL DEFENSE AUTHORIZATION ACT


EARLY CHILDHOOD EDUCATION

Committee on Education and the Workforce: Subcommittee on Education Reform held a hearing on the Dawn of Learning: What’s Working in Early Childhood Education. Testimony was heard from Eugene W. Hickok, Under Secretary, Department of Education; and Wade F. Horn, Assistant Secretary, Children and Families, Department of Health and Human Services; and public witnesses.

REWARDING PERFORMANCE IN COMPENSATION ACT

Committee on Education and the Workforce: Subcommittee on Workforce Protections held a hearing on H.R. 1602, Rewarding Performance in Compensation Act. Testimony was heard from public witnesses.

CURRENT ISSUES BEFORE—FINANCIAL ACCOUNTING STANDARDS BOARD

Committee on Energy and Commerce: Subcommittee on Commerce, Trade and Consumer Protection held a hearing on Current Issues Before the Financial Accounting Standards Board. Testimony was heard from public witnesses.

ANALYZING THE ANALYSTS

Committee on Financial Services: Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises held a hearing on Analyzing the Analysts II: Additional Perspectives. Testimony was heard from Laura Unger, Acting Chairman, SEC; and public witnesses.

AIR TRAVEL—CUSTOMER PROBLEMS AND SOLUTIONS

Committee on Government Reform: Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs held a hearing on Air Travel-Customer Problems and Solutions. Testimony was heard from the following officials of the Department of Transportation: Donna McLean, Assistant Secretary, Office of Budget and Programs and Chief Financial Officer;
and Jane F. Garvey, Administrator, FAA; and public witnesses.

PUBLIC SERVICE FOR THE 21ST CENTURY

Committee on Government Reform: Subcommittee on Technology and Procurement Policy held a hearing on “Public Service for the 21st Century: Innovative Solutions to the Federal Government’s Technology Workforce Crisis.” Testimony was heard from David Walker, Comptroller General, GAO; Kay Coles James, Director, OPM; Stephen Perry, Administrator, GSA; and public witnesses.

U.N. WORLD CONFERENCE AGAINST RACISM

Committee on International Relations: Subcommittee on International Operations and Human Rights held a hearing on A Discussion on the U.N. World Conference Against Racism. Testimony was heard from following officials of the Department of State: William B. Wood, Principal Deputy Assistant Secretary, Bureau of International Organization Affairs; and Steven Wagenseil, Director, Office of Multilateral Affairs, Bureau of Democracy, Human Rights, and Labor; and public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Subcommittee on Crime held a hearing on H.R. 2146, Two Strikes and You’re Out Child Protection Act. Testimony was heard from Robert Fusfeld, Probation and Parole Agent, Sexual Offender Intensive Supervision Team, Department of Corrections, State of Wisconsin; and public witnesses.

OVERSIGHT—NATIONAL FIRE PLAN IMPLEMENTATION

Committee on Resources: Subcommittee on Forests and Forest Health held an oversight hearing on the Implementation of the National Fire Plan. Testimony was heard from the following officials of the Forest Service, USDA: Dale Bosworth, Chief; Robert Lewis, Jr., Deputy Chief, Research and Development, and Kevin Ryan, Rocky Mountain Research Station; Tim Hartzell, Director, Office of Wildland Fire Coordination, Department of the Interior; Barry T. Hill, Associate Director, Energy, Resources and Science Issues, GAO; and a public witness.

MISCELLANEOUS MEASURES


SECURING AMERICA’S FUTURE ENERGY (SAFE) ACT

Committee on Rules: Granted, by a vote of 9 to 1, a structured rule on H.R. 4, Securing America’s Future Energy Act of 2001, providing ninety minutes of general debate with 30 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce and 20 minutes equally divided and controlled by the chairmen and ranking minority members of each of the following Committees: Science, Ways and Means, and Resources. The rule waives all points of order against consideration of the bill. The rule provides that the amendment printed in part A of the Rules Committee report accompanying the rule shall be considered as adopted. The rule makes in order only those amendments printed in part B of the Rules Committee report accompanying the resolution. The rule provides that the amendments made in order may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendments printed in the report. The rule provides one motion to recommit with or without instructions. Finally, the rule provides authorization for a motion in the House to go to conference with the Senate on the bill H.R. 4.


CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Committee on Rules: Granted, by voice vote, a resolution providing that it will be in order at any time on the legislative day of Wednesday, September 5, 2001, for the Speaker to entertain motions that the House suspend the rules. The resolution provides that the Speaker or his designee shall consult with
the Minority Leader or his designee on the designation of any matter for consideration pursuant to the resolution.

INNOVATION IN INFORMATION TECHNOLOGY

Committee on Science: Subcommittee on Research held a hearing on Innovation in Information Technology: Beyond Faster Computers and Higher Bandwidth. Testimony was heard from public witnesses.

OVERSIGHT—RED LIGHT CAMERAS

Committee on Transportation and Infrastructure: Subcommittee on Highways and Transit held an oversight hearing on Red Light Cameras. Testimony was heard from Representative Barr of Georgia; and public witnesses.

SOCIAL SECURITY AND PENSION REFORM

Committee on Ways and Means: Subcommittee on Social Security held a hearing on Social Security and Pension Reform: Lessons from Other Countries. Testimony was heard from public witnesses.

BRIEFING—FISCAL YEAR 2002 BUDGET REVIEW

Permanent Select Committee on Intelligence: Met in executive session to receive a briefing on Fiscal Year 2002 Budget Overview. The Committee was briefed by departmental witnesses.

COMMITTEE MEETINGS FOR WEDNESDAY, AUGUST 1, 2001

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Agriculture, Nutrition, and Forestry: Subcommittee on Production and Price Competitiveness, to hold hearings to examine the status of export market shares, 9 a.m., SR–328A.

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education, to hold hearings to examine stem cell ethical issues and intellectual property rights, 9:30 a.m., SD–192.

Subcommittee on Military Construction, to hold hearings on proposed budget estimates for the fiscal year 2002 for Navy construction and Air Force construction, 2:30 p.m., SD–138.

Committee on Armed Services: to hold hearings on the nomination of Gen. John P. Jumper, USAF, for reappointment to the grade of general and to be Chief of Staff, United States Air Force, 9:30 a.m., SD–106.

Committee on Banking, Housing, and Urban Affairs: business meeting to mark up S. 1254, to reauthorize the Multifamily Assisted Housing Reform and Affordability Act of 1997; the nomination of Linda Mysliwy Conlin, of New Jersey, to be Assistant Secretary of Commerce for Trade Development; the nomination of Michael J. Garcia, of New York, to be Assistant Secretary of Commerce for Export Enforcement; the nomination of Melody H. Fennel, of Virginia, to be Assistant Secretary of Housing and Urban Development for Congressional and Intergovernmental Relations; and the nomination of Michael Minoru Fawn Liu, of Illinois, to be Assistant Secretary of Housing and Urban Development for Public and Indian Housing and the nomination of Henrietta Holsman Fore, of Nevada, to be Director of the Mint, Department of the Treasury, 10 a.m., SD–538.

Committee on Commerce, Science, and Transportation: to hold hearings to examine the status of current U.S trade agreements, focusing on the proposed benefits and the practical realities, 9:30 a.m., SR–253.

Full Committee, to hold hearings on the nomination of John Arthur Hammerschmidt, of Arkansas, to be a Member of the National Transportation Safety Board; the nomination of Jeffrey William Runge, of North Carolina, to be Administrator of the National Highway Traffic Safety Administration, Department of Transportation; and the nomination of Nancy Victory, to be Assistant Secretary for Communications and Information, and the nomination of Otto Wolff, to be an Assistant Secretary and Chief Financial Officer, both of Virginia, both of the Department of Commerce, 2:30 p.m., SR–253.

Committee on Energy and Natural Resources: business meeting to consider energy policy legislation and other pending calendar business, 9:30 a.m., SD–366.

Committee on Environment and Public Works: business meeting to consider the nomination of David A. Sampson, of Texas, to be Assistant Secretary of Commerce for Economic Development; and the nomination of George Tracy Mehan III, of Michigan, the nomination of Judith Elizabeth Ayres, of California, the nomination of Robert E. Fabricant, of New Jersey, the nomination of Jeffrey R. Holmstead, of Colorado, and the nomination of Donald R. Schregardus, of Ohio, each to be an Assistant Administrator of the Environmental Protection Agency; and S. 584, to designate the United States courthouse located at 40 Centre Street in New York, New York, as the "Thurgood Marshall States Courthouse", Time to be announced, Room to be announced.

Full Committee, to hold hearings to examine the impact of air emissions from the transportation sector on public health and the environment, 9 a.m., SD–406.

Committee on Finance: to hold hearings to examine a balance between cybershopping and sales tax, 10 a.m., SD–215.

Committee on Foreign Relations: business meeting to consider S. 367, to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961; S. Res. 126, expressing the sense of the Senate regarding observance of the Olympic Truce; S. Con. Res. 58, expressing support for the tenth annual meeting of the Asia Pacific Parliamentary Forum; proposed legislation authorizing funds for fiscal years 2002 and 2003 for the Department of State and the U.S. international broadcasting activities, proposed legislation congratulating Ukraine on
the 10th anniversary of the restoration of its independence and supporting its full integration into the Euro-Atlantic community of democracies, and pending nominations, 10:30 a.m., SD–419.

Committee on Health, Education, Labor, and Pensions: business meeting to consider proposed legislation entitled The Stroke Treatment and Ongoing Prevention (STOP STROKE) Act of 2001; the proposed Community Access to Emergency Defibrillation (Community AED) Act of 2001; the proposed Health Care Safety Net Amendments of 2001; S. 543, to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits; and S. 838, to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children, 10 a.m., SD–430.

Select Committee on Intelligence: to hold closed hearings on intelligence matters, 2:30 p.m., SH–219.

Committee on the Judiciary: Subcommittee on Constitution, Federalism, and Property Rights, to hold hearings on S. 989, to prohibit racial profiling, 10 a.m., SD–226.

Subcommittee on Antitrust, Business Rights, and Competition, to hold hearings on S. 1233, to provide penalties for certain unauthorized writing with respect to consumer products, 2 p.m., SD–226.

Committee on Small Business and Entrepreneurship: to hold hearings to examine the business of environmental technology, 9 a.m., SR–428A.

House

Committee on Armed Services, to mark up H.R. 2586, National Defense Authorization Act for Fiscal Year 2002, 10 a.m., 2118 Rayburn.

Committee on the Budget, hearing on Making Ends Meet: Challenges Facing Working Families in America, 10 a.m., 210 Cannon.

Committee on Education and the Workforce, to mark up the following bills: H.R. 1992, Internet Equity and Education Act of 2001; H.R. 2070, Sales Incentive Compensation Act; and H.R. 1900, Juvenile Crime Control and Delinquency Prevention Act of 2001, 10:30 a.m., 2175 Rayburn.


Subcommittee on Health, hearing on Authorizing Safety Net Public Health Programs, 10 a.m., 2322 Rayburn.


Subcommittee on Financial Institutions and Consumer Credit, to consider H.R. 1701, Consumer Rental Purchase Agreement Act, 10 a.m., 2128 Rayburn.


Committee on Government Reform, Subcommittee on Criminal Justice, Drug Policy and Human Resources, oversight hearing on the “National Youth Anti-Drug Media Campaign: How to Ensure the Program Operates Efficiently and Effectively?” 2 p.m., 2154 Rayburn.

Committee on International Relations, to mark up the following measures: H.R. 2581, Export Administration Act of 2001; H.R. 2368, Vietnam Human Rights Act; H.R. 2541, to enhance the authorities of special agents and provide limited authorities to uniformed officers responsible for the protection of domestic Department of State occupied facilities; H.R. 2272, Coral Reef and Coastal Marine Conservation Act of 2001; H. Res. 181, congratulating President-elect Alejandro Toledo on his election to the Presidency of Peru, congratulating the people of Peru for the return of democracy to Peru, and expressing sympathy for the victims of the devastating earthquake that struck Peru on June 23, 2001; H. Con. Res. 188, expressing the sense of Congress that the Government of the People’s Republic of China should cease its persecution of Falun Gong practitioners; and H. Con. Res. 89, mourning the death of Ron Sander at the hands of terrorist kidnappers in Ecuador and welcoming the release from captivity of Arnie Alford, Steve Derry, Jason Weber, and David Bradley, and supporting efforts by the United States to combat such terrorism, 10:15 a.m., 2172 Rayburn.

Committee on Small Business, to mark up the following: H.R. 203, National Small Business Regulatory Assistance Act; H.R. 2538, Native American Small Business Development Act; the Vocational and Technical Entrepreneurship Development Program Act of 2001; and the Small Business Technology Transfer (STTR) Program Reauthorization Act of 2001, 10 a.m., 2360 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Aviation, hearing on H.R. 2107, End Gridlock at Our Nation’s Critical Airports Act of 2001, 1:30 p.m., 2167 Rayburn.


Joint Meetings

Conference: meeting of conferees on H.R. 1, to close the achievement gap with accountability, flexibility, and choice, so that no child is left behind, 4 p.m., SC–5, Capitol.
Next Meeting of the SENATE
10 a.m., Wednesday, August 1

Senate Chamber

Program for Wednesday: Senate will continue consideration of S. 1246, Emergency Agriculture Assistance Act. At 11 a.m., Senate will resume consideration of H.R. 2299, Department of Transportation and Related Agencies Appropriations Act, with a vote on the motion to close further debate thereon.

Next Meeting of the HOUSE OF REPRESENTATIVES
10 a.m., Wednesday, August 1

House Chamber