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No. 24

## House of Representatives

The House met at 10 a.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer: Lord God, ever-attentive to our deepest needs, answer the prayers of the Members of Congress and bring them closer and closer to You.

Lord, once you draw souls close to You, people desire to hold on to Your presence, and so they pray. Then to give flesh and blood to prayerful sentiments and words they enter into the realm of self-denial. Finally, personal sacrifice, Lord, never seems worthwhile until it benefits another. So there are these three practices: prayer, fasting and acts of charity. The three are really one, giving life to each other as they bring us closer to You, O Lord.

When we deny ourselves food, drink and any portion of daily life, we gain an inner reminder of being poor and in need. To sincerely petition You, Lord, one needs to first have listened to the pleas of another. Once in the simplicity of heart a person can admit the little they have and still deny self just a portion, then that person has something to offer another from the heart, be that time or a cup of water.

Transform hearts, O Lord, by the Spirit of freedom and peace, then we will have something to offer the world, now and forever. Amen.

### THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

### PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Kansas (Mr. TIAHRT) come forward and lead the House in the Pledge of Allegiance.

Mr. TIAHRT led the Pledge of Allegiance as follows:

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

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate agreed to the following resolution:

S. RES. 217

*Resolved*, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Howard W. Cannon, formerly a Senator from the State of Nevada.

*Resolved*, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

*Resolved*, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the deceased Senator.

The message also announced, that the Senate has passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 305. Concurrent Resolution permitting the use of the Rotunda of the Capitol for a ceremony to present a gold medal on behalf of Congress to former President Ronald Reagan and his wife Nancy Reagan.

The message also announced that pursuant to Public Law 85-874, as amended, the Chair, on behalf of the President of the Senate, appoints the Senator from Nevada (Mr. REID) to the Board of Trustees of the John F. Kennedy Center for the Performing Arts, vice the Senator from Mississippi (Mr. LOTT)

The message also announced that pursuant to Public Law 68-541, as amended by Public Law 102-246, the Chair, on behalf of the Majority Leader, in consultation with the Republican Leader, reappoints Bernard Rapoport of Texas as a member of the Library of Congress Trust Fund Board for a term

of five years, upon the expiration of his current term on March 10, 2002.

### CONGRATULATIONS TO MIAMI DADE COMMUNITY COLLEGE

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to congratulate a special educational center located in my congressional district, Miami Dade Community College, which confers more degrees than any other college in the country. Run by Dr. Eduardo Padron, the college includes the much-acclaimed School of Aviation and Visitor Services.

The School of Aviation and Visitor Services provides three Associate in Science degrees: professional pilot technology, aviation administration, and aviation maintenance management. The school's programs provides workforce development, education, and training for South Florida's number one industry, travel and tourism.

The program is growing under the leadership of Harry Hoffman, the interim campus president; Dr. Joyce Crawford-Martinez, academic and student dean; Mario Guerrier, school director; and Marjan Mazza, the chairperson of the Eig-Watson School of Aviation.

Please join me in recognizing Miami Dade Community College's School of Aviation and Visitor Services, and especially Lois and Harvey Watson for their generous donation to the school, and Dr. Eduardo Padron for his unwavering dedication to academic excellence.

### MEDICARE PRESCRIPTION DRUG BENEFIT

(Mr. ROSS asked and was given permission to address the House for 1

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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minute and to revise and extend his remarks.)

Mr. ROSS. Madam Speaker, I was pleased to read in Wednesday's New York Times that my Republican colleagues are working on a prescription drug benefit that will encourage the use of generic drugs.

In January, the gentlewoman from Missouri (Mrs. EMERSON) and I introduced a bipartisan bill in the House that would create a voluntary, but guaranteed, Medicare prescription drug benefit for all seniors. We call it Medicare Part D.

Under our plan, seniors would pay an affordable monthly premium, an annual \$250 deductible, and a 20 percent co-pay on the cost of their medicine. This 20 percent co-pay will truly promote the use of lower-cost generic drugs and provide real savings for our seniors.

Our bill gives seniors the freedom to choose their pharmacy and their medicines.

Madam Speaker, the Emerson-Ross bill is a comprehensive, common-sense plan. I urge my colleagues to join us in supporting this bipartisan legislation that will truly modernize Medicare to include medicine for all seniors.

#### TRIBUTE TO NEVADAN SOLDIERS WHO DIED IN BATTLE AGAINST TERRORISM

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

Mr. GIBBONS. Madam Speaker, today I rise to recognize two Nevada heroes, heroes who recently lost their lives in our Nation's war to defend freedom and defeat terrorism.

Private First Class Matthew Commons is one of the most recent casualties in our war against terrorism. A graduate of Boulder City High School, Pfc. Commons was killed Monday in the mountains of eastern Afghanistan.

Last month, our State mourned the loss of Army Specialist Jason Disney. A resident of Fallon, Nevada, and a graduate of Churchill County High School, Specialist Disney was the 20th American to die in the conflict of these young heroes.

Our sympathies and condolences go out to the families of these young men. Please know that Pfc. Commons and Specialist Disney will be missed, but that their courage, valor, and patriotism will never be forgotten.

May God bless these heroes and God bless all of our fellow Americans fighting for freedom and against terror.

#### STOP VIOLENCE AGAINST WOMEN

(Mrs. CAPPS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CAPPS. Madam Speaker, I rise to highlight Lifetime television's campaign to Stop Violence Against

Women. This violence crosses all economic, cultural, racial, religious and educational lines. It is a multi-faceted problem with no easy solution. But prevention through education and awareness is key to ending the cycle of abuse perpetuated against nearly one-third of American women.

I will soon introduce legislation to dramatically increase the scale of intervention by urging every health care provider to screen women, age 18 and older, for domestic violence. My bill would also provide health care professionals with the training needed to assess women for signs of abuse.

In the confidential environment of a doctor's office or clinic, health care professionals would serve as a bridge to the criminal justice system. Routine screening for domestic violence would unlock options a woman may not otherwise pursue and allow her to see that shelter and advocacy services may be useful to her.

Madam Speaker, I commend all who have worked unwaveringly to bring the issue of violence against women to the forefront.

#### DAY OF PRAYER FOR BURMA

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

Mr. PITTS. Madam Speaker, for years the people of Burma have suffered horrifying brutality, torture, rape, forced labor and destruction of homes and villages. Entire communities are forced to live in hiding in the jungles without access to medical care or education for their children because the military dictatorship of Burma continues to attack villagers who refuse to allow drug production on their land or who will not bow to the illegitimate authority of the SPDC.

Approximately 300,000 Burmese are now refugees in Thailand, Bangladesh, and India. When Rev. David Eubank visited with Daw Aung San Suu Kyi, leader of the National League of Democracy in 1997, she suggested inviting churches from around the world to pray for the people of Burma.

Since then, people from all faith backgrounds around the world now join each March to pray for peace for the people of Burma.

Madam Speaker, I urge the American people and this body to join me in praying for freedom and peace for the people of Burma.

#### MOURNING ARI HALBERSTAM

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

Mr. WEINER. Madam Speaker, today is the twenty-third of Adar, 5762 on the Jewish calendar, the Yahrzeit, or anniversary, of the passing of Ari Halberstam. It was 8 years ago today that he died as a result of wounds suf-

fered in a terrorist attack on the Brooklyn Bridge March 1, 1994.

America awakened to terrorism on September 11, but for years there were Imams in mosques in the United States, who were inciting hatred and glorifying terrorism. For years, there were voices trying to bring this to our attention, one of the loudest of which was Devorah Halberstam, the mother of Ari. When she was told that her son's death was a result of simple road rage, she refused to let the authorities whitewash history. It was not just because of her son, it was because she realized back then what so many of us did not realize until September 11, that terrorism can happen in the United States and that, unless we are willing to confront terrorism, we are doomed to see it happen again.

On December 5, 2000, the FBI finally classified Ari's death as a terrorist incident. While it was heartening to see that they had abandoned their dogmatic view, this was a hollow victory. For 6 years, the FBI did not admit what it truly was. So today, as the candles burn in honor of Ari Halberstam, let us pause to remember the boy who was taken from us and let us stop to think of the lessons we should learn and let us pray that we have the wisdom to prevent attacks such as these from happening again.

#### CONGRESS PRAYS FOR MARTIN AND GRACIA BURNHAM

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

Mr. TIAHRT. Madam Speaker, today marks day 285 that Martin and Gracia Burnham have been held captive by Muslim terrorists in the Philippines.

Yesterday, in a video made by the Abu Sayyaf group, the Muslim terrorists, they confirmed their direct connection to the al Qaeda. Martin Burnham was forced to read a statement of grievances by the Muslims. The terrorists, through Martin, said they were targeting Americans and Europeans.

Martin and Gracia are innocent Americans, God-fearing people who are simply trying to make the world a better place. In a recent letter from Paul and Oreta Burnham, Martin's parents, they wrote, "We pray that we will soon be able to pass on to you good news of Martin and Gracia's release, but until then continue praying and believing God will see their release and being reunited again with their family."

At a time when the Nation is directly confronting terrorists in Afghanistan, contending with recession and unemployment and quietly fearing an additional attack, it would be easy to lose faith. I encourage our citizens to look at the strength exhibited by the Burnham family. Their plight is grave, but their enduring optimism and faith in God is a beacon of hope for us all.

Please join me in praying for Martin and Gracia's safe release, for the welfare of their family and friends, and for all of us that we share the Burnham's strong faith and use it to make our world a better place.

**BALTIMORE ZOO WELCOMES  
ALASKA**

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

Mr. BLUMENAUER. Madam Speaker, at times it seems that so much that we deal with on this floor is beyond our control. Yet it seems that there are small steps that we can take to make a difference.

One such step is a livable community promotes humane treatment of animals, whether in our community or the wild. Wild animals, such as polar bears, should be allowed to remain in their natural habitat and be contained only in spaces that directly replicate their natural environment, such as accredited zoos.

Many have been appalled at the polar bears languishing in sweltering temperatures in the Suarez Brothers Circus in Puerto Rico. I am happy to report that yesterday U.S. marshals and agents with the U.S. Fish and Wildlife Service rescued Alaska, one of the polar bears. It turns out that the origins and identity of this polar bear may have been false on the Suarez Brothers' import permit obtained when entering the United States. If true, the circus would be violating international and domestic wildlife protection laws.

I applaud the U.S. Fish and Wildlife Service for taking this action. I understand that Alaska will be housed at the Baltimore Zoo, and I think we can look forward to welcoming her to a safe and healthy environment. We can only hope the other six will be spared a life of misery performing circus tricks in tropical climates.

□ 1015

**RECOGNIZING VOLUNTEER EFFORTS OF NATIONAL ROOFING CONTRACTORS ASSOCIATION TO REBUILD PENTAGON ROOF**

(Mr. GARY G. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GARY G. MILLER of California. Madam Speaker, I rise to recognize the small roofing contracting companies who have donated labor, funds and supplies to rebuild over an acre of the Pentagon's roof.

On September 11, the Pentagon experienced severe structural damage when terrorists flew American Airlines Flight 77 into the building. The massive fire caused by thousands of gallons of jet fuel destroyed over 40,000 square feet of the slate roof.

At the urging of Northern Virginia Roofing, a contracting company owned

by a husband and wife team in Falls Church, Virginia, the National Roofing Contractors Association negotiated an agreement with the Department of Defense to give the Pentagon a new roof. To date, nearly \$400,000 in cash and supplies has been raised by small roofing contracting companies who felt compelled to defeat the terrorists in their own special way.

**INTERNATIONAL WOMEN'S DAY**

(Ms. BALDWIN asked and was given permission to address the House for 1 minute.)

Ms. BALDWIN. Madam Speaker, tomorrow is International Women's Day. This is a day when women from all countries come together to celebrate a common struggle for justice, equality, and peace. It is a day that celebrates the acts of bravery and determination by ordinary women who have played an extraordinary role in the history of women's rights.

Women have made incredible progress in the last 9 decades since the first International Women's Day was celebrated. However, we are still seeing overwhelming numbers of acts of violence against women. Worldwide, domestic battery is epidemic, and it is estimated that one of every three women and girls has been beaten or sexually assaulted in her lifetime. We must reaffirm our commitment to ending discrimination and violence against women.

Those who say that ending domestic violence is impossible need only look at the progress made in Afghanistan to know that we can make a difference. On this International Women's Day, we should be proud of the progress we have made, but recommit to end violence everywhere.

**MOURNING LOSS OF MITCH TYLER, HOKE COUNTY, NORTH CAROLINA, SUPERINTENDENT OF SCHOOLS**

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

Mr. HAYES. Madam Speaker, I rise today to join Hoke County, North Carolina, in mourning the loss of one of our most respected citizens, Superintendent of Schools Mitch Tyler. At the age of 46, Mitch was taken from us far too early, and we will feel the loss to our community for years to come. Mitch had been superintendent for less than 2 years, but his more than 20 years in education, from the State and university levels to Hoke and Cumberland County, made him a well-known, trusted figure and a respected role model.

Mitch, a Robeson County native, started his career in Hoke County. He was a teacher or administrator at West Hoke Elementary, J.W. McLauchlin Elementary and the Turlington School. From 1989 to 1992, he was principal of

Hoke County High School. He also worked as a coordinator of Hoke County's Indian education program, a senior assistant to State Superintendent Mike Ward and a director of the University of North Carolina at Pembroke where he was a liaison to region schools.

He was a tireless and selfless advocate for children and an enthusiastic consensus-builder encouraging camaraderie, teamwork, and self-respect among teachers and staff. They knew they could trust his word and that he would do things right. Mitch was also a man of faith who served as assistant pastor and Sunday school teacher at Shannon Assembly of God.

Today we mourn the loss of Mitch Tyler, a man of great character and a leader who always strived to do what was best for children. Barbara and I join the Hoke County community in prayer for Mitch's wife and two teenage children as they grieve the loss of husband and father. Yet we celebrate the life of one who lived so well. Our thoughts and prayers are with you.

**COMMEMORATING 50TH ANNIVERSARY OF FAITH COMMUNITY CREDIT UNION**

(Mrs. JONES of Ohio asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JONES of Ohio. Madam Speaker, I rise this morning to celebrate the 50th anniversary of Faith Community Credit Union. Faith Community Credit Union is headed by my good friend, Rita Haynes; and in the 50 years of this credit union, this credit union has come from a small church credit union to being a community credit union where they now in fact have the opportunity to administer Small Business Administration loans to small businesses in our communities.

Last week I had the opportunity to address the National Credit Union Association, and I was introduced by my good friend Rita Haynes. I want to celebrate the great work that the Faith Community Credit Union has done for our community. It has even taken the step of trying to provide loans for people who are being subjected to predatory lenders and those payday loans that you have seen all over the TV where people come in and say to you, get a loan this week and you can pay it off next week with next week's check, and then what do you do with the money that you do not have at that time?

I am so pleased that credit unions are stepping in where many other financial institutions have stepped out. I again rise to celebrate Faith Community Credit Union's 50th anniversary.

**SUSAN B. ANTHONY**

(Mrs. MYRICK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MYRICK. Madam Speaker, I rise today to honor Susan B. Anthony and her contributions to the struggle for women's rights many, many years ago.

March is Women's History Month and the perfect time to recognize this incredible woman who truly shaped our country's history and society. She remains one of our Nation's greatest champions, not just for the rights of women but for the rights of all Americans. In addition to the work she did for women and women's rights, she was a leading advocate against the evil of slavery in her day.

Another piece of her legacy that is often brushed over but equally important is her commitment to the rights of unborn children. She opposed abortion because she championed equal rights for all. She did not see a difference in fighting for women's rights and protecting the right to life for all children. She fought for both.

As we think back on Susan B. Anthony's tireless work to promote the dignity of all life, let us renew our own commitment to fight for equal rights, especially for unborn children who have no voice to fight for themselves.

#### AIRLINE SAFETY

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

Mr. INSLEE. Madam Speaker, I rise to inform my colleagues that when they get on their airplanes this evening or tomorrow morning, it is highly, highly unlikely that the checked baggage that will go into the belly of their airplanes will be checked for explosives. Despite the passage of 4 months after this House and the other Chamber and the President signed into law a requirement that 100 percent of all the checked baggage be screened for bombs, not one single bomb-detection piece of equipment in response to that legislation has been installed in an American airport. The reason for that is that finally, 6 months after September 11, the Federal Government finally this week got around to placing an order for the first 100, about 5 percent of what we need, of these machines to get this job done. We have to buy 2,000 of these machines to get this job done, and 6 months after this event the Federal Government still has only ordered 100.

We want to urge the administration to act with greater dispatch to meet this 100 percent target. We were told this week the Inspector General said the target of December will not be met. We want to make sure the administration moves and moves quickly. We need to get this job done.

#### WELFARE REFORM

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

Mr. WILSON of South Carolina. Madam Speaker, I rise today to endorse welfare reform in America. There was an excellent lead editorial this week in the Carolina Morning News of Savannah dated March 4, and I quote:

"The 1996 welfare reform bill, passed by a Republican Congress and signed by President Clinton, stands as one of the great social policy successes of the last 50 years. It was to the cycle of dependency on the dole what the collapse of the Berlin Wall was to communism, both literally and symbolically."

America provides more opportunities to its people than any other country in the world, and our educational system and entrepreneurial spirit are unmatched. Therefore, we should work with President Bush to ensure all Americans have jobs and can fulfill themselves to the highest of their abilities.

Madam Speaker, as the newest member of the Welfare Reform Action Team, I am confident, working together, we can assist more and more people to achieve the American dream. I fully support welfare reforms that will accomplish this important task.

#### CBO PREDICTS SURPLUS FOR 2003

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

Mr. KIRK. Madam Speaker, the \$74 billion Bush tax relief plan is already yielding benefits in the form of accelerated economic activity. According to yesterday's estimates from the Congressional Budget Office, higher economic growth added \$23 billion to Federal revenue in fiscal year 2002 and \$16 billion in fiscal year 2003. Congress' nonpartisan analysts now show a \$5 billion surplus in fiscal year 2002; and if we exercise fiscal discipline as we consider new programs and set the budget targets, this new revenue brings a balanced budget within reach for fiscal year 2003.

That is good surplus news. CBO is changing budget estimates released just 2 months ago. I applaud their quick response to new economic information. However, we need to do more. We need real-world budget estimates that incorporate the effects of economic incentives on proposed policy changes. We need to hold our budget analysts accountable every year for the difference between what they have told us would happen and what actually happened. With that, we can improve future budget projections and make sure this economy is rolling again.

#### ECONOMIC SECURITY AND RECOVERY ACT OF 2001

Ms. PRYCE of Ohio. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 360 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 360

*Resolved*, That upon adoption of this resolution it shall be in order to take from the Speaker's table the bill (H.R. 3090) to provide tax incentives for economic recovery, with the Senate amendment thereto, and to consider in the House, without intervention of any point of order, a motion offered by the chairman of the Committee on Ways and Means or his designee that the House concur in the Senate amendment with the amendment printed in the report of the Committee on Rules accompanying this resolution. The Senate amendment and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the motion to final adoption without intervening motion.

The SPEAKER pro tempore (Mrs. EMERSON). The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Madam Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS) pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Madam Speaker, House Resolution 360 provides for a single motion offered by the chairman of the Committee on Ways and Means, or his designee, that the House concur in the Senate amendment with the amendment printed in the report of the Committee on Rules accompanying the resolution. This resolution waives all points of order against consideration of the motion to concur in the Senate amendment with an amendment. It provides an hour of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means. Finally, the resolution provides that the previous question shall be considered as ordered on the motion to final adoption without intervening motion.

Madam Speaker, this is this body's fourth attempt to find the middle ground. This is the House's fourth attempt to address the needs of unemployed Americans and to provide a needed boost to our economy. This House is putting forth a solution in order to build a consensus.

The amendment made in order under this resolution includes special depreciation allowances for certain property and a 5-year carryback of net operating losses. If we help businesses, we help create much needed jobs. It provides an additional 13 weeks of temporary extended unemployment benefits for those who have exhausted their regular benefits. It includes the liberty zone tax benefits for reconstruction of New York City. Finally, it extends a number of expiring, yet very important, provisions such as tax credits for electric vehicles, the welfare-to-work tax credit, the Archer medical savings accounts, tax credits for production of alternative energy sources, work opportunity tax credits, temporary assistance to needy families, or TANF, and that is to name just a few.

Madam Speaker, while the economy is currently showing strong signs of recovery, many workers still face the harsh realities of unemployment. The economic downturn that began at the end of the year 2000 and that was exacerbated by the tragic events of September 11 left many Americans unexpectedly out of work.

□ 1030

We need to make sure this economy moves in the right direction and that these folks get the help that they need.

By adopting this motion, we will give crucial assistance to Americans who, through no fault of their own, were separated from their occupations, and will ensure that these Americans can care for their loved ones, keep their homes, and feed their children. I urge Members not to turn their backs on American workers, because it is their entrepreneurship, their risk-taking, and their strong work ethic that are driving the forces behind the greatest economy in all the world.

Accordingly, I urge my colleagues to support this rule and the motion to be offered by the gentleman from California (Mr. THOMAS). It is our hope that the other body will accept this initiative so that we can quickly move this important legislation to the President's desk for his signature.

We need to get unemployed Americans the help they need and deserve, not only in the form of extended benefits; but also it is essential that we get them jobs.

Madam Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Madam Speaker, I yield myself such time as I may consume.

(Mr. HASTINGS of Florida asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Florida. First, Madam Speaker, let me thank the gentlewoman from Ohio (Ms. PRYCE), my colleague and friend, for yielding me this time.

Madam Speaker, I do not plan to take much time this morning. This House well knows the views of many of us, and I certainly have expressed my views on the topic of economic recovery, job growth stimulation, and tax cuts and credits.

The amendment which we focus on this morning is fairly narrow and straightforward. It extends unemployment benefits for 13 weeks for those workers whose benefits are set to expire within the next several weeks. This amendment also includes a number of incentives for reconstruction efforts centered around Ground Zero in New York City and extends the Temporary Assistance to Needy Families supplemental grants program.

Frankly, I feel proud that we can get this assistance to these workers, and my colleagues on the other side are to be complimented in that regard, and to those who are doing all they can to assist in the revitalization of New York City.

Candidly, Madam Speaker, I am less proud, however, of what this Congress still has not done for the rest of the country and all those who have been impacted as a result of the events of September 11. I note again, as I did yesterday in the Committee on Rules, and as I have done a multiplicity of times since not long after September 11, this Congress has not done nearly enough to help those whose economic livelihood has been severely devastated since the terrorist attacks of 6 months ago.

On September 24, barely 2 weeks after the attacks, the gentlewoman from Pennsylvania (Ms. HART) and I introduced a comprehensive measure to help this country's workers. Our bill, H.R. 2946, would not only extend unemployment benefits, it would also increase job training opportunities and extend health care and insurance benefits to those who desperately need it.

Now, 5 months and nearly 160 bipartisan cosponsors later, the House has still not acted on the Hart-Hastings bill. We are doing a little this morning. But let me say this with the certainty of a clarion: we have not done enough.

I will continue to say we have not done enough until we do. I will continue to ask the chairman of the Committee on Ways and Means, and I will continue to ask the chairman of the Committee on Education and the Workforce and I will continue to ask the chairman of the Committee on Commerce to move the Hastings-Hart bill through their respective committees with alacrity and bring it to the House floor at once.

Madam Speaker, near the end of this debate, I will call on my colleagues to defeat the previous question. If the previous question is defeated, I will offer an amendment to the rule that would allow the House to vote on an amendment to provide States with a temporary increase in their Medicaid matching rate because of the increased number of people who are unemployed and, therefore, do not have health insurance. As I noted a moment ago, millions of American jobs have been lost since September 11. Far too often, with that job loss, comes the loss of health insurance.

When people get sick, they still need care, whether they can pay for it or not. The cost of this care often falls on the State through its Medicaid program. Our amendment would greatly ease the increased financial burden that many States and certainly my State of Florida now faces.

Madam Speaker, I urge a "no" vote on the previous question; and if the previous question is defeated, as I indicated, I will offer an amendment to the rule that will allow the House to vote on an amendment to provide States with a temporary increase in their Medicaid matching rate. As I said a few minutes ago, it has been nearly 6 months since the events of September 11.

Our economy, which is already in an economic downturn, has worsened con-

siderably. The cost of this care often falls on States through its Medicaid program. This amendment will greatly ease the increased financial burden that many States now face.

Madam Speaker, I urge a "no" vote on the previous question and a vote instead to support an amendment that will help States to offset the cost of increased health costs due to the high levels of unemployment.

PREVIOUS QUESTION FOR H. RES. 360—ECONOMIC SECURITY AND RECOVERY ACT OF 2001

Strike all after the resolving clause and insert:

That upon the adoption of this resolution it shall be in order to take from the Speaker's table the bill (H.R. 3090) to provide tax incentives for economic recovery, with the Senate amendment thereto, and to consider in the House, without intervention of any point of order, a motion offered by the Chairman of the Committee on Ways and Means or his designee that the House concur in the Senate amendment with the amendment printed in the report of the Committee on Rules accompanying this resolution. The Senate amendment and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the Chairman and ranking minority member of the Committee on Ways and Means. The previous question shall be considered as ordered on the motion and on any amendment thereto to final adoption without intervening motion except the amendment specified in section 2 if offered by Representative Rangel of New York or his designee, which shall be in order without intervention of any point of order or demand for division of the question, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent.

SEC. 2. The amendment referred to in the first section of this resolution is as follows:

At the appropriate place, insert the following:

**SEC. . TEMPORARY INCREASES OF MEDICAID FMAP FOR FISCAL YEAR 2002.**

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2001 FMAP.—Notwithstanding any other provision of law, but subject to subsection (d), if the FMAP determined without regard to this section for a State for fiscal year 2002 is less than the FMAP as so determined for fiscal year 2001, the FMAP for the State for fiscal year 2001 shall be substituted for the State's FMAP for fiscal year 2002, before the application of this section.

(b) GENERAL 1.50 PERCENTAGE POINTS INCREASE.—Notwithstanding any other provision of law, but subject to subsections (d) and (e), for each State for each calendar quarter in fiscal year 2002, the FMAP (taking into account the application of subsection (a)) shall be increased by 1.50 percentage points.

(c) FURTHER INCREASE FOR STATES WITH HIGH UNEMPLOYMENT RATES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, but subject to subsections (d) and (e), the FMAP for a high unemployment State for a calendar quarter in fiscal year 2002 (and any subsequent calendar quarter in such fiscal year regardless of whether the State continues to be a high unemployment State for a calendar quarter in such fiscal year) shall be increased (after the application of subsections (a) and (b)) by 1.50 percentage points.

(2) HIGH UNEMPLOYMENT STATE.—For purposes of this subsection, a State is a high unemployment State for a calendar quarter if, for any 3 consecutive month period beginning on or after June 2001 and ending with

the second month before the beginning of the calendar quarter, the State has an average seasonally adjusted unemployment rate that exceeds the average weighted unemployment rate during such period. Such unemployment rates for such months shall be determined based on publications of the Bureau of Labor Statistics of the Department of Labor.

(3) AVERAGE WEIGHTED UNEMPLOYMENT RATE DEFINED.—For purposes of paragraph (2), the average weighted unemployment rate for a period is—

(A) the sum of the seasonally adjusted number of unemployed civilians in each State and the District of Columbia for the period, divided by

(B) the sum of the civilian labor force in each State and the District of Columbia for the period.

(d) 1-YEAR INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, with respect to fiscal year 2002, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 3.093 percentage points of such amounts.

(e) SCOPE OF APPLICATION.—The increases in the FMAP for a State under this section shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(1) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r-4); and

(2) payments under titles IV and XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.).

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

Ms. PRYCE of Ohio, Madam Speaker, I yield myself such time as I may consume to remind my colleagues that this body has done its job. It has looked for consensus, and it has found a solution. This motion to help unemployed workers as they look for jobs will give a boost to them and also a small boost to the businesses that can help create those jobs. I urge my colleagues to support this rule and the underlying motion so that it can be sent finally to the President for his signature.

Madam Speaker, I urge a “yes” vote, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mrs. EMERSON). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HASTINGS of Florida, Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on adoption of the resolution.

The vote was taken by electronic device, and there were—yeas 217, nays 192, not voting 25, as follows:

[Roll No. 51]

YEAS—217

Aderholt	Graham	Pickering
Akin	Granger	Pitts
Arney	Graves	Platts
Bachus	Green (WI)	Pombo
Baker	Greenwood	Portman
Balleger	Grucci	Pryce (OH)
Barr	Gutknecht	Putnam
Bartlett	Hall (TX)	Quinn
Bass	Hansen	Radanovich
Bereuter	Hart	Ramstad
Biggert	Hastings (WA)	Regula
Bilirakis	Hayes	Rehberg
Blunt	Hayworth	Reynolds
Boehert	Heffley	Riley
Boehner	Herger	Rogers (KY)
Bonilla	Hillery	Rogers (MI)
Bono	Hobson	Rohrabacher
Boozman	Hoekstra	Ros-Lehtinen
Brady (TX)	Horn	Roukema
Brown (SC)	Hostettler	Royce
Bryant	Houghton	Ryan (WI)
Burr	Hulshof	Ryun (KS)
Burton	Hunter	Saxton
Buyer	Hyde	Schaffer
Callahan	Isakson	Schrock
Camp	Issa	Sensenbrenner
Cannon	Istook	Sessions
Cantor	Jenkins	Shadegg
Capito	Johnson (CT)	Shaw
Castle	Johnson, Sam	Shays
Chabot	Jones (NC)	Sherwood
Chambliss	Keller	Shimkus
Coble	Kelly	Shows
Collins	Kennedy (MN)	Shuster
Combest	Kerns	Simpson
Cooksey	King (NY)	Skeen
Cox	Kingston	Smith (MI)
Crane	Kirk	Smith (NJ)
Crenshaw	Knollenberg	Smith (TX)
Cunningham	Kolbe	Souder
Davis, Jo Ann	LaHood	Stearns
Davis, Tom	Latham	Stump
Deal	LaTourette	Sullivan
DeLay	Leach	Sununu
DeMint	Lewis (CA)	Sweeney
Diaz-Balart	Lewis (KY)	Tancredo
Dicks	Linder	Tauzin
Dooley	LoBiondo	Taylor (NC)
Doolittle	Lucas (OK)	Terry
Dreier	Manullo	Thomas
Duncan	McCrery	Thornberry
Dunn	McHugh	Thune
Ehlers	McInnis	Tiahrt
Ehrlich	McKeon	Tiberi
Emerson	Mica	Toomey
English	Miller, Dan	Upton
Everett	Miller, Gary	Vitter
Ferguson	Miller, Jeff	Walden
Flake	Moran (KS)	Walsh
Fletcher	Myrick	Wamp
Foley	Nethercutt	Watkins (OK)
Forbes	Ney	Watts (OK)
Fossella	Northup	Weldon (FL)
Frelinghuysen	Norwood	Weldon (PA)
Ganske	Nussle	Weller
Gekas	Osborne	Whitfield
Gibbons	Ose	Wicker
Gilchrest	Otter	Wilson (NM)
Gillmor	Oxley	Wilson (SC)
Gilman	Paul	Wolf
Goode	Pence	Young (FL)
Goodlatte	Peterson (PA)	
Goss	Petri	

NAYS—192

Abercrombie	Brown (OH)	Deutsch
Allen	Capps	Dingell
Andrews	Capuano	Doggett
Baca	Cardin	Doyle
Baird	Carson (IN)	Edwards
Baldacci	Carson (OK)	Engel
Baldwin	Clay	Eshoo
Barcia	Clayton	Etheridge
Barrett	Clement	Evans
Becerra	Clyburn	Farr
Berkley	Conyers	Fattah
Berman	Costello	Filner
Berry	Coyne	Ford
Bishop	Cramer	Frank
Blumenauer	Cummings	Frost
Bonior	Davis (CA)	Gephardt
Borski	Davis (FL)	Gonzalez
Boswell	DeFazio	Gordon
Boucher	DeGette	Green (TX)
Boyd	Delahunt	Gutierrez
Brady (PA)	DeLauro	Hall (OH)

Harman	Mascara	Roemer
Hastings (FL)	Matheson	Royal-Ballard
Hill	Matsui	Rush
Hilliard	McCarthy (MO)	Sabo
Hinchee	McCarthy (NY)	Sanders
Hinojosa	McCollum	Sandlin
Hoeffel	McDermott	Sawyer
Holden	McGovern	Schakowsky
Holt	McIntyre	Schiff
Honda	McKinney	Scott
Hooley	McNulty	Serrano
Hoyer	Meehan	Sherman
Inslee	Meek (FL)	Skelton
Israel	Meeks (NY)	Slaughter
Jackson (IL)	Menendez	Smith (WA)
Jefferson	Millender	Snyder
John	McDonald	Spratt
Johnson, E. B.	Miller, George	Stark
Jones (OH)	Mink	Stenholm
Kanjorski	Mollohan	Strickland
Kaptur	Moore	Stupak
Kennedy (RI)	Moran (VA)	Tanner
Kildee	Murtha	Tauscher
Kilpatrick	Nadler	Taylor (MS)
Kind (WI)	Napolitano	Thompson (CA)
Klecza	Oberstar	Thompson (MS)
Kucinich	Obey	Thurman
LaFalce	Olver	Tierney
Lampson	Ortiz	Towns
Langevin	Owens	Turner
Lantos	Pallone	Udall (CO)
Larsen (WA)	Pascrell	Udall (NM)
Larson (CT)	Pastor	Velazquez
Lee	Payne	Visclosky
Levin	Pelosi	Waters
Lewis (GA)	Peterson (MN)	Watson (CA)
Lipinski	Phelps	Watt (NC)
Lowe	Pomeroy	Waxman
Lucas (KY)	Price (NC)	Weiner
Luther	Rahall	Woolsey
Lynch	Rangel	Wu
Maloney (CT)	Reyes	Wynn
Maloney (NY)	Rivers	
Markey	Rodriguez	

NOT VOTING—25

Ackerman	Culberson	Ross
Barton	Davis (IL)	Rothman
Bentsen	Gallegly	Sanchez
Blagojevich	Jackson-Lee	Simmons
Brown (FL)	(TX)	Solis
Calvert	Johnson (IL)	Trafficant
Condit	Lofgren	Wexler
Crowley	Morella	Young (AK)
Cubin	Neal	

□ 1102

Ms. VELÁZQUEZ, Ms. ESHOO, Ms. HOOLEY of Oregon and Messrs. STUPAK, BISHOP, and JOHN changed their vote from “yea” to “nay”.

Mr. EVERETT and Mr. CASTLE changed their vote from “nay” to “yea”.

So the previous question was ordered. The result of the vote was announced as above recorded.

Stated against:

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 51 on ordering the previous question I was unavoidably detained. Had I been present, I would have voted “nay.”

The SPEAKER pro tempore (Mrs. EMERSON). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. THOMAS. Madam Speaker, pursuant to House Resolution 360 I call up from the Speaker's table the bill (H.R. 3090) to provide tax incentives for economic recovery, with a Senate amendment thereto, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The text of the Senate amendment is as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) **SHORT TITLE.**—This Act may be cited as the “Temporary Extended Unemployment Compensation Act of 2002”.

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

- Sec. 1. Short title; table of contents.
- Sec. 2. Federal-State agreements.
- Sec. 3. Temporary extended unemployment compensation account.
- Sec. 4. Payments to States having agreements under this Act.
- Sec. 5. Financing provisions.
- Sec. 6. Fraud and overpayments.
- Sec. 7. Definitions.
- Sec. 8. Applicability.

**SEC. 2. FEDERAL-STATE AGREEMENTS.**

(a) **IN GENERAL.**—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (in this Act referred to as the “Secretary”). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) **PROVISIONS OF AGREEMENT.**—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals—

(1) who—  
(A) first exhausted all rights to regular compensation under the State law on or after the first day of the week that includes September 11, 2001; or

(B) have their 26th week of regular compensation under the State law end on or after the first day of the week that includes September 11, 2001;

(2) who do not have any rights to regular compensation under the State law of any other State; and

(3) who are not receiving compensation under the unemployment compensation law of any other country.

(c) **COORDINATION RULES.**—

(1) **TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION TO SERVE AS SECOND-TIER BENEFITS.**—Notwithstanding any other provision of law, neither regular compensation, extended compensation, nor additional compensation under any Federal or State law shall be payable to any individual for any week for which temporary extended unemployment compensation is payable to such individual.

(2) **TREATMENT OF OTHER UNEMPLOYMENT COMPENSATION.**—After the date on which a State enters into an agreement under this Act, any regular compensation in excess of 26 weeks, any extended compensation, and any additional compensation under any Federal or State law shall be payable to an individual in accordance with the State law after such individual has exhausted any rights to temporary extended unemployment compensation under the agreement.

(d) **EXHAUSTION OF BENEFITS.**—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual’s rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because the individual has received all regular compensation available to the individual based on employment or wages during the individual’s base period; or

(2) the individual’s rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(e) **WEEKLY BENEFIT AMOUNT, TERMS AND CONDITIONS, ETC. RELATING TO TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.**—For purposes of any agreement under this Act—

(1) the amount of temporary extended unemployment compensation which shall be payable to an individual for any week of total unemployment shall be equal to the amount of reg-

ular compensation (including dependents’ allowances) payable to such individual under the State law for a week for total unemployment during such individual’s benefit year;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 3 shall not exceed the amount established in such account for such individual.

**SEC. 3. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.**

(a) **IN GENERAL.**—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account.

(b) **AMOUNT IN ACCOUNT.**—

(1) **IN GENERAL.**—The amount established in an account under subsection (a) shall be equal to 13 times the individual’s weekly benefit amount.

(2) **WEEKLY BENEFIT AMOUNT.**—For purposes of paragraph (1)(B), an individual’s weekly benefit amount for any week is an amount equal to the amount of regular compensation (including dependents’ allowances) under the State law payable to the individual for such week for total unemployment.

**SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS ACT.**

(a) **GENERAL RULE.**—There shall be paid to each State that has entered into an agreement under this Act an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) **DETERMINATION OF AMOUNT.**—Sums under subsection (a) payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary’s estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(c) **ADMINISTRATIVE EXPENSES.**—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this Act.

**SEC. 5. FINANCING PROVISIONS.**

(a) **IN GENERAL.**—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and the Federal unemployment account (as established by section 904(g) of such Act (42 U.S.C. 1104(g))), of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used, in accordance with subsection (b), for the making of payments (described in section 4(a)) to States having agreements entered into under this Act.

(b) **CERTIFICATION.**—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums described in section 4(a) which are payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification by transfers from the extended unemployment compensation account, as so established (or, to the extent that there are insufficient funds in that account, from the Federal unemployment account, as so established) to the account of such State in the Unemployment Trust Fund (as so established).

**SEC. 6. FRAUD AND OVERPAYMENTS.**

(a) **IN GENERAL.**—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received any temporary extended unemployment compensation under this Act to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) **REPAYMENT.**—In the case of individuals who have received any temporary extended unemployment compensation under this Act to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) **RECOVERY BY STATE AGENCY.**—

(1) **IN GENERAL.**—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any regular compensation or temporary extended unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which such individuals were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) **OPPORTUNITY FOR HEARING.**—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) **REVIEW.**—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

**SEC. 7. DEFINITIONS.**

In this Act, the terms “compensation”, “regular compensation”, “extended compensation”, “additional compensation”, “benefit year”, “base period”, “State”, “State agency”, “State law”, and “week” have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

**SEC. 8. APPLICABILITY.**

An agreement entered into under this Act shall apply to weeks of unemployment—

- (1) beginning after the date on which such agreement is entered into; and  
(2) ending before January 6, 2003.

MOTION OFFERED BY MR. THOMAS

Mr. THOMAS. Madam Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. THOMAS moves that the House concur in the Senate amendment with an amendment, as follows:

In the amendment of the Senate, strike the matter proposed to be inserted by the Senate and insert the following:

**SECTION 1. SHORT TITLE; ETC.**

(a) **SHORT TITLE.**—This Act may be cited as the “Job Creation and Worker Assistance Act of 2002”.

(b) **REFERENCES TO INTERNAL REVENUE CODE OF 1986.**—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) **TABLE OF CONTENTS.**—

Sec. 1. Short title; etc.

**TITLE I—BUSINESS PROVISIONS**

Sec. 101. Special depreciation allowance for certain property acquired after September 10, 2001, and before September 11, 2004.

Sec. 102. Carryback of certain net operating losses allowed for 5 years; temporary suspension of 90 percent AMT limit.

**TITLE II—UNEMPLOYMENT ASSISTANCE**

Sec. 201. Short title.

Sec. 202. Federal-State agreements.

Sec. 203. Temporary extended unemployment compensation account.

Sec. 204. Payments to States having agreements for the payment of temporary extended unemployment compensation.

Sec. 205. Financing provisions.

Sec. 206. Fraud and overpayments.

Sec. 207. Definitions.

Sec. 208. Applicability.

Sec. 209. Special Reed Act transfer in fiscal year 2002.

**TITLE III—TAX INCENTIVES FOR NEW YORK CITY AND DISTRESSED AREAS**

Sec. 301. Tax benefits for area of New York City damaged in terrorist attacks on September 11, 2001.

**TITLE IV—MISCELLANEOUS AND TECHNICAL PROVISIONS****Subtitle A—General Miscellaneous Provisions**

Sec. 401. Allowance of electronic 1099's.

Sec. 402. Excluded cancellation of indebtedness income of S corporation not to result in adjustment to basis of stock of shareholders.

Sec. 403. Limitation on use of nonaccrual experience method of accounting.

Sec. 404. Exclusion for foster care payments to apply to payments by qualified placement agencies.

Sec. 405. Interest rate range for additional funding requirements.

Sec. 406. Adjusted gross income determined by taking into account certain expenses of elementary and secondary school teachers.

**Subtitle B—Technical Corrections**

Sec. 411. Amendments related to Economic Growth and Tax Relief Reconciliation Act of 2001.

Sec. 412. Amendments related to Community Renewal Tax Relief Act of 2000.

Sec. 413. Amendments related to the Tax Relief Extension Act of 1999.

Sec. 414. Amendments related to the Taxpayer Relief Act of 1997.

Sec. 415. Amendment related to the Balanced Budget Act of 1997.

Sec. 416. Other technical corrections.

Sec. 417. Clerical amendments.

Sec. 418. Additional corrections.

**TITLE V—SOCIAL SECURITY HELD HARMLESS; BUDGETARY TREATMENT OF ACT**

Sec. 501. No impact on social security trust funds.

Sec. 502. Emergency designation.

**TITLE VI—EXTENSIONS OF CERTAIN EXPIRING PROVISIONS**

Sec. 601. Allowance of nonrefundable personal credits against regular and minimum tax liability.

Sec. 602. Credit for qualified electric vehicles.

Sec. 603. Credit for electricity produced from certain renewable resources.

Sec. 604. Work opportunity credit.

Sec. 605. Welfare-to-work credit.

Sec. 606. Deduction for clean-fuel vehicles and certain refueling property.

Sec. 607. Taxable income limit on percentage depletion for oil and natural gas produced from marginal properties.

Sec. 608. Qualified zone academy bonds.

Sec. 609. Cover over of tax on distilled spirits.

Sec. 610. Parity in the application of certain limits to mental health benefits.

Sec. 611. Temporary special rules for taxation of life insurance companies.

Sec. 612. Availability of medical savings accounts.

Sec. 613. Incentives for Indian employment and property on Indian reservations.

Sec. 614. Subpart F exemption for active financing.

Sec. 615. Repeal of requirement for approved diesel or kerosene terminals.

Sec. 616. Reauthorization of TANF supplemental grants for population increases for fiscal year 2002.

Sec. 617. 1-year extension of contingency fund under the TANF program.

**TITLE I—BUSINESS PROVISIONS****SEC. 101. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.**

(a) **IN GENERAL.**—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

“(k) **SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.**—

“(1) **ADDITIONAL ALLOWANCE.**—In the case of any qualified property—

“(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

“(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

“(2) **QUALIFIED PROPERTY.**—For purposes of this subsection—

“(A) **IN GENERAL.**—The term ‘qualified property’ means property—

“(i)(I) to which this section applies which has a recovery period of 20 years or less,

“(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

“(III) which is water utility property, or

“(IV) which is qualified leasehold improvement property,

“(ii) the original use of which commences with the taxpayer after September 10, 2001,

“(iii) which is—

“(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2004, but only if no written binding contract for the acquisition was in effect before September 11, 2001, or

“(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2004, and

“(iv) which is placed in service by the taxpayer before January 1, 2005, or, in the case of property described in subparagraph (B), before January 1, 2006.

“(B) **CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.**—

“(i) **IN GENERAL.**—The term ‘qualified property’ includes property—

“(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

“(II) which has a recovery period of at least 10 years or is transportation property, and

“(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

“(ii) **ONLY PRE-SEPTEMBER 11, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.**—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before September 11, 2004.

“(iii) **TRANSPORTATION PROPERTY.**—For purposes of this subparagraph, the term ‘transportation property’ means tangible personal property used in the trade or business of transporting persons or property.

“(C) **EXCEPTIONS.**—

“(i) **ALTERNATIVE DEPRECIATION PROPERTY.**—The term ‘qualified property’ shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

“(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

“(II) after application of section 280F(b) (relating to listed property with limited business use).

“(ii) **QUALIFIED NEW YORK LIBERTY ZONE LEASEHOLD IMPROVEMENT PROPERTY.**—The term ‘qualified property’ shall not include any qualified New York Liberty Zone leasehold improvement property (as defined in section 1400L(c)(2)).

“(iii) **ELECTION OUT.**—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

“(D) **SPECIAL RULES.**—

“(i) **SELF-CONSTRUCTED PROPERTY.**—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before September 11, 2004.

“(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

“(I) is originally placed in service after September 10, 2001, by a person, and

“(II) sold and leased back by such person within 3 months after the date such property was originally placed in service, such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

“(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

“(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by \$4,600.

“(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

“(F) DEDUCTION ALLOWED IN COMPUTING MINIMUM TAX.—For purposes of determining alternative minimum taxable income under section 55, the deduction under subsection (a) for qualified property shall be determined under this section without regard to any adjustment under section 56.

“(3) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified leasehold improvement property’ means any improvement to an interior portion of a building which is nonresidential real property if—

“(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

“(I) by the lessee (or any sublessee) of such portion, or

“(II) by the lessor of such portion,

“(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

“(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

“(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

“(i) the enlargement of the building,

“(ii) any elevator or escalator,

“(iii) any structural component benefiting a common area, and

“(iv) the internal structural framework of the building.

“(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

“(i) COMMITMENT TO LEASE TREATED AS LEASE.—A commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

“(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term ‘related persons’ means—

“(I) members of an affiliated group (as defined in section 1504), and

“(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase ‘80 percent or more’ shall be substituted for the phrase ‘more than 50 percent’ each place it appears in such subsection.”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

**SEC. 102. CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 5 YEARS; TEMPORARY SUSPENSION OF 90 PERCENT AMT LIMIT.**

(a) IN GENERAL.—Paragraph (1) of section 172(b) (relating to years to which loss may be

carried) is amended by adding at the end the following new subparagraph:

“(H) In the case of a taxpayer which has a net operating loss for any taxable year ending during 2001 or 2002, subparagraph (A)(i) shall be applied by substituting ‘5’ for ‘2’ and subparagraph (F) shall not apply.”

(b) ELECTION TO DISREGARD 5-YEAR CARRYBACK.—Section 172 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

“(j) ELECTION TO DISREGARD 5-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer’s return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.”

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYOVERS.—

(1) IN GENERAL.—Subparagraph (A) of section 56(d)(1) (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

“(A) the amount of such deduction shall not exceed the sum of—

“(i) the lesser of—

“(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carryovers described in clause (ii)(I)), or

“(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

“(ii) the lesser of—

“(I) the amount of such deduction attributable to the sum of carrybacks of net operating losses for taxable years ending during 2001 or 2002 and carryforwards of net operating losses to taxable years ending during 2001 and 2002, or

“(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and”

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years ending before January 1, 2003.

(d) EFFECTIVE DATE.—Except as provided in subsection (c), the amendments made by this section shall apply to net operating losses for taxable years ending after December 31, 2000.

**TITLE II—UNEMPLOYMENT ASSISTANCE**

**SEC. 201. SHORT TITLE.**

This title may be cited as the “Temporary Extended Unemployment Compensation Act of 2002”.

**SEC. 202. FEDERAL-STATE AGREEMENTS.**

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the “Secretary”). Any State which is a party to an agreement under this title may, upon providing 30 days’ written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before March 15, 2001);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(4) filed an initial claim for regular compensation on or after March 15, 2001.

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual’s rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual’s base period; or

(2) such individual’s rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents’ allowances) payable to such individual during such individual’s benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except—

(A) that an individual shall not be eligible for temporary extended unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 203 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of temporary extended unemployment compensation in lieu of extended compensation to individuals who otherwise meet the requirements of this section. Such an election shall not require a State to trigger off an extended benefit period.

**SEC. 203. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.**

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account with respect to such individual’s benefit year.

## (b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

## (c) SPECIAL RULE.—

(1) IN GENERAL.—Notwithstanding any other provision of this section, if, at the time that the individual's account is exhausted, such individual's State is in an extended benefit period (as determined under paragraph (2)), then, such account shall be augmented by an amount equal to the amount originally established in such account (as determined under subsection (b)(1)).

(2) EXTENDED BENEFIT PERIOD.—For purposes of paragraph (1), a State shall be considered to be in an extended benefit period if, at the time of exhaustion (as described in paragraph (1))—

(A) such a period is then in effect for such State under the Federal-State Extended Unemployment Compensation Act of 1970; or

(B) such a period would then be in effect for such State under such Act if section 203(d) of such Act were applied as if it had been amended by striking "5" each place it appears and inserting "4".

**SEC. 204. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.**

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

**SEC. 205. FINANCING PROVISIONS.**

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unem-

ployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) ASSISTANCE TO STATES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code; and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

**SEC. 206. FRAUD AND OVERPAYMENTS.**

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of temporary extended unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further temporary extended unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of temporary extended unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such temporary extended unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such temporary extended unemployment compensation was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

## (c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any temporary extended unemployment compensation pay-

able to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

**SEC. 207. DEFINITIONS.**

In this title, the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

**SEC. 208. APPLICABILITY.**

An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 1, 2003.

**SEC. 209. SPECIAL REED ACT TRANSFER IN FISCAL YEAR 2002.**

(a) REPEAL OF CERTAIN PROVISIONS ADDED BY THE BALANCED BUDGET ACT OF 1997.—

(1) IN GENERAL.—The following provisions of section 903 of the Social Security Act (42 U.S.C. 1103) are repealed:

(A) Paragraph (3) of subsection (a).

(B) The last sentence of subsection (c)(2).

(2) SAVINGS PROVISION.—Any amounts transferred before the date of enactment of this Act under the provision repealed by paragraph (1)(A) shall remain subject to section 903 of the Social Security Act, as last in effect before such date of enactment.

(b) SPECIAL TRANSFER IN FISCAL YEAR 2002.—Section 903 of the Social Security Act is amended by adding at the end the following:

"Special Transfer in Fiscal Year 2002

"(d)(1) The Secretary of the Treasury shall transfer (as of the date determined under paragraph (5)) from the Federal unemployment account to the account of each State in the Unemployment Trust Fund the amount determined with respect to such State under paragraph (2).

"(2)(A) The amount to be transferred under this subsection to a State account shall (as determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury) be equal to—

"(i) the amount which would have been required to have been transferred under this section to such account at the beginning of fiscal year 2002 if—

"(I) section 209(a)(1) of the Temporary Extended Unemployment Compensation Act of 2002 had been enacted before the close of fiscal year 2001, and

"(II) section 5402 of Public Law 105-33 (relating to increase in Federal unemployment account ceiling) had not been enacted,

minus

“(ii) the amount which was in fact transferred under this section to such account at the beginning of fiscal year 2002.

“(B) Notwithstanding the provisions of subparagraph (A)—

“(i) the aggregate amount transferred to the States under this subsection may not exceed a total of \$8,000,000,000; and

“(ii) all amounts determined under subparagraph (A) shall be reduced ratably, if and to the extent necessary in order to comply with the limitation under clause (i).

“(3)(A) Except as provided in paragraph (4), amounts transferred to a State account pursuant to this subsection may be used only in the payment of cash benefits—

“(i) to individuals with respect to their unemployment, and

“(ii) which are allowable under subparagraph (B) or (C).

“(B)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable as—

“(I) regular compensation, or

“(II) additional compensation, upon the exhaustion of any temporary extended unemployment compensation (if such State has entered into an agreement under the Temporary Extended Unemployment Compensation Act of 2002), for individuals eligible for regular compensation under the unemployment compensation law of such State.

“(ii) Any additional compensation under clause (i) may not be taken into account for purposes of any determination relating to the amount of any extended compensation for which an individual might be eligible.

“(C)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable to 1 or more categories of individuals not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

“(ii) The benefits paid under this subparagraph to any individual may not, for any period of unemployment, exceed the maximum amount of regular compensation authorized under the unemployment compensation law of such State for that same period, plus any additional compensation (described in subparagraph (B)(i)) which could have been paid with respect to that amount.

“(iii) The categories of individuals described in this clause include the following:

“(I) Individuals who are seeking, or available for, only part-time (and not full-time) work.

“(II) Individuals who would be eligible for regular compensation under the unemployment compensation law of such State under an alternative base period.

“(D) Amounts transferred to a State account under this subsection may be used in the payment of cash benefits to individuals only for weeks of unemployment beginning after the date of enactment of this subsection.

“(4) Amounts transferred to a State account under this subsection may be used for the administration of its unemployment compensation law and public employment offices (including in connection with benefits described in paragraph (3) and any recipients thereof), subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to ‘subsections (a) and (b)’ in subparagraph (D) thereof to include this subsection).

“(5) Transfers under this subsection shall be made within 10 days after the date of enactment of this paragraph.”

(C) LIMITATIONS ON TRANSFERS.—Section 903(b) of the Social Security Act shall apply to transfers under section 903(d) of such Act (as amended by this section). For purposes of

the preceding sentence, such section 903(b) shall be deemed to be amended as follows:

(1) By substituting “the transfer date described in subsection (d)(5)” for “October 1 of any fiscal year”.

(2) By substituting “remain in the Federal unemployment account” for “be transferred to the Federal unemployment account as of the beginning of such October 1”.

(3) By substituting “fiscal year 2002 (after the transfer date described in subsection (d)(5))” for “the fiscal year beginning on such October 1”.

(4) By substituting “under subsection (d)” for “as of October 1 of such fiscal year”.

(5) By substituting “(as of the close of fiscal year 2002)” for “(as of the close of such fiscal year)”.

(d) TECHNICAL AMENDMENTS.—(1) Sections 3304(a)(4)(B) and 3306(f)(2) of the Internal Revenue Code of 1986 are amended by inserting “or 903(d)(4)” before “of the Social Security Act”.

(2) Section 303(a)(5) of the Social Security Act is amended in the second proviso by inserting “or 903(d)(4)” after “903(c)(2)”.

(e) REGULATIONS.—The Secretary of Labor may prescribe any operating instructions or regulations necessary to carry out this section and the amendments made by this section.

**TITLE III—TAX INCENTIVES FOR NEW YORK CITY AND DISTRESSED AREAS**

**SEC. 301. TAX BENEFITS FOR AREA OF NEW YORK CITY DAMAGED IN TERRORIST ATTACKS ON SEPTEMBER 11, 2001.**

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

**“Subchapter Y—New York Liberty Zone Benefits**

“Sec. 1400L. Tax benefits for New York Liberty Zone.

**“SEC. 1400L. TAX BENEFITS FOR NEW YORK LIBERTY ZONE.**

“(a) EXPANSION OF WORK OPPORTUNITY TAX CREDIT.—

“(1) IN GENERAL.—For purposes of section 51, a New York Liberty Zone business employee shall be treated as a member of a targeted group.

“(2) NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘New York Liberty Zone business employee’ means, with respect to any period, any employee of a New York Liberty Zone business if substantially all the services performed during such period by such employee for such business are performed in the New York Liberty Zone.

“(B) INCLUSION OF CERTAIN EMPLOYEES OUTSIDE THE NEW YORK LIBERTY ZONE.—

“(i) IN GENERAL.—In the case of a New York Liberty Zone business described in subclause (II) of subparagraph (C)(i), the term ‘New York Liberty Zone business employee’ includes any employee of such business (not described in subparagraph (A)) if substantially all the services performed during such period by such employee for such business are performed in the City of New York, New York.

“(ii) LIMITATION.—The number of employees of such a business that are treated as New York Liberty zone business employees on any day by reason of clause (i) shall not exceed the excess of—

“(I) the number of employees of such business on September 11, 2001, in the New York Liberty Zone, over

“(II) the number of New York Liberty Zone business employees (determined without regard to this subparagraph) of such business on the day to which the limitation is being applied.

The Secretary may require any trade or business to have the number determined

under subclause (I) verified by the New York State Department of Labor.

“(C) NEW YORK LIBERTY ZONE BUSINESS.—

“(i) IN GENERAL.—The term ‘New York Liberty Zone business’ means any trade or business which is—

“(I) located in the New York Liberty Zone, or

“(II) located in the City of New York, New York, outside the New York Liberty Zone, as a result of the physical destruction or damage of such place of business by the September 11, 2001, terrorist attack.

“(ii) CREDIT NOT ALLOWED FOR LARGE BUSINESSES.—The term ‘New York Liberty Zone business’ shall not include any trade or business for any taxable year if such trade or business employed an average of more than 200 employees on business days during the taxable year.

“(D) SPECIAL RULES FOR DETERMINING AMOUNT OF CREDIT.—For purposes of applying subpart F of part IV of subchapter B of this chapter to wages paid or incurred to any New York Liberty Zone business employee—

“(i) section 51(a) shall be applied by substituting ‘qualified wages’ for ‘qualified first-year wages’.

“(ii) the rules of section 52 shall apply for purposes of determining the number of employees under subparagraph (B),

“(iii) subsections (c)(4) and (i)(2) of section 51 shall not apply, and

“(iv) in determining qualified wages, the following shall apply in lieu of section 51(b):

“(I) QUALIFIED WAGES.—The term ‘qualified wages’ means wages paid or incurred by the employer to individuals who are New York Liberty Zone business employees of such employer for work performed during calendar year 2002 or 2003.

“(II) ONLY FIRST \$6,000 OF WAGES PER CALENDAR YEAR TAKEN INTO ACCOUNT.—The amount of the qualified wages which may be taken into account with respect to any individual shall not exceed \$6,000 per calendar year.

“(b) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001.—

“(1) ADDITIONAL ALLOWANCE.—In the case of any qualified New York Liberty Zone property—

“(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of such property, and

“(B) the adjusted basis of the qualified New York Liberty Zone property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

“(2) QUALIFIED NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified New York Liberty Zone property’ means property—

“(i)(I) which is described in section 168(k)(2)(A)(i), or

“(ii) which is nonresidential real property, or residential rental property, which is described in subparagraph (B),

“(i) substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone,

“(iii) the original use of which in the New York Liberty Zone commences with the taxpayer after September 10, 2001,

“(iv) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after September 10, 2001, but only if no written binding contract for the acquisition was in effect before September 11, 2001, and

“(v) which is placed in service by the taxpayer on or before the termination date. The term ‘termination date’ means December 31, 2006 (December 31, 2009, in the case of nonresidential real property and residential rental property).”

“(B) ELIGIBLE REAL PROPERTY.—Nonresidential real property or residential rental property is described in this subparagraph only to the extent it rehabilitates real property damaged, or replaces real property destroyed or condemned, as a result of the September 11, 2001, terrorist attack. For purposes of the preceding sentence, property shall be treated as replacing real property destroyed or condemned if, as part of an integrated plan, such property replaces real property which is included in a continuous area which includes real property destroyed or condemned.”

“(C) EXCEPTIONS.—

“(i) 30 PERCENT ADDITIONAL ALLOWANCE PROPERTY.—Such term shall not include property to which section 168(k) applies.

“(ii) ALTERNATIVE DEPRECIATION PROPERTY.—The term ‘qualified New York Liberty Zone property’ shall not include any property described in section 168(k)(2)(C)(i).

“(iii) QUALIFIED NEW YORK LIBERTY ZONE LEASEHOLD IMPROVEMENT PROPERTY.—Such term shall not include any qualified New York Liberty Zone leasehold improvement property.

“(iv) ELECTION OUT.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(C)(iii) shall apply.

“(D) SPECIAL RULES.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(D) shall apply, except that clause (i) thereof shall be applied without regard to ‘and before September 11, 2004’.

“(E) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(F) shall apply.

“(c) 5-YEAR RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN LEASEHOLD IMPROVEMENTS.—

“(1) IN GENERAL.—For purposes of section 168, the term ‘5-year property’ includes any qualified New York Liberty Zone leasehold improvement property.

“(2) QUALIFIED NEW YORK LIBERTY ZONE LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this section, the term ‘qualified New York Liberty Zone leasehold improvement property’ means qualified leasehold improvement property (as defined in section 168(k)(3)) if—

“(A) such building is located in the New York Liberty Zone,

“(B) such improvement is placed in service after September 10, 2001, and before January 1, 2007, and

“(C) no written binding contract for such improvement was in effect before September 11, 2001.

“(3) REQUIREMENT TO USE STRAIGHT LINE METHOD.—The applicable depreciation method under section 168 shall be the straight line method in the case of qualified New York Liberty Zone leasehold improvement property.

“(4) 9-YEAR RECOVERY PERIOD UNDER ALTERNATIVE SYSTEM.—For purposes of section 168(g), the class life of qualified New York Liberty Zone leasehold improvement property shall be 9 years.

“(d) TAX-EXEMPT BOND FINANCING.—

“(1) IN GENERAL.—For purposes of this title, any qualified New York Liberty Bond shall be treated as an exempt facility bond.

“(2) QUALIFIED NEW YORK LIBERTY BOND.—For purposes of this subsection, the term ‘qualified New York Liberty Bond’ means any bond issued as part of an issue if—

“(A) 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of such issue are to be used for qualified project costs,

“(B) such bond is issued by the State of New York or any political subdivision thereof,

“(C) the Governor or the Mayor designates such bond for purposes of this section, and

“(D) such bond is issued after the date of the enactment of this section and before January 1, 2005.

“(3) LIMITATIONS ON AMOUNT OF BONDS.—

“(A) AGGREGATE AMOUNT DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under this subsection shall not exceed \$8,000,000,000, of which not to exceed \$4,000,000,000 may be designated by the Governor and not to exceed \$4,000,000,000 may be designated by the Mayor.

“(B) SPECIFIC LIMITATIONS.—The aggregate face amount of bonds issued which are to be used for—

“(i) costs for property located outside the New York Liberty Zone shall not exceed \$2,000,000,000,

“(ii) residential rental property shall not exceed \$1,600,000,000, and

“(iii) costs with respect to property used for retail sales of tangible property and functionally related and subordinate property shall not exceed \$800,000,000.

The limitations under clauses (i), (ii), and (iii) shall be allocated proportionately between the bonds designated by the Governor and the bonds designated by the Mayor in proportion to the respective amounts of bonds designated by each.

“(C) MOVABLE PROPERTY.—No bonds shall be issued which are to be used for movable fixtures and equipment.

“(4) QUALIFIED PROJECT COSTS.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified project costs’ means the cost of acquisition, construction, reconstruction, and renovation of—

“(i) nonresidential real property and residential rental property (including fixed tenant improvements associated with such property) located in the New York Liberty Zone, and

“(ii) public utility property (as defined in section 168(i)(10)) located in the New York Liberty Zone.

“(B) COSTS FOR CERTAIN PROPERTY OUTSIDE ZONE INCLUDED.—Such term includes the cost of acquisition, construction, reconstruction, and renovation of nonresidential real property (including fixed tenant improvements associated with such property) located outside the New York Liberty Zone but within the City of New York, New York, if such property is part of a project which consists of at least 100,000 square feet of usable office or other commercial space located in a single building or multiple adjacent buildings.

“(5) SPECIAL RULES.—In applying this title to any qualified New York Liberty Bond, the following modifications shall apply:

“(A) Section 146 (relating to volume cap) shall not apply.

“(B) Section 147(d) (relating to acquisition of existing property not permitted) shall be applied by substituting ‘50 percent’ for ‘15 percent’ each place it appears.

“(C) Section 148(f)(4)(C) (relating to exception from rebate for certain proceeds to be used to finance construction expenditures) shall apply to the available construction proceeds of bonds issued under this section.

“(D) Repayments of principal on financing provided by the issue—

“(i) may not be used to provide financing, and

“(ii) must be used not later than the close of the 1st semiannual period beginning after

the date of the repayment to redeem bonds which are part of such issue.

The requirement of clause (ii) shall be treated as met with respect to amounts received within 10 years after the date of issuance of the issue (or, in the case of a refunding bond, the date of issuance of the original bond) if such amounts are used by the close of such 10 years to redeem bonds which are part of such issue.

“(E) Section 57(a)(5) shall not apply.

“(6) SEPARATE ISSUE TREATMENT OF PORTIONS OF AN ISSUE.—This subsection shall not apply to the portion of an issue which (if issued as a separate issue) would be treated as a qualified bond or as a bond that is not a private activity bond (determined without regard to paragraph (1)), if the issuer elects to so treat such portion.

“(e) ADVANCE REFUNDINGS OF CERTAIN TAX-EXEMPT BONDS.—

“(1) IN GENERAL.—With respect to a bond described in paragraph (2) issued as part of an issue 90 percent (95 percent in the case of a bond described in paragraph (2)(C)) or more of the net proceeds (as defined in section 150(a)(3)) of which were used to finance facilities located within the City of New York, New York (or property which is functionally related and subordinate to facilities located within the City of New York for the furnishing of water), one additional advanced refunding after the date of the enactment of this section and before January 1, 2005, shall be allowed under the applicable rules of section 149(d) if—

“(A) the Governor or the Mayor designates the advance refunding bond for purposes of this subsection, and

“(B) the requirements of paragraph (4) are met.

“(2) BONDS DESCRIBED.—A bond is described in this paragraph if such bond was outstanding on September 11, 2001, and is—

“(A) a State or local bond (as defined in section 103(c)(1)) which is a general obligation of the City of New York, New York,

“(B) a State or local bond (as so defined) other than a private activity bond (as defined in section 141(a)) issued by the New York Municipal Water Finance Authority or the Metropolitan Transportation Authority of the State of New York, or

“(C) a qualified 501(c)(3) bond (as defined in section 145(a)) which is a qualified hospital bond (as defined in section 145(c)) issued by or on behalf of the State of New York or the City of New York, New York.

“(3) AGGREGATE LIMIT.—For purposes of paragraph (1), the maximum aggregate face amount of bonds which may be designated under this subsection by the Governor shall not exceed \$4,500,000,000 and the maximum aggregate face amount of bonds which may be designated under this subsection by the Mayor shall not exceed \$4,500,000,000.

“(4) ADDITIONAL REQUIREMENTS.—The requirements of this paragraph are met with respect to any advance refunding of a bond described in paragraph (2) if—

“(A) no advance refundings of such bond would be allowed under any provision of law after September 11, 2001,

“(B) the advance refunding bond is the only other outstanding bond with respect to the refunded bond, and

“(C) the requirements of section 148 are met with respect to all bonds issued under this subsection.

“(f) INCREASE IN EXPENSING UNDER SECTION 179.—

“(1) IN GENERAL.—For purposes of section 179—

“(A) the limitation under section 179(b)(1) shall be increased by the lesser of—

“(i) \$35,000, or

“(ii) the cost of section 179 property which is qualified New York Liberty Zone property

placed in service during the taxable year, and

“(B) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is qualified New York Liberty Zone property shall be 50 percent of the cost thereof.

“(2) QUALIFIED NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection, the term ‘qualified New York Liberty Zone property’ has the meaning given such term by subsection (b)(2).

“(3) RECAPTURE.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified New York Liberty Zone property which ceases to be used in the New York Liberty Zone.

“(g) EXTENSION OF REPLACEMENT PERIOD FOR NONRECOGNITION OF GAIN.—Notwithstanding subsections (g) and (h) of section 1033, clause (i) of section 1033(a)(2)(B) shall be applied by substituting ‘5 years’ for ‘2 years’ with respect to property which is compulsorily or involuntarily converted as a result of the terrorist attacks on September 11, 2001, in the New York Liberty Zone but only if substantially all of the use of the replacement property is in the City of New York, New York.

“(h) NEW YORK LIBERTY ZONE.—For purposes of this section, the term ‘New York Liberty Zone’ means the area located on or south of Canal Street, East Broadway (east of its intersection with Canal Street), or Grand Street (east of its intersection with East Broadway) in the Borough of Manhattan in the City of New York, New York.

“(i) REFERENCES TO GOVERNOR AND MAYOR.—For purposes of this section, the terms ‘Governor’ and ‘Mayor’ mean the Governor of the State of New York and the Mayor of the City of New York, New York, respectively.”

(b) CREDIT ALLOWED AGAINST REGULAR AND MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

“(3) SPECIAL RULES FOR NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE CREDIT.—

“(A) IN GENERAL.—In the case of the New York Liberty Zone business employee credit—

“(i) this section and section 39 shall be applied separately with respect to such credit, and

“(ii) in applying paragraph (1) to such credit—

“(I) the tentative minimum tax shall be treated as being zero, and

“(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the New York Liberty Zone business employee credit).

“(B) NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE CREDIT.—For purposes of this subsection, the term ‘New York Liberty Zone business employee credit’ means the portion of work opportunity credit under section 51 determined under section 1400L(a).”

(2) CONFORMING AMENDMENT.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting “or the New York Liberty Zone business employee credit” after “employment credit”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after December 31, 2001.

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by adding at the end the following new item:

“Subchapter Y—New York Liberty Zone Benefits.”

## TITLE IV—MISCELLANEOUS AND TECHNICAL PROVISIONS

### Subtitle A—General Miscellaneous Provisions SEC. 401. ALLOWANCE OF ELECTRONIC 1099'S.

Any person required to furnish a statement under any section of subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 for any taxable year ending after the date of the enactment of this Act, may electronically furnish such statement (without regard to any first class mailing requirement) to any recipient who has consented to the electronic provision of the statement in a manner similar to the one permitted under regulations issued under section 6051 of such Code or in such other manner as provided by the Secretary.

### SEC. 402. EXCLUDED CANCELLATION OF INDEBTEDNESS INCOME OF S CORPORATION NOT TO RESULT IN ADJUSTMENT TO BASIS OF STOCK OF SHAREHOLDERS.

(a) IN GENERAL.—Subparagraph (A) of section 108(d)(7) (relating to certain provisions to be applied at corporate level) is amended by inserting before the period “, including by not taking into account under section 1366(a) any amount excluded under subsection (a) of this section”.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall apply to discharges of indebtedness after October 11, 2001, in taxable years ending after such date.

(2) EXCEPTION.—The amendment made by this section shall not apply to any discharge of indebtedness before March 1, 2002, pursuant to a plan of reorganization filed with a bankruptcy court on or before October 11, 2001.

### SEC. 403. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Paragraph (5) of section 448(d) is amended to read as follows:

“(5) SPECIAL RULE FOR CERTAIN SERVICES.—

“(A) IN GENERAL.—In the case of any person using an accrual method of accounting with respect to amounts to be received for the performance of services by such person, such person shall not be required to accrue any portion of such amounts which (on the basis of such person’s experience) will not be collected if—

“(i) such services are in fields referred to in paragraph (2)(A), or

“(ii) such person meets the gross receipts test of subsection (c) for all prior taxable years.

“(B) EXCEPTION.—This paragraph shall not apply to any amount if interest is required to be paid on such amount or there is any penalty for failure to timely pay such amount.

“(C) REGULATIONS.—The Secretary shall prescribe regulations to permit taxpayers to determine amounts referred to in subparagraph (A) using computations or formulas which, based on experience, accurately reflect the amount of income that will not be collected by such person. A taxpayer may adopt, or request consent of the Secretary to change to, a computation or formula that clearly reflects the taxpayer’s experience. A request under the preceding sentence shall be approved if such computation or formula clearly reflects the taxpayer’s experience.”

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable

year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period of 4 years (or if less, the number of taxable years that the taxpayer used the method permitted under section 448(d)(5) of such Code as in effect before the date of the enactment of this Act) beginning with such first taxable year.

### SEC. 404. EXCLUSION FOR FOSTER CARE PAYMENTS TO APPLY TO PAYMENTS BY QUALIFIED PLACEMENT AGENCIES.

(a) IN GENERAL.—The matter preceding subparagraph (B) of section 131(b)(1) (defining qualified foster care payment) is amended to read as follows:

“(1) IN GENERAL.—The term ‘qualified foster care payment’ means any payment made pursuant to a foster care program of a State or political subdivision thereof—

“(A) which is paid by—

“(i) a State or political subdivision thereof, or

“(ii) a qualified foster care placement agency, and”.

(b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE INDIVIDUALS PLACED BY QUALIFIED PLACEMENT AGENCIES.—Subparagraph (B) of section 131(b)(2) (defining qualified foster individual) is amended to read as follows:

“(B) a qualified foster care placement agency.”

(c) QUALIFIED FOSTER CARE PLACEMENT AGENCY DEFINED.—Subsection (b) of section 131 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

“(3) QUALIFIED FOSTER CARE PLACEMENT AGENCY.—The term ‘qualified foster care placement agency’ means any placement agency which is licensed or certified by—

“(A) a State or political subdivision thereof, or

“(B) an entity designated by a State or political subdivision thereof,

for the foster care program of such State or political subdivision to make foster care payments to providers of foster care.”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 405. INTEREST RATE RANGE FOR ADDITIONAL FUNDING REQUIREMENTS.

(a) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—

(1) SPECIAL RULE.—Clause (i) of section 412(1)(7)(C) (relating to interest rate) is amended by adding at the end the following new subclause:

“(III) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwithstanding subclause (I), in the case that the rate of interest used under subsection (b)(5) exceeds the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this subsection may exceed the rate of interest otherwise permitted under subclause (I); except that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(ii).”

(2) QUARTERLY CONTRIBUTIONS.—Subsection (m) of section 412 is amended by adding at the end the following new paragraph:

“(7) SPECIAL RULES FOR 2002 AND 2004.—In any case in which the interest rate used to determine current liability is determined under subsection (1)(7)(C)(i)(III)—

“(A) 2002.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be redetermined using 120 percent as the specified percentage determined under subsection (1)(7)(C)(i)(II).”

“(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, the current liability for the preceding plan year shall be redetermined using 105 percent as the specified percentage determined under subsection (1)(7)(C)(i)(II).”

(b) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) SPECIAL RULE.—Clause (i) of section 302(d)(7)(C) of such Act (29 U.S.C. 1082(d)(7)(C)) is amended by adding at the end the following new subclause:

“(III) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwithstanding subclause (I), in the case that the rate of interest used under subsection (b)(5) exceeds the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this subsection may exceed the rate of interest otherwise permitted under subclause (I); except that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(ii).”

(2) QUARTERLY CONTRIBUTIONS.—Subsection (e) of section 302 of such Act (29 U.S.C. 1082) is amended by adding at the end the following new paragraph:

“(7) SPECIAL RULES FOR 2002 AND 2004.—In any case in which the interest rate used to determine current liability is determined under subsection (d)(7)(C)(i)(III)—

“(A) 2002.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be redetermined using 120 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).”

“(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, the current liability for the preceding plan year shall be redetermined using 105 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).”

(c) PBGC.—Clause (iii) of section 4006(a)(3)(E) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(E)) is amended by adding at the end the following new subclause:

“(IV) In the case of plan years beginning after December 31, 2001, and before January 1, 2004, subclause (II) shall be applied by substituting ‘100 percent’ for ‘85 percent’. Subclause (III) shall be applied for such years without regard to the preceding sentence. Any reference to this clause by any other sections or subsections shall be treated as a reference to this clause without regard to this subclause.”

**SEC. 406. ADJUSTED GROSS INCOME DETERMINED BY TAKING INTO ACCOUNT CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.**

(a) IN GENERAL.—Section 62(a)(2) (relating to certain trade and business deductions of employees) is amended by adding at the end the following:

“(D) CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—In the case of taxable years beginning during 2002 or 2003, the deductions allowed by section 162 which consist of expenses, not in excess of \$250, paid or incurred by an eligible educator in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by the eligible educator in the classroom.”

(b) ELIGIBLE EDUCATOR.—Section 62 is amended by adding at the end the following:

“(d) DEFINITION; SPECIAL RULES.—

“(1) ELIGIBLE EDUCATOR.—

“(A) IN GENERAL.—For purposes of subsection (a)(2)(D), the term ‘eligible educator’ means, with respect to any taxable year, an individual who is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide in a school for at least 900 hours during a school year.

“(B) SCHOOL.—The term ‘school’ means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.

“(2) COORDINATION WITH EXCLUSIONS.—A deduction shall be allowed under subsection (a)(2)(D) for expenses only to the extent the amount of such expenses exceeds the amount excludable under section 135, 529(c)(1), or 530(d)(2) for the taxable year.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**Subtitle B—Technical Corrections**

**SEC. 411. AMENDMENTS RELATED TO ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.**

(a) AMENDMENTS RELATED TO SECTION 101 OF THE ACT.—

(1) IN GENERAL.—Subsection (b) of section 6428 is amended to read as follows:

“(b) CREDIT TREATED AS NONREFUNDABLE PERSONAL CREDIT.—For purposes of this title, the credit allowed under this section shall be treated as a credit allowable under subpart A of part IV of subchapter A of chapter 1.”

(2) CONFORMING AMENDMENTS.—

(A) Subsection (d) of section 6428 is amended to read as follows:

“(d) COORDINATION WITH ADVANCE REFUNDS OF CREDIT.—

“(1) IN GENERAL.—The amount of credit which would (but for this paragraph) be allowable under this section shall be reduced (but not below zero) by the aggregate refunds and credits made or allowed to the taxpayer under subsection (e). Any failure to so reduce the credit shall be treated as arising out of a mathematical or clerical error and assessed according to section 6213(b)(1).

“(2) JOINT RETURNS.—In the case of a refund or credit made or allowed under subsection (e) with respect to a joint return, half of such refund or credit shall be treated as having been made or allowed to each individual filing such return.”

(B) Paragraph (2) of section 6428(e) is amended to read as follows:

“(2) ADVANCE REFUND AMOUNT.—For purposes of paragraph (1), the advance refund amount is the amount that would have been allowed as a credit under this section for such first taxable year if—

“(A) this section (other than subsections (b) and (d) and this subsection) had applied to such taxable year, and

“(B) the credit for such taxable year were not allowed to exceed the excess (if any) of—

“(i) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

“(ii) the sum of the credits allowable under part IV of subchapter A of chapter 1 (other than the credits allowable under subpart C thereof, relating to refundable credits).”

(b) AMENDMENT RELATED TO SECTION 201 OF THE ACT.—Subparagraph (B) of section 24(d)(1) is amended by striking “amount of credit allowed by this section” and inserting “aggregate amount of credits allowed by this subpart”.

(c) AMENDMENTS RELATED TO SECTION 202 OF THE ACT.—

(1) CORRECTIONS TO CREDIT FOR ADOPTION EXPENSES.—

(A) Paragraph (1) of section 23(a) is amended to read as follows:

“(1) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter the amount of the qualified adoption expenses paid or incurred by the taxpayer.”

(B) Subsection (a) of section 23 is amended by adding at the end the following new paragraph:

“(3) \$10,000 CREDIT FOR ADOPTION OF CHILD WITH SPECIAL NEEDS REGARDLESS OF EXPENSES.—In the case of an adoption of a child with special needs which becomes final during a taxable year, the taxpayer shall be treated as having paid during such year qualified adoption expenses with respect to such adoption in an amount equal to the excess (if any) of \$10,000 over the aggregate qualified adoption expenses actually paid or incurred by the taxpayer with respect to such adoption during such taxable year and all prior taxable years.”

(C) Paragraph (2) of section 23(a) is amended by striking the last sentence.

(D) Paragraph (1) of section 23(b) is amended by striking “subsection (a)(1)(A)” and inserting “subsection (a)”.

(E) Subsection (i) of section 23 is amended by striking “the dollar limitation in subsection (b)(1)” and inserting “the dollar amounts in subsections (a)(3) and (b)(1)”.

(F) Expenses paid or incurred during any taxable year beginning before January 1, 2002, may be taken into account in determining the credit under section 23 of the Internal Revenue Code of 1986 only to the extent the aggregate of such expenses does not exceed the applicable limitation under section 23(b)(1) of such Code as in effect on the day before the date of the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(2) CORRECTIONS TO EXCLUSION FOR EMPLOYER-PROVIDED ADOPTION ASSISTANCE.—

(A) Subsection (a) of section 137 is amended to read as follows:

“(a) EXCLUSION.—

“(1) IN GENERAL.—Gross income of an employee does not include amounts paid or expenses incurred by the employer for qualified adoption expenses in connection with the adoption of a child by an employee if such amounts are furnished pursuant to an adoption assistance program.

“(2) \$10,000 EXCLUSION FOR ADOPTION OF CHILD WITH SPECIAL NEEDS REGARDLESS OF EXPENSES.—In the case of an adoption of a child with special needs which becomes final during a taxable year, the qualified adoption expenses with respect to such adoption for such year shall be increased by an amount equal to the excess (if any) of \$10,000 over the actual aggregate qualified adoption expenses with respect to such adoption during such taxable year and all prior taxable years.”

(B) Paragraph (2) of section 137(b) is amended by striking “subsection (a)(1)” and inserting “subsection (a)”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2002; except that the amendments made by paragraphs (1)(C), (1)(D), and (2)(B) shall apply to taxable years beginning after December 31, 2001.

(d) AMENDMENTS RELATED TO SECTION 205 OF THE ACT.—

(1) Section 45F(d)(4)(B) is amended by striking “subpart A, B, or D of this part” and inserting “this chapter or for purposes of section 55”.

(2) Section 38(b)(15) is amended by striking “45F” and inserting “45F(a)”.

(e) AMENDMENTS RELATED TO SECTION 301 OF THE ACT.—

(1) Section 63(c)(2) is amended—

(A) in subparagraph (A), by striking “subparagraph (C)” and inserting “subparagraph (D)”;

(B) by striking “or” at the end of subparagraph (B),

(C) by redesignating subparagraph (C) as subparagraph (D),

(D) by inserting after subparagraph (B) the following new subparagraph:

“(C) one-half of the amount in effect under subparagraph (A) in the case of a married individual filing a separate return, or”, and

(E) by inserting the following flush sentence at the end:

“If any amount determined under subparagraph (A) is not a multiple of \$50, such amount shall be rounded to the next lowest multiple of \$50.”

(2)(A) Section 63(c)(4) is amended by striking “paragraph (2) or (5)” and inserting “paragraph (2)(B), (2)(D), or (5)”.

(B) Section 63(c)(4)(B)(i) is amended by striking “paragraph (2)” and inserting “paragraph (2)(B), (2)(D),”.

(C) Section 63(c)(4) is amended by striking the flush sentence at the end (as added by section 301(c)(2) of Public Law 107-17).

(f) AMENDMENT RELATED TO SECTION 401 OF THE ACT.—Section 530(d)(4)(B)(iv) is amended by striking “because the taxpayer elected under paragraph (2)(C) to waive the application of paragraph (2)” and inserting “by application of paragraph (2)(C)(i)(II)”.

(g) AMENDMENTS RELATED TO SECTION 511 OF THE ACT.—

(1) Section 2511(c) is amended by striking “taxable gift under section 2503,” and inserting “transfer of property by gift.”.

(2) Section 2101(b) is amended by striking the last sentence.

(h) AMENDMENT RELATED TO SECTION 532 OF THE ACT.—Section 2016 is amended by striking “any State, any possession of the United States, or the District of Columbia.”.

(i) AMENDMENTS RELATED TO SECTION 602 OF THE ACT.—

(1) Subparagraph (A) of section 408(q)(3) is amended to read as follows:

“(A) QUALIFIED EMPLOYER PLAN.—The term ‘qualified employer plan’ has the meaning given such term by section 72(p)(4)(A)(i); except that such term shall also include an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(2) Section 4(c) of Employee Retirement Income Security Act of 1974 is amended—

(A) by inserting “and part 5 (relating to administration and enforcement)” before the period at the end, and

(B) by adding at the end the following new sentence: “Such provisions shall apply to such accounts and annuities in a manner similar to their application to a simplified employee pension under section 408(k) of the Internal Revenue Code of 1986.”.

(j) AMENDMENTS RELATED TO SECTION 611 OF THE ACT.—

(1) Section 408(k) is amended—

(A) in paragraph (2)(C) by striking “\$300” and inserting “\$450”, and

(B) in paragraph (8) by striking “\$300” both places it appears and inserting “\$450”.

(2) Section 409(o)(1)(C)(ii) is amended—

(A) by striking “\$500,000” both places it appears and inserting “\$800,000”, and

(B) by striking “\$100,000” and inserting “\$160,000”.

(3) Section 611(i) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by adding at the end the following new paragraph:

“(3) SPECIAL RULE.—In the case of plan that, on June 7, 2001, incorporated by reference the limitation of section 415(b)(1)(A) of the Internal Revenue Code of 1986, section 411(d)(6) of such Code and section 204(g)(1) of the Employee Retirement Income Security Act of 1974 do not apply to a plan amendment that—

“(A) is adopted on or before June 30, 2002,

“(B) reduces benefits to the level that would have applied without regard to the amendments made by subsection (a) of this section, and

“(C) is effective no earlier than the years described in paragraph (2).”.

(k) AMENDMENTS RELATED TO SECTION 613 OF THE ACT.—

(1) Section 416(c)(1)(C)(iii) is amended by striking “EXCEPTION FOR FROZEN PLAN” and inserting “EXCEPTION FOR PLAN UNDER WHICH NO KEY EMPLOYEE (OR FORMER KEY EMPLOYEE) BENEFITS FOR PLAN YEAR”.

(2) Section 416(g)(3)(B) is amended by striking “separation from service” and inserting “severance from employment”.

(l) AMENDMENTS RELATED TO SECTIONS 614 AND 616 OF THE ACT.—

(1) Section 404(a)(12) is amended by striking “(9),” and inserting “(9) and subsection (h)(1)(C),”.

(2) Section 404(n) is amended by striking “subsection (a),” and inserting “subsection (a) or paragraph (1)(C) of subsection (h)”.

(3) Section 402(h)(2)(A) is amended by striking “15 percent” and inserting “25 percent”.

(4) Section 404(a)(7)(C) is amended to read as follows:

“(C) PARAGRAPH NOT TO APPLY IN CERTAIN CASES.—

“(i) BENEFICIARY TEST.—This paragraph shall not have the effect of reducing the amount otherwise deductible under paragraphs (1), (2), and (3), if no employee is a beneficiary under more than 1 trust or under a trust and an annuity plan.

“(ii) ELECTIVE DEFERRALS.—If, in connection with 1 or more defined contribution plans and 1 or more defined benefit plans, no amounts (other than elective deferrals (as defined in section 402(g)(3))) are contributed to any of the defined contribution plans for the taxable year, then subparagraph (A) shall not apply with respect to any of such defined contribution plans and defined benefit plans.”.

(m) AMENDMENT RELATING TO SECTION 618 OF THE ACT.—Section 25B(d)(2)(A) is amended to read as follows:

“(A) IN GENERAL.—The qualified retirement savings contributions determined under paragraph (1) shall be reduced (but not below zero) by the aggregate distributions received by the individual during the testing period from any entity of a type to which contributions under paragraph (1) may be made. The preceding sentence shall not apply to the portion of any distribution which is not includible in gross income by reason of a trustee-to-trustee transfer or a rollover distribution.”.

(n) AMENDMENTS RELATED TO SECTION 619 OF THE ACT.—

(1) Section 45E(e)(1) is amended by striking “(n)” and inserting “(m)”.

(2) Section 619(d) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking “established” and inserting “first effective”.

(o) AMENDMENTS RELATED TO SECTION 631 OF THE ACT.—

(1) Section 402(g)(1) is amended by adding at the end the following:

“(C) CATCH-UP CONTRIBUTIONS.—In addition to subparagraph (A), in the case of an eligible participant (as defined in section 414(v)), gross income shall not include elective deferrals in excess of the applicable dollar amount under subparagraph (B) to the extent that the amount of such elective deferrals does not exceed the applicable dollar amount under section 414(v)(2)(B)(i) for the taxable year (without regard to the treatment of the elective deferrals by an applicable employer plan under section 414(v)).”.

(2) Section 401(a)(30) is amended by striking “402(g)(1)” and inserting “402(g)(1)(A)”.

(3) Section 414(v)(2) is amended by adding at the end the following:

“(D) AGGREGATION OF PLANS.—For purposes of this paragraph, plans described in clauses (i), (ii), and (iv) of paragraph (6)(A) that are maintained by the same employer (as determined under subsection (b), (c), (m) or (o)) shall be treated as a single plan, and plans described in clause (iii) of paragraph (6)(A) that are maintained by the same employer shall be treated as a single plan.”.

(4) Section 414(v)(3)(A)(i) is amended by striking “section 402(g), 402(h), 403(b), 404(a), 404(h), 408(k), 408(p), 415, or 457” and inserting “section 401(a)(30), 402(h), 403(b), 408, 415(c), and 457(b)(2) (determined without regard to section 457(b)(3))”.

(5) Section 414(v)(3)(B) is amended by striking “section 401(a)(4), 401(a)(26), 401(k)(3), 401(k)(11), 401(k)(12), 403(b)(12), 408(k), 408(p), 408B, 410(b), or 416” and inserting “section 401(a)(4), 401(k)(3), 401(k)(11), 403(b)(12), 408(k), 410(b), or 416”.

(6) Section 414(v)(4)(B) is amended by inserting before the period at the end the following: “, except that a plan described in clause (i) of section 410(b)(6)(C) shall not be treated as a plan of the employer until the expiration of the transition period with respect to such plan (as determined under clause (ii) of such section)”.

(7) Section 414(v)(5) is amended—

(A) by striking “, with respect to any plan year,” in the matter preceding subparagraph (A),

(B) by amending subparagraph (A) to read as follows:

“(A) who would attain age 50 by the end of the taxable year,” and

(C) in subparagraph (B) by striking “plan year” and inserting “plan (or other applicable) year”.

(8) Section 414(v)(6)(C) is amended to read as follows:

“(C) EXCEPTION FOR SECTION 457 PLANS.—This subsection shall not apply to a participant for any year for which a higher limitation applies to the participant under section 457(b)(3).”.

(9) Section 457(e) is amended by adding at the end the following new paragraph:

“(18) COORDINATION WITH CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OLDER.—In the case of an individual who is an eligible participant (as defined by section 414(v)) and who is a participant in an eligible deferred compensation plan of an employer described in paragraph (1)(A), subsections (b)(3) and (c) shall be applied by substituting for the amount otherwise determined under the applicable subsection the greater of—

“(A) the sum of—

“(i) the plan ceiling established for purposes of subsection (b)(2) (without regard to subsection (b)(3)), plus

“(ii) the applicable dollar amount for the taxable year determined under section 414(v)(2)(B)(i), or

“(B) the amount determined under the applicable subsection (without regard to this paragraph).”.

(p) AMENDMENTS RELATED TO SECTION 632 OF THE ACT.—

(1) Section 403(b)(1) is amended in the matter following subparagraph (E) by striking “then amounts contributed” and all that follows and inserting the following:

“then contributions and other additions by such employer for such annuity contract shall be excluded from the gross income of the employee for the taxable year to the extent that the aggregate of such contributions and additions (when expressed as an annual addition (within the meaning of section 415(c)(2))) does not exceed the applicable limit under section 415. The amount actually

distributed to any distributee under such contract shall be taxable to the distributee (in the year in which so distributed) under section 72 (relating to annuities). For purposes of applying the rules of this subsection to contributions and other additions by an employer for a taxable year, amounts transferred to a contract described in this paragraph by reason of a rollover contribution described in paragraph (8) of this subsection or section 408(d)(3)(A)(ii) shall not be considered contributed by such employer.”.

(2) Section 403(b) is amended by striking paragraph (6).

(3) Section 403(b)(3) is amended—

(A) in the first sentence by inserting the following before the period at the end: “, and which precedes the taxable year by no more than five years”, and

(B) in the second sentence by striking “or any amount received by a former employee after the fifth taxable year following the taxable year in which such employee was terminated”.

(4) Section 415(c)(7) is amended to read as follows:

“(7) SPECIAL RULES RELATING TO CHURCH PLANS.—

“(A) ALTERNATIVE CONTRIBUTION LIMITATION.—

“(i) IN GENERAL.—Notwithstanding any other provision of this subsection, at the election of a participant who is an employee of a church or a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such participant, when expressed as an annual addition to such participant’s account, shall be treated as not exceeding the limitation of paragraph (1) if such annual addition is not in excess of \$10,000.

“(ii) \$40,000 AGGREGATE LIMITATION.—The total amount of additions with respect to any participant which may be taken into account for purposes of this subparagraph for all years may not exceed \$40,000.

“(B) NUMBER OF YEARS OF SERVICE FOR DULY ORDAINED, COMMISSIONED, OR LICENSED MINISTERS OR LAY EMPLOYEES.—For purposes of this paragraph—

“(i) all years of service by—

“(I) a duly ordained, commissioned, or licensed minister of a church, or

“(II) a lay person,

as an employee of a church, a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), shall be considered as years of service for 1 employer, and

“(ii) all amounts contributed for annuity contracts by each such church (or convention or association of churches) or such organization during such years for such minister or lay person shall be considered to have been contributed by 1 employer.

“(C) FOREIGN MISSIONARIES.—In the case of any individual described in subparagraph (D) performing services outside the United States, contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such employee, when expressed as an annual addition to such employee’s account, shall not be treated as exceeding the limitation of paragraph (1) if such annual addition is not in excess of the greater of \$3,000 or the employee’s includible compensation determined under section 403(b)(3).

“(D) ANNUAL ADDITION.—For purposes of this paragraph, the term ‘annual addition’ has the meaning given such term by paragraph (2).

“(E) CHURCH, CONVENTION OR ASSOCIATION OF CHURCHES.—For purposes of this para-

graph, the terms ‘church’ and ‘convention or association of churches’ have the same meaning as when used in section 414(e).”.

(5) Section 457(e)(5) is amended to read as follows:

“(5) INCLUDIBLE COMPENSATION.—The term ‘includible compensation’ has the meaning given to the term ‘participant’s compensation’ by section 415(c)(3).”.

(6) Section 402(g)(7)(B) is amended by striking “2001.” and inserting “2001.”.

(q) AMENDMENTS RELATING TO SECTION 648 OF THE ACT.—

(1) Section 401(a)(31)(C)(i) is amended by inserting “is a qualified trust which is part of a plan which is a defined contribution plan and” before “agrees”.

(2) Section 402(c)(2) is amended by adding at the end the following flush sentence:

“In the case of a transfer described in subparagraph (A) or (B), the amount transferred shall be treated as consisting first of the portion of such distribution that is includible in gross income (determined without regard to paragraph (1)).”.

(r) AMENDMENTS RELATING TO SECTION 648 OF THE ACT.—

(1) Section 417(e) is amended—

(A) in paragraph (1) by striking “exceed the dollar limit under section 411(a)(11)(A)” and inserting “exceed the amount that can be distributed without the participant’s consent under section 411(a)(11)”, and

(B) in paragraph (2)(A) by striking “exceeds the dollar limit under section 411(a)(11)(A)” and inserting “exceeds the amount that can be distributed without the participant’s consent under section 411(a)(11)”.

(2) Section 205(g) of the Employee Retirement Income Security Act of 1974 is amended—

(A) in paragraph (1) by striking “exceed the dollar limit under section 203(e)(1)” and inserting “exceed the amount that can be distributed without the participant’s consent under section 203(e)”, and

(B) in paragraph (2)(A) by striking “exceeds the dollar limit under section 203(e)(1)” and inserting “exceeds the amount that can be distributed without the participant’s consent under section 203(e)”.

(s) AMENDMENT RELATING TO SECTION 652 OF THE ACT.—Section 404(a)(1)(D)(iv) is amended by striking “PLANS MAINTAINED BY PROFESSIONAL SERVICE EMPLOYERS” and inserting “SPECIAL RULE FOR TERMINATING PLANS”.

(t) AMENDMENTS RELATING TO SECTION 657 OF THE ACT.—Section 404(c)(3) of the Employee Retirement Income Security Act of 1974 is amended—

(1) by striking “the earlier of” in subparagraph (A) the second place it appears, and

(2) by striking “if the transfer” and inserting “a transfer that”.

(u) AMENDMENTS RELATING TO SECTION 659 OF THE ACT.—

(1) Section 4980F is amended—

(A) in subsection (e)(1) by striking “written notice” and inserting “the notice described in paragraph (2)”,

(B) by amending subsection (f)(2)(A) to read as follows:

“(A) any defined benefit plan described in section 401(a) which includes a trust exempt from tax under section 501(a), or”, and

(C) in subsection (f)(3) by striking “significantly” both places it appears.

(2) Section 204(h)(9) of the Employee Retirement Income Security Act of 1974 is amended by striking “significantly” both places it appears.

(3) Section 659(c)(3)(B) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking “(or)” and inserting “(and)”.

(v) AMENDMENTS RELATING TO SECTION 661 OF THE ACT.—

(1) Section 412(c)(9)(B) is amended—

(A) in clause (ii) by striking “125 percent” and inserting “100 percent”, and

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

“(iv) LIMITATION.—A change in funding method to use a prior year valuation, as provided in clause (ii), may not be made unless as of the valuation date within the prior plan year, the value of the assets of the plan are not less than 125 percent of the plan’s current liability (as defined in paragraph (7)(B)).”.

(2) Section 302(c)(9)(B) of the Employee Retirement Income Security Act of 1974 is amended—

(A) in clause (ii) by striking “125 percent” and inserting “100 percent”, and

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

“(iv) A change in funding method to use a prior year valuation, as provided in clause (ii), may not be made unless as of the valuation date within the prior plan year, the value of the assets of the plan are not less than 125 percent of the plan’s current liability (as defined in paragraph (7)(B)).”.

(w) AMENDMENTS RELATING TO SECTION 662 OF THE ACT.—

(1) Section 404(k) is amended—

(A) in paragraph (1) by striking “during the taxable year”,

(B) in paragraph (2)(B) by striking “(A)(iii)” and inserting “(A)(iv)”,

(C) in paragraph (4)(B) by striking “(iii)” and inserting “(iv)”, and

(D) by redesignating subparagraph (B) of paragraph (4) (as amended by subparagraph (C)) as subparagraph (C) of paragraph (4) and by inserting after subparagraph (A) the following new subparagraph:

“(B) REINVESTMENT DIVIDENDS.—For purposes of subparagraph (A), an applicable dividend reinvested pursuant to clause (iii)(II) of paragraph (2)(A) shall be treated as paid in the taxable year of the corporation in which such dividend is reinvested in qualifying employer securities or in which the election under clause (iii) of paragraph (2)(A) is made, whichever is later.”.

(2) Section 404(k) is amended by adding at the end the following new paragraph:

“(7) FULL VESTING.—In accordance with section 411, an applicable dividend described in clause (iii)(II) of paragraph (2)(A) shall be subject to the requirements of section 411(a)(1).”.

(x) EFFECTIVE DATE.—Except as provided in subsection (c), the amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

#### SEC. 412. AMENDMENTS RELATED TO COMMUNITY RENEWAL TAX RELIEF ACT OF 2000.

(a) AMENDMENT RELATED TO SECTION 101 OF THE ACT.—Section 469(i)(3)(E) is amended by striking clauses (ii), (iii), and (iv) and inserting the following:

“(ii) second to the portion of such loss to which subparagraph (C) applies,

“(iii) third to the portion of the passive activity credit to which subparagraph (B) or (D) does not apply,

“(iv) fourth to the portion of such credit to which subparagraph (B) applies, and”.

(b) AMENDMENT RELATED TO SECTION 306 OF THE ACT.—Section 151(c)(6)(C) is amended—

(1) by striking “FOR EARNED INCOME CREDIT.—For purposes of section 32, an” and inserting “FOR PRINCIPAL PLACE OF ABODE REQUIREMENTS.—An”, and

(2) by striking “requirement of section 32(c)(3)(A)(ii)” and inserting “principal place of abode requirements of section 2(a)(1)(B), section 2(b)(1)(A), and section 32(c)(3)(A)(ii)”.

(c) AMENDMENT RELATED TO SECTION 309 OF THE ACT.—Subparagraph (A) of section 358(h)(1) is amended to read as follows:

“(A) which is assumed by another person as part of the exchange, and”.

(d) AMENDMENTS RELATED TO SECTION 401 OF THE ACT.—

(1)(A) Section 1234A is amended by inserting “or” after the comma at the end of paragraph (1), by striking “or” at the end of paragraph (2), and by striking paragraph (3).

(B)(i) Section 1234B is amended in subsection (a)(1) and in subsection (b) by striking “sale or exchange” the first place it appears in each subsection and inserting “sale, exchange, or termination”.

(ii) Section 1234B is amended by adding at the end the following new subsection:

“(f) CROSS REFERENCE.—

“For special rules relating to dealer securities futures contracts, see section 1256.”

(2) Section 1091(e) is amended—

(A) in the heading, by striking “SECURITIES.—” and inserting “SECURITIES AND SECURITIES FUTURES CONTRACTS TO SELL.—”,

(B) by inserting after “closing of a short sale of” the following: “(or the sale, exchange, or termination of a securities futures contract to sell)”,

(C) in paragraph (2), by inserting after “short sale of” the following: “(or securities futures contracts to sell)”, and

(D) by adding at the end the following:

“For purposes of this subsection, the term ‘securities futures contract’ has the meaning provided by section 1234B(c).”.

(3)(A) Section 1233(e)(2) is amended by striking “and” at the end of subparagraph (C), by striking the period and inserting “; and” at the end of subparagraph (D), and inserting after subparagraph (D) the following:

“(E) entering into a securities futures contract (as so defined) to sell shall be considered to be a short sale, and the settlement of such contract shall be considered to be the closing of such short sale.”.

(B) Section 1234B(b) is amended by inserting after “or this section,” the following: “or in section 1233,”

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Community Renewal Tax Relief Act of 2000 to which they relate.

#### SEC. 413. AMENDMENTS RELATED TO THE TAX RELIEF EXTENSION ACT OF 1999.

(a) AMENDMENTS RELATED TO SECTION 545 OF THE ACT.—Section 857(b)(7) is amended—

(1) in clause (i) of subparagraph (B), by striking “the amount of which” and inserting “to the extent the amount of the rents”, and

(2) in subparagraph (C), by striking “if the amount” and inserting “to the extent the amount”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 545 of the Tax Relief Extension Act of 1999.

#### SEC. 414. AMENDMENTS RELATED TO THE TAXPAYER RELIEF ACT OF 1997.

(a) AMENDMENTS RELATED TO SECTION 311 OF THE ACT.—Section 311(e) of the Taxpayer Relief Act of 1997 (Public Law 105-34; 111 Stat. 836) is amended—

(1) in paragraph (2)(A), by striking “recognized” and inserting “included in gross income”, and

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

“(5) DISPOSITION OF INTEREST IN PASSIVE ACTIVITY.—Section 469(g)(1)(A) of the Internal Revenue Code of 1986 shall not apply by reason of an election made under paragraph (1).”.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if

included in section 311 of the Taxpayer Relief Act of 1997.

#### SEC. 415. AMENDMENT RELATED TO THE BALANCED BUDGET ACT OF 1997.

(a) AMENDMENT RELATED TO SECTION 4006 OF THE ACT.—Section 26(b)(2) is amended by striking “and” at the end of subparagraph (P), by striking the period and inserting “; and” at the end of subparagraph (Q), and by adding at the end the following new subparagraph:

“(R) section 138(c)(2) (relating to penalty for distributions from Medicare+Choice MSA not used for qualified medical expenses if minimum balance not maintained).”.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in section 4006 of the Balanced Budget Act of 1997.

#### SEC. 416. OTHER TECHNICAL CORRECTIONS.

(a) COORDINATION OF ADVANCED PAYMENTS OF EARNED INCOME CREDIT.—

(1) Section 32(g)(2) is amended by striking “subpart” and inserting “part”.

(2) The amendment made by this subsection shall take effect as if included in section 474 of the Tax Reform Act of 1984.

(b) SPECIAL RULE RELATED TO WASH SALE LOSSES.—

(1) Section 1256(f) is amended by adding at the end the following new paragraph:

“(5) SPECIAL RULE RELATED TO LOSSES.—Section 1091 (relating to loss from wash sales of stock or securities) shall not apply to any loss taken into account by reason of paragraph (1) of subsection (a).”.

(2) The amendment made by this subsection shall take effect as if included in section 5075 of the Technical and Miscellaneous Revenue Act of 1988.

(c) DISCLOSURE BY SOCIAL SECURITY ADMINISTRATION TO FEDERAL CHILD SUPPORT AGENCIES.—

(1) Section 6103(l)(8) is amended—

(A) in the heading, by striking “STATE AND LOCAL” and inserting “FEDERAL, STATE, AND LOCAL”, and

(B) in subparagraph (A), by inserting “Federal or” before “State or local”.

(2) The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(d) TREATMENT OF SETTLEMENTS UNDER PARTNERSHIP AUDIT RULES.—

(1) The following provisions are each amended by inserting “or the Attorney General (or his delegate)” after “Secretary” each place it appears:

(A) Paragraphs (1) and (2) of section 6224(c).

(B) Section 6229(f)(2).

(C) Section 6231(b)(1)(C).

(D) Section 6234(g)(4)(A).

(2) The amendments made by this subsection shall apply with respect to settlement agreements entered into after the date of the enactment of this Act.

(e) AMENDMENT RELATED TO PROCEDURE AND ADMINISTRATION.—

(1) Section 6331(k)(3) (relating to no levy while certain offers pending or installment agreement pending or in effect) is amended to read as follows:

“(3) CERTAIN RULES TO APPLY.—Rules similar to the rules of—

“(A) paragraphs (3) and (4) of subsection (1), and

“(B) except in the case of paragraph (2)(C), paragraph (5) of subsection (1), shall apply for purposes of this subsection.”.

(2) The amendment made by this subsection shall take effect on the date of the enactment of this Act.

(f) MODIFIED ENDOWMENT CONTRACTS.—Paragraph (2) of section 318(a) of the Community Renewal Tax Relief Act of 2000 (114 Stat. 2763A–645) is repealed, and clause (ii) of section 7702A(c)(3)(A) shall read and be applied

as if the amendment made by such paragraph had not been enacted.

#### SEC. 417. CLERICAL AMENDMENTS.

(1) The subsection (g) of section 25B that relates to termination is redesignated as subsection (h).

(2) The second sentence of section 42(h)(3)(C) is amended by striking “the amounts described in” and all that follows through the period and inserting “the amounts described in clauses (ii) through (iv) over the aggregate housing credit dollar amount allocated for such year.”

(3) Clause (ii) of section 42(m)(1)(B) is amended by striking the second “and” at the end of subclause (II) and by inserting “and” at the end of subclause (III).

(4) Section 51A(c)(1) is amended by striking “51(d)(10)” and inserting “51(d)(11)”.

(5) The flush sentence at the end of clause (ii) of section 56(a)(1)(A) is amended by striking “such 1250” and inserting “such section 1250”.

(6) Section 151(c)(6)(B)(iii) is amended by inserting “as” before “such terms”.

(7) Section 170(e)(6)(B)(i)(III) is amended by striking “2000,” and inserting “2000”.

(8) Section 172(b)(1)(F)(i) is amended—

(A) by striking “3 years” and inserting “3 taxable years”, and

(B) by striking “2 years” and inserting “2 taxable years”.

(9) Section 351(h)(1) is amended by inserting a comma after “liability”.

(10) Section 475(g)(3) is amended by striking “sections” and inserting “section”.

(11) Section 529(e)(3)(B)(i) is amended by striking “subsection (b)(7)” and inserting “subsection (b)(6)”.

(12) Section 741 is amended by striking “which have appreciated substantially in value”.

(13) Section 857(b)(7)(B)(i) is amended by striking “subsection 856(d)” and inserting “section 856(d)”.

(14) Subparagraph (B) of section 943(e)(4) is amended by aligning the left margin of the flush language with subparagraph (A).

(15) Subparagraph (B) of section 995(b)(3) is amended by striking “International Security Assistance and Arms Export Control Act of 1976” and inserting “Arms Export Control Act”.

(16) Section 1394(c)(2) is amended by striking “subparagraph (A)” and inserting “paragraph (1)”.

(17)(A) The section heading for section 4980E is amended to read as follows:

“SEC. 4980E. FAILURE OF EMPLOYER TO MAKE COMPARABLE ARCHER MSA CONTRIBUTIONS.”.

(B) The item relating to section 4980E in the table of sections for chapter 43 is amended to read as follows:

“Sec. 4980E. Failure of employer to make comparable Archer MSA contributions.”.

(18) Section 6105(c)(1) is amended by striking “any” in subparagraphs (C) and (E).

(19)(A) Section 6227(d) is amended by striking “subsection (b)” and inserting “subsection (c)”.

(B) Section 6228 is amended—

(i) in subsection (a)(1), by striking “subsection (b) of section 6227” and inserting “subsection (c) of section 6227”,

(ii) in subsection (a)(3)(A), by striking “subsection (b) of”, and

(iii) in subsections (b)(1) and (b)(2)(A), by striking “subsection (c) of section 6227” and inserting “subsection (d) of section 6227”.

(C) Section 6231(b)(2)(B)(i) is amended by striking “section 6227(c)” and inserting “section 6227(d)”.

(20) Section 1221(b)(1)(B)(i) is amended by striking “1256(b))” and inserting “1256(b))”.

(21) Section 159 of the Community Renewal Tax Relief Act of 2000 (114 Stat. 2763A-624) is amended by striking “fuctions” and inserting “functions”.

(22) The amendment to section 170(e)(6)(B)(iv) made by section 165(b)(1) of the Community Renewal Tax Relief Act of 2000 (114 Stat. 2763A-626) shall be applied as if it struck “in any of the grades K-12”.

(23) Section 618(b)(2) of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107-16; 115 Stat. 108) is amended—

(A) in subparagraph (A) by striking “203(d)” and inserting “202(f)”, and

(B) in subparagraphs (C), (D), and (E) by striking “203” and inserting “202(f)”.

(24)(A) Section 525 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106-170; 113 Stat. 1928) is amended by striking “7200” and inserting “7201”.

(B) Section 532(c)(2) of such Act (113 Stat. 1930) is amended—

(i) in subparagraph (D), by striking “341(d)(3)” and inserting “341(d)”, and

(ii) in subparagraph (Q), by striking “954(c)(1)(B)(iii) and inserting “954(c)(1)(B)”.

#### SEC. 418. ADDITIONAL CORRECTIONS.

(a) AMENDMENTS RELATED TO SECTION 202 OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.—

(1) Subsection (h) of section 23 is amended—

(A) by striking “subsection (a)(1)(B)” and inserting “subsection (a)(3)”, and

(B) by adding at the end the following new flush sentence:

“If any amount as increased under the preceding sentence is not a multiple of \$10, such amount shall be rounded to the nearest multiple of \$10.”

(2) Subsection (f) of section 137 is amended by adding at the end the following new flush sentence:

“If any amount as increased under the preceding sentence is not a multiple of \$10, such amount shall be rounded to the nearest multiple of \$10.”

(b) AMENDMENTS RELATED TO SECTION 204 OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.—Section 21(d)(2) is amended—

(1) in subparagraph (A) by striking “\$200” and inserting “\$250”, and

(2) in subparagraph (B) by striking “\$400” and inserting “\$500”.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

#### TITLE V—SOCIAL SECURITY HELD HARMLESS; BUDGETARY TREATMENT OF ACT

##### SEC. 501. NO IMPACT ON SOCIAL SECURITY TRUST FUNDS.

(a) IN GENERAL.—Nothing in this Act (or an amendment made by this Act) shall be construed to alter or amend title II of the Social Security Act (or any regulation promulgated under that Act).

(b) TRANSFERS.—

(1) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this Act has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(2) TRANSFER OF FUNDS.—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general

revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of this Act.

##### SEC. 502. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this Act below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

#### TITLE VI—EXTENSIONS OF CERTAIN EXPIRING PROVISIONS

##### SEC. 601. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Paragraph (2) of section 26(a) is amended—

(1) by striking “RULE FOR 2000 AND 2001.—” and inserting “RULE FOR 2000, 2001, 2002, AND 2003.—”, and

(2) by striking “during 2000 or 2001.” and inserting “during 2000, 2001, 2002, or 2003.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 904(h) is amended by striking “during 2000 or 2001” and inserting “during 2000, 2001, 2002, or 2003”.

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2002 and 2003.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

##### SEC. 602. CREDIT FOR QUALIFIED ELECTRIC VEHICLES.

(a) IN GENERAL.—Section 30 is amended—

(1) in subsection (b)(2)—

(A) by striking “December 31, 2001,” and inserting “December 31, 2003,”, and

(B) in subparagraphs (A), (B), and (C), by striking “2002”, “2003”, and “2004”, respectively, and inserting “2004”, “2005”, and “2006”, respectively, and

(2) in subsection (e), by striking “December 31, 2004” and inserting “December 31, 2006”.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 280F(a)(1) is amended by adding at the end the following new clause:

“(iii) APPLICATION OF SUBPARAGRAPH.—This subparagraph shall apply to property placed in service after August 5, 1997, and before January 1, 2007.”.

(2) Subsection (b) of section 971 of the Taxpayer Relief Act of 1997 is amended by striking “and before January 1, 2005”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001.

##### SEC. 603. CREDIT FOR ELECTRICITY PRODUCED FROM CERTAIN RENEWABLE RESOURCES.

(a) IN GENERAL.—Subparagraphs (A), (B), and (C) of section 45(c)(3) are both amended by striking “2002” and inserting “2004”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to facilities placed in service after December 31, 2001.

##### SEC. 604. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking “2001” and inserting “2003”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

##### SEC. 605. WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Subsection (f) of section 51A is amended by striking “2001” and inserting “2003”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

##### SEC. 606. DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFUELING PROPERTY.

(a) IN GENERAL.—Section 179A is amended—

(1) in subsection (b)(1)(B)—

(A) by striking “December 31, 2001,” and inserting “December 31, 2003,”, and

(B) in clauses (i), (ii), and (iii), by striking “2002”, “2003”, and “2004”, respectively, and inserting “2004”, “2005”, and “2006”, respectively, and

(2) in subsection (f), by striking “December 31, 2004” and inserting “December 31, 2006”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to property placed in service after December 31, 2001.

##### SEC. 607. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) is amended by striking “2002” and inserting “2004”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

##### SEC. 608. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397(e) is amended by striking “2000, and 2001” and inserting “2000, 2001, 2002, and 2003”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act.

##### SEC. 609. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking “January 1, 2002” and inserting “January 1, 2004”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2001.

##### SEC. 610. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Subsection (f) of section 9812, as amended by the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002, is amended to read as follows:

“(f) APPLICATION OF SECTION.—This section shall not apply to benefits for services furnished—

“(1) on or after September 30, 2001, and before January 10, 2002, and

“(2) after December 31, 2003.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to plan years beginning after December 31, 2000.

##### SEC. 611. TEMPORARY SPECIAL RULES FOR TAXATION OF LIFE INSURANCE COMPANIES.

(a) REDUCTION IN MUTUAL LIFE INSURANCE COMPANY DEDUCTIONS NOT TO APPLY IN CERTAIN YEARS.—Section 809 (relating to reduction in certain deductions of material life insurance companies) is amended by adding at the end the following:

“(j) DIFFERENTIAL EARNINGS RATE TREATED AS ZERO FOR CERTAIN YEARS.—Notwithstanding subsection (c) or (f), the differential earnings rate shall be treated as zero for purposes of computing both the differential earnings amount and the recomputed differential earnings amount for a mutual life insurance company’s taxable years beginning in 2001, 2002, or 2003.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

**SEC. 612. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.**

(a) IN GENERAL.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking “2002” each place it appears and inserting “2003”.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 220(j) is amended by striking “1998, 1999, or 2001” each place it appears and inserting “1998, 1999, 2001, or 2002”.

(2) Subparagraph (A) of section 220(j)(4) is amended by striking “and 2001” and inserting “2001, and 2002”.

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

**SEC. 613. INCENTIVES FOR INDIAN EMPLOYMENT AND PROPERTY ON INDIAN RESERVATIONS.**

(a) EMPLOYMENT.—Subsection (f) of section 45A is amended by striking “December 31, 2003” and inserting “December 31, 2004”.

(b) PROPERTY.—Paragraph (8) of section 168(j) is amended by striking “December 31, 2003” and inserting “December 31, 2004”.

**SEC. 614. SUBPART F EXEMPTION FOR ACTIVE FINANCING.**

(a) IN GENERAL.—

(1) Section 953(e)(10) is amended—

(A) by striking “January 1, 2002” and inserting “January 1, 2007”, and

(B) by striking “December 31, 2001” and inserting “December 31, 2006”.

(2) Section 954(h)(9) is amended by striking “January 1, 2002” and inserting “January 1, 2007”.

(b) LIFE INSURANCE AND ANNUITY CONTRACTS.—

(1) IN GENERAL.—Subparagraph (B) of section 954(i)(4) is amended to read as follows:

“(B) LIFE INSURANCE AND ANNUITY CONTRACTS.—

“(i) IN GENERAL.—Except as provided in clause (ii), the amount of the reserve of a qualifying insurance company or qualifying insurance company branch for any life insurance or annuity contract shall be equal to the greater of—

“(I) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

“(II) the reserve determined under paragraph (5).

“(ii) RULING REQUEST, ETC.—The amount of the reserve under clause (i) shall be the foreign statement reserve for the contract (less any catastrophe, deficiency, equalization, or similar reserves), if, pursuant to a ruling request submitted by the taxpayer or as provided in published guidance, the Secretary determines that the factors taken into account in determining the foreign statement reserve provide an appropriate means of measuring income.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**SEC. 615. REPEAL OF REQUIREMENT FOR APPROVED DIESEL OR KEROSENE TERMINALS.**

(a) IN GENERAL.—Subsection (e) of section 4101 is hereby repealed.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2002.

**SEC. 616. REAUTHORIZATION OF TANF SUPPLEMENTAL GRANTS FOR POPULATION INCREASES FOR FISCAL YEAR 2002.**

Section 403(a)(3) of the Social Security Act (42 U.S.C. 603(a)(3)) is amended by adding at the end the following:

“(H) REAUTHORIZATION OF GRANTS FOR FISCAL YEAR 2002.—Notwithstanding any other provision of this paragraph—

“(i) any State that was a qualifying State under this paragraph for fiscal year 2001 or any prior fiscal year shall be entitled to receive from the Secretary for fiscal year 2002 a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year in which the State was a qualifying State;

“(ii) subparagraph (G) shall be applied as if ‘2002’ were substituted for ‘2001’; and

“(iii) out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal year 2002 such sums as are necessary for grants under this subparagraph.”

**SEC. 617. 1-YEAR EXTENSION OF CONTINGENCY FUND UNDER THE TANF PROGRAM.**

Section 403(b) of the Social Security Act (42 U.S.C. 603(b)) is amended—

(1) in paragraph (2), by striking “and 2001” and inserting “2001, and 2002”; and

(2) in paragraph (3)(C)(ii), by striking “2001” and inserting “2002”.

The SPEAKER pro tempore. Pursuant to House Resolution 360, the gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. THOMAS).

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

Madam Speaker, this morning one of the things that we really need to establish in this package, that we hope the Senate will take up relatively quickly and pass without trying to amend so that we can send to the President a package which extends unemployment and which produces a modest assistance, as Chairman Greenspan indicated, perhaps a little bit of insurance to make sure that the economy moves forward.

One of the things that needs to be understood from the beginning is this is not a stimulus package. When you have an economy that generates \$10 trillion a year, \$41 billion over 10 years in no way can be called a stimulus. For example, the underlying bill, H.R. 3090, which the Senate amended and sent back to us which the House sent to the Senate in October was a stimulus bill. It generated \$160 billion worth of assistance to individuals and to businesses over a 10-year period. The other body killed that bill. The leadership over there decided that they did not want a stimulus.

I will admit it took us a little while to fully appreciate the fact that they did not want a stimulus package to help the economy recover. We sent them three adjusted bills. We did not send the same thing each time. We examined the package. We made adjustments. We searched forever, as a governing majority is supposed to do, for something that would reach agreement; and today we have in front of us

what we believe certainly should and hopefully will reach agreement.

Just several weeks ago, my colleagues on the other side of the aisle were imploring us to just pass what the Senate sent us. To remind Members of what it was the Senate sent us, it was naked, the most minimal unemployment package, irreducibly minimum, and that is what the Senate could do. And we were urged by our colleagues on the other side of the aisle, why do we not take that up and pass it? That is all we can do. That is all we should do, and we should do it now.

I am pleased to say that we are not just doing that. I think today the House will pass a package which certainly cannot in any way be called a stimulus but is certainly not the irreducible minimum, almost the affront to Americans that was contained in the Senate-passed package and which was urged to be adopted by us by our friends on the other side of the aisle.

To give Members an idea of how a number of folks have not been able to understand what is going on, I would offer today’s Washington Post which begins with the headline “House GOP Relents In Fight Over Stimulus.”

No, we are not relenting. We have conceded that the Senate leadership has been able to kill stimulus. They have succeeded. So we are not relenting. Ironically, it goes on in the very first paragraph that says that the bill, that we have agreed to legislation “that will focus largely on new benefits for unemployed workers.” Will focus largely on benefits for unemployed workers.

The bill is \$41 billion over 10 years. Over that 10-year period, out of the \$41 billion, \$2.7 billion is for unemployed. The \$38 billion remainder is for reduction of taxes to small business, medium business, job-creating provisions. And only the Washington Post could say that 7 percent of something is largely focused on. That shows you how far off the Washington Post is.

It then goes on and says that the bill closely tracks a Senate proposal to provide unemployment. No, it does not closely track a Senate proposal. The proposal we have for unemployment benefits not only provides the 13 weeks and uses a trigger for those benefits lower than current law, but it says if a State continues to match the 4 percent trigger rather than the 5 plus trigger in the current law, the 4 percent is President Bush’s request to utilize as a trigger, and we thought that was appropriate. But if you run out of your initial 13 weeks and your State still has greater than 4 percent unemployment, there is an automatic trigger of an additional 13 weeks; and if you run out of those 13 weeks and your State finds itself above the 4 percent unemployment rate, there is an automatic trigger, et cetera, et cetera, et cetera.

What we are trying to do is to make sure that the Senate cannot continue

to hold hostage unemployment insurance benefits for those who through no fault of their own cannot find employment. We sent the Senate a package in October, and here we are in March debating. Our hope is when this passes by a large bipartisan vote the Senate will take this up and send it to the President, because the House's unemployment proposal says, once we do this, it is on automatic trigger. If the conditions are there, it will be renewed automatically. The Senate does not do that.

So how in the world somebody could say that this closely tracks the Senate is beyond me. Of course, and unless what they want to do is to make it look like the Republicans in the House have "relented."

Now, obviously, there is a motive for doing that. But, most importantly, the motive should be that we help people in need, that we make sure that we create a bridge. We do a modest insurance package for growth in this economy so we can recover. I cannot believe that anyone carried out the kind of stalling tactics that occurred over on the Senate side in the hopes that the economy would stumble or that the economy would not recover as rapidly as it otherwise would, and I hope no one stands in the way of this modest package or amends it over in the Senate to try to make a point from the leadership's side over in the Senate that we want our fingerprints all over this or we want to delay any longer.

The time for delay is over. The time for passage is here, today in the House, tomorrow at the latest in the Senate, so that we can get this measure to the President and let him sign it. It is about time.

Madam Speaker, I reserve the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind all Members that during the course of this debate Members should refrain from characterizing Senate action or inaction and should refrain from urging Senate action.

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

Madam Speaker, let me take advantage of this rare opportunity when I agree with the chairman of the Ways and Means Committee. I would like to get his attention for a moment so that I give him his usual opportunity to respond. I am so desperately trying so hard to get the gentleman from California's (Mr. THOMAS) attention. It is so difficult.

I just wanted the gentleman to know that I agree with him that the Washington Post is in serious error in suggesting that the Republicans in the House of Representatives have relented.

□ 1115

The Republicans do not know how to relent. The hostages of those 8 million people who are unemployed and with-

out health benefits have not been freed completely by the Republican leadership. As the gentleman pointed out, he could not resist putting tax benefits that in the first 3 years cost some \$100 billion, or as the gentleman pointed out, a projected \$43 billion.

The glee that the gentleman takes in suggesting that we are only providing \$2.7 billion for the unemployed as opposed to the incentives that we are paying for the corporate structure. No, he is not relenting; he is responding to the outrage that has been felt by people throughout this country that since 9-11 the gentleman has ignored the people who are unemployed. The gentleman has taken their pain, their misery, their loss of homes and jobs and dreams and tuition, and he has put this into what the gentleman calls a stimulus package.

Now, the stimulus package always included not relieving pain for the unemployed but always accelerating tax benefits for the rich, or repealing the alternative minimum tax or something that had nothing to do with those victims that were unemployed. So when my colleague suggests that it is the other body that has loaded up the bill, what, are we in Alice in Wonderland? Did we not just get a bill from them passed by Republicans and Senators saying to just do employment compensation? My colleague could not resist jumping on that with all of the things that make the Republican Campaign Committee happy.

So I agree with the gentleman from California (Mr. THOMAS), this is not a stimulus package, nor should the unemployed be held hostage by so-called stimulus tax cuts. The ratio of tax benefits to the corporation and easing a little pain to the unemployed, my God, would let us know there is not too much compassion here. Will we grab this and run with it, even though it is not paid for? Well, it is paid for out of the monies coming in from the Social Security Trust Fund, but we do not have that many options, considering the box that the leadership has placed us in as relates to the spend-down of the surplus.

So, let the record reflect that I agree with most all that the gentleman has said. This is not a stimulus package. The GOP, as my colleague likes it to be called, does not know how to relent. There is an area of some tiny relief here for the unemployed. The gentleman had to resist giving some decent health benefits to this, and the fact that it is not paid for, so what else is new?

Madam Speaker, I ask unanimous consent to allow the gentleman from California (Mr. MATSUI) to manage the remainder of my time.

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

There was no objection.

Mr. THOMAS. Madam Speaker, I yield myself such time as I may con-

sume. And if my colleague from New York would not rapidly leave the Chamber, what I would have responded to him was that perhaps he forgets back in September, on the trade adjustment assistance package, the House placed more than \$2 billion available for those individuals who lost their jobs in relation to the tragic events of September 11. Notwithstanding the fact it was on trade adjustment, we said that would be handled in the same fashion.

When the gentleman talks about relieving the pain of the unemployed, he focuses on unemployment payments, as though being more generous on unemployment payments is how he relieves the pain of the unemployed. What the President so eloquently said in his State of the Union was that what this is all about is jobs. And the last time I checked, if we want to be an employee, we need to have an employer.

What he calls benefits to the rich and the corporations, anybody else, who understands how this economy works, would say we are trying to create jobs. And when he says we do not have compassion for the unemployed, this sounds like a repeat of the welfare debate when they considered compassion holding people hostage to government payments. That is compassion? We believe compassion is making sure the economy grows so that people can have a job and have the dignity and respect of having a job, instead of making sure that we tie them to unemployment payments so we can show how compassionate we are in relieving the pain of unemployment by giving them a government check.

I think that pretty well draws the line between the President and our approach to trying to deal with these issues and our friends on the other side of the aisle. They define compassion as a government check, they define taking care of the pain of the unemployed by giving them more government money, and we define it as growing the economy, creating jobs and letting people have the dignity of work. That is real compassion for those who, through no fault of their own, have no job at the present time.

Madam Speaker, I reserve the balance of my time.

Mr. MATSUI. Madam Speaker, I yield myself such time as I may consume to just point out to the Members that the gentleman from New York (Mr. RANGEL) is leaving not as a sign of discourtesy to the Chair, but he has been summoned to the White House to talk about some of the New York issues. He is meeting with the President. In fact, he is a little late at this moment. So he does wish that people understand that he is leaving for the purpose of meeting with the President.

Madam Speaker, I yield 2 minutes to the distinguished gentlewoman from the State of Connecticut (Ms. DELAURO).

Ms. DELAURO. Madam Speaker, at last, 6 months after the September 11

attacks, with a damaged and already troubled economy, the House is poised to extend unemployment benefits for workers in this great Nation who have lost their jobs through no fault of their own. At last.

For 6 months, Democrats have stood firm on a plan that was one part good economics and one part basic human decency. The Republican leadership balked. They have equivocated, squirmed; and they have shifted in their seats at the mere mention of passing a bill that extended unemployment benefits and health care benefits for workers of this country, something that this Nation has done historically in difficult times in our country.

And they were opposed to doing this if the bill did not include corporate tax handouts for the largest corporations, for the Enrons of the world. Since that time, over a million and a half people have seen their unemployment benefits expire. In fact, just yesterday the House was ready to consider a fourth sham bill that again had no chance of making it to the President's desk. And since that time, another 11,000 Americans have lost their benefits.

Well, my friends, time ran out on the Republican House leadership. And just as we witnessed their misguided approach to airline security last November, their stubborn effort to defy the will of the American people has again ended in defeat; a defeat for the Republicans, but, albeit belatedly, a victory for American workers.

Now, what we need to do is to undertake the effort to make sure that those who have suffered unemployment and who have lost their health benefits that what we will do is to work to make sure that we assist them and our States to provide them with the opportunity to include people who have lost their jobs and their health benefits to get those benefits. It is about time.

Mr. THOMAS. Madam Speaker, it is my pleasure to yield 1 minute to the gentleman from New York (Mr. HOUGHTON), a valued member of the Committee on Ways and Means.

Mr. HOUGHTON. Madam Speaker, first of all, I would like to thank the gentleman from California (Mr. THOMAS) for all the work he has done, and I thank the gentleman from California (Mr. MATSUI); but the chairman of the committee has been extraordinary in hanging with this program and trying to get something we could vote on.

Look, there are lots of different things, and I will not go through the litany in terms of unemployment provisions and in terms of helping small businesses, because the thing I would like to do is just say thank the gentleman to the gentleman on behalf of New York, on behalf of the liberty zone, on behalf of all those people who need your help. And that is the only thing I have to say today.

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the distinguished gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Madam Speaker, today, we finally have an oppor-

tunity to do something for the worker. I can remember back in September talking about the airline security bill and talking about the fact that many of my family members are employed in the airline industry, my father having carried bags for United Airlines for some 38 years. And every time I go through that airport, I see these men who have been carrying bags for years making \$2 an hour, and unable to get tips to supplement their families and help their families. But the discussion kept going on: we are going to help the workers, we are going to help the workers, we are going to help the workers. Well, finally, we are doing that.

And unlike some who say that we as Democrats see compassion as an unemployment check, I do not see compassion as an unemployment check. I see compassion that we ought to exhibit all during this year and years to come as Members of the House: compassion for affordable housing for people who cannot afford housing, compassion for people who need health care, who cannot afford a health care credit. Because if I do not have any money, I cannot pay for health care and then get a credit. I see compassion as giving opportunities for people to have a job at a living wage and have a job where they can work and get a health care benefit that they do not then have to pay for.

I understand compassion. I see compassion. And I am not going to give support of business to the Republican Party, because Democrats support business. I serve on the Committee on Small Business, and I am here to help business. But we cannot help business and not help the workers who help to build the business. I am glad for workers. Thank God we have got unemployment compensation.

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

Ms. DUNN. Madam Speaker, will the gentleman yield for a colloquy?

Mr. THOMAS. I yield to the gentleman from Washington.

Ms. DUNN. Madam Speaker, I appreciate this legislation. It is going to do great things for the State of Washington, which is the second highest in unemployment in the Nation right now.

Mr. Chairman, I want to clarify a couple of points, that dislocated workers in Washington State will receive the following benefits in this order:

First, the regular State benefits of up to 30 weeks; second, the regular 50-50 shared Federal and State extended benefits up to 13 weeks, that the Governor can elect to suspend; third, the 13-week extended benefits, fully paid for by the Federal Government; and, fourth, States with high unemployment rates, like Washington State at 7.5 percent, would be eligible for an additional 13 weeks, fully paid by the Federal Government; and lastly, fifth, once all these resources are exhausted, displaced workers in Washington State

will be eligible to use state-funded benefits already available under State law. Is that the gentleman's understanding?

Mr. THOMAS. Madam Speaker, reclaiming my time, I tell the gentlewoman that that is my understanding. That is the way we intended to write the legislation, and in conferring with the Department of Labor, they have indicated to us that that is the appropriate interpretation. However, we will insist on a letter from the Department of Labor assuring us that that is in fact the way they will interpret the legislation.

Ms. DUNN. Madam Speaker, I thank the gentleman.

Mr. DICKS. Madam Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Washington.

Mr. DICKS. Madam Speaker, I want to compliment the chairman and my colleague, the gentlewoman from Washington (Ms. DUNN), for their effort here. This is a very important problem. The chairman was gracious in working with us on the Trade Adjustment Assistance Act, and I want to thank him for this effort here to clarify the law.

Mr. THOMAS. Once again reclaiming my time, Madam Speaker, I tell the gentleman that our intent is to maximize the opportunities for those who are unfortunately unemployed, not to create conflict; and we believe we have done that.

□ 1130

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. ROEMER).

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

Mr. ROEMER. Madam Speaker, if we were playing a baseball game, it would be three strikes and then out. This is not the third but the fourth time that we have tried to do this bill in the right and the balanced and the appropriate and the bipartisan way.

We finally have it right, and so we are playing by the House rules that we can do it three or four or five times. We finally have balance in this bill: Balance between helping our businesses in a tough time, in a recession, maybe coming out of this recession slowly, and helping them with a 30 percent first year depreciation bonus. Importantly, we have help for our families, our unemployed, our children, people across Indiana that have seen unemployment rates almost double over the past year.

Madam Speaker, we have seen nationally the unemployment rate go to 7.9 million people, almost 2 million people more than a year ago. This is important because the cost of this bill has come down, too. We are coming out of the recession. Mr. Greenspan is saying good things about recovery, and the price of this has gone down from \$127 billion to \$99 billion, to now \$41 billion over 10 years. That is good for our budget. It is good for our families.

It is good for our businesses. We have arrived at the right balance.

Madam Speaker, I intend to vote for this bill. It will be a bipartisan bill, and I am glad we finally have it right.

Mr. THOMAS. Madam Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH), a valued member of the Committee on Ways and Means; and, lest we forget, somebody who represents the world champions in baseball, which was a point made by the previous speaker.

Mr. HAYWORTH. Madam Speaker, I listened with great interest to the gentleman from Indiana who started with the point of gamesmanship. He spoke about three strikes and being out. A more complete exposition on the rules on baseball, four balls and one walks.

Sadly, there are some in this town who just walked away. One definition of balance, to deprive the creation of job opportunity to strike balance for unemployment checks, that type of false compassion.

Let me suggest, Madam Speaker, this is not a game. Those who will come to this well and cry crocodile tears as to their compassion for the unemployed are missing the boat.

Our President made the point, true compassion is not an unemployment check, it is a paycheck from a job. When we turn our back on tax policy that creates economic opportunities and jobs, in the unrealistic and almost plaintive cry that somehow these are tax breaks for the rich, they fail to understand.

Madam Speaker, there are many in Arizona and across America who grow cynical with the shenanigans in Washington and grow cynical with those who would put political career advancement in front of the needs of the very people they purport to champion. Indeed, there are those in the dominant media culture who almost cheerlead for that somewhat cockeyed view of how to help people.

Good people can disagree, but once again we have taken a step today, more modest, to help those who need help, people we could have helped in October, in December, once again in December, and in February. At long last, we will rally. How sad it is that we do not get balance for economic opportunity at all, but we do take the steps necessary.

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Madam Speaker, I thank the gentleman from California (Mr. MATSUI) and also the chairman for bringing this bill to the floor, as well as the ranking member.

Madam Speaker, today we are considering amendments to H.R. 3090, the Job Creation and Worker Assistance Act. As a ranking member of the Subcommittee on Workforce, Empowerment and Government Programs, I embrace this bill. However, I would have

wanted to see more for small businesses and more tax credits than what we have, especially for the unemployed. I would like to have seen a more equitable bill, but this bill that is under consideration is a drastic improvement over the first bill that was introduced into the House.

The major improvement to the bill is an extension of unemployment benefits for 13 weeks. I am sure unemployed workers throughout America will be comforted by this good news. Further, the bill reauthorizes TANF, the supplemental grant program and contingency fund, throughout the end of 2002. For families that have endured tough economic times, this reauthorization should provide some measure of relief.

I am also pleased to note that my colleagues in the House demonstrate a compassion for the long-suffering victims affected by the events of September 11 by including measures that provide temporary tax breaks and incentives for reconstruction of the World Trade Center neighborhood of New York City.

Madam Speaker, this is a bill that we can support. It does not have all of the benefits that I would have wanted to see, but as the ranking member of the Subcommittee on Workforce, Empowerment, and Government Programs, I welcome this bill. After months of wrangling over the economic stimulus bill, we have a bill that speaks to both business and unemployed workers.

Mr. THOMAS. Madam Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. WELLER).

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

Mr. WELLER. Madam Speaker, let me first begin by complimenting the gentleman from California (Mr. THOMAS) for his perseverance in working to get this economy going again. Today, the fourth time, will be the charm. I hope that the bipartisan support we are hearing for this legislation to help unemployed workers, as well increase investment and the creation of jobs, will go through the Senate and be signed into law.

There is an interesting headline in the paper today, "Congressional Budget Office Predicts 2 Years of Surpluses, Credits Tax Rebate for Rebound in Budget." The nonpartisan Congressional Budget Office gives credit to the President's tax cut for the improved situation with our budget, as well as the rebound we are beginning to see in this economy.

This legislation before us is important today. We have laid-off workers. They are running out of unemployment benefits. We extend them. The program that we have before us is better than what the other body has suggested.

We also answer a very important question, and that is, what drove job creation in the last decade? It was investment, investment in the creation of jobs. For example, particularly in

the technology and telecommunications sector, a tremendous amount of investment in the 1990s drove the creation of two-thirds of the jobs, the new jobs in our economy. That area has been hard hit by the recession we are currently under.

Madam Speaker, there are two provisions in this legislation that are tremendous incentives for investment and the creation of jobs: the accelerated depreciation, a 30 percent expensing, what some call the bonus depreciation. It is a tremendous incentive in the creation of jobs. Some of us have auto manufacturers or pickup truck manufacturers. Others have those that produce computers or telecommunications equipment. When someone has an incentive to buy those type of assets, there is a worker who manufactures that product, installs that product, services that product, and there is a worker who operates that product. The 30 percent expensing is a tremendous incentive for investment in creation of jobs.

NOL carry-back will allow companies to go back 5 years if they are losing money. The NOL carry-back is a tremendous incentive to invest in jobs. Companies are losing money. They need an opportunity to create capital that they can invest and keep their companies moving forward. The NOL carry-back will allow them to go back 5 years, essentially get a tax refund, use that money to invest in job creation, putting workers and their companies back to work, and giving more workers the opportunity to go back to work.

Madam Speaker, this legislation deserves bipartisan support. Let us invest in new jobs and give those who are unemployed today the opportunity to go back to work.

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Madam Speaker, I thank the gentleman for yielding me this time and thank the gentleman for his work on many of the issues that we are considering today.

Madam Speaker, I want to talk about three issues in this bill that are very important. One deals with unemployment insurance, and the others deal with our welfare system.

I am pleased we now have these three provisions in a package that has a good chance of not only passing this body but the other body and being signed by the President of the United States. I congratulate the gentleman from California (Mr. THOMAS), the gentleman from California (Mr. MATSUI), and the gentleman from New York (Mr. RANGEL) for bringing forward a package that can be signed into law.

The provision I am referring to is the 13-week extension of unemployment insurance. We have been in recession for the last year. People, through no fault of their own, cannot find employment. It is important that we extend the unemployment insurance benefits. This 13

weeks will help 80,000 people a week who are exhausting their current unemployment insurance benefits.

The other two provisions deal with our welfare system. We extend the supplemental grants to those States who depend upon the supplemental grants in order to fund their welfare programs. Maryland is not one of those States, so the people in my State do not benefit, but it is an important program, and I applaud the effort that will finally get that enacted into law.

The other provides for the contingency fund within the TANF welfare program.

Madam Speaker, we are in a recession. We are going to be calling upon our social safety net programs more in the coming year. It is important that we provide within the TANF program the extra resources that our States are going to need in order to deal with the people that cannot find employment during this very difficult time.

Madam Speaker, for those three reasons I compliment all that are involved. These are three important provisions and are worthy of the support of this Chamber, and I thank all who are responsible for making it possible.

Mr. THOMAS. Madam Speaker, I yield 1 minute to the gentleman from Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Madam Speaker, the inclusion of the extension of unemployment compensation benefits in this bill, of course, is the core, and it is a pretty good outcome for our unemployed.

I would have added one feature to it which I presented to the Committee on Rules but learned that it was premature to do so but which would have lifted an additional burden from the backs of our unemployed, namely a proposition that I have offered to eliminate income taxes on the receipt of unemployment compensation benefits. My proposition would make it retroactive to January, 2001.

Just as the unemployed began to creep up in numbers after the recession started, and exacerbated by September 11 when a whole new crew of unemployed Americans came before the unemployment boards, now is the time to consider lifting the burden of income taxes that applies to those benefits.

The chairman of the Committee on Ways and Means assured me that we would have discussion on this proposition; and when the time comes for that discussion, I ask the support of all of the Members because it is an unfair proposition to have our unemployed receive an unemployment compensation check and then have to calculate it in their taxes. We want to see that eliminated.

Mr. MATSUI. Madam Speaker, I yield 1 minute to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Madam Speaker, I rise in support of the bill. This is the first time I have been able to say that on the floor, and maybe the fourth time is the charm. The need is urgent

to help our displaced workers and encourage investment through depreciation.

□ 1145

This bill extends unemployment insurance benefits for workers who have used their benefits up without yet finding a job. In my own area in Houston, our laid-off workers are a result of September 11, the airline employees and the travel industry, and from the Enron situation. They will benefit from this. Since September 21, about 2 million families have run out of unemployment benefits, 81,000 per week.

That will help us nationwide. We should have done this months ago in a bipartisan manner, but the Republican leadership insisted three times before that the tax breaks for the wealthy and corporations be included. In previous recessions, we have always passed an unemployment extension, but this time again we held it hostage, and now I am glad we are finally going to see it happen.

The concern I have, though, is ultimately we went from last year saving Social Security first to making it last. It looks like we have put tax cuts first. Again I am glad the committee has come up with this bill. It is a good compromise. Hopefully, the Senate will adopt it.

Mr. THOMAS. I thank the gentleman for his kind words.

Madam Speaker, I yield 1 minute to the gentleman from Texas (Mr. SAM JOHNSON), a valued member of the Committee on Ways and Means.

Mr. SAM JOHNSON of Texas. Madam Speaker, it has been over 100 days since President Bush demanded that Congress pass legislation to create jobs and spur our economy. Today, we are trying to help the unemployed and we might finally succeed.

Republicans are asking our Senate over there to put the American people first and their political ambitions second. Nothing should stand in the way of this bill, because it targets those that need help, the unemployed, our businesses and our economy. I know the people of South Dakota and Missouri are tired of these political games and so am I. We are just trying to make America strong by creating new, high-paying, long-term jobs. This bill does just that. Vote for America's workers. Vote for this commonsense bill.

Mr. MATSUI. Madam Speaker, I yield 3 minutes to the distinguished gentlewoman from Florida (Mrs. THURMAN).

Mrs. THURMAN. Madam Speaker, I am actually here to support the bill. I, like many of my friends, am glad we have a piece of legislation before us that does address some of the issues that many of us have been concerned about and certainly one that we can find consensus. It is good to know that we in fact can find consensus and come to agreement on some issues that are facing many, many people in this country.

I would just say that what we are hearing today is there has been about 80,000 Americans who are losing their unemployment benefits each week. According to one estimate, about 1.6 million people have totally exhausted their benefits since the September 11 tragedy. This 13-week extension certainly will go a long way to help them and their families during this crisis time.

I would say I am disappointed that we could not up some of the Medicaid dollars. I think that would have been a right direction for our States. Our States are looking to us for some leadership on this issue. They, as we all know, are in serious problems in their States; and Medicaid is an area in which they have asked for some relief. In saying that, though, I think the chairman knows that in the last couple of months, we have talked in the committee about the TANF grants and issues. In fact, we are going to be at a Federal-State conference on Monday. My State of Florida has continually brought this issue to our attention. It is my understanding we are going to get about 10 percent of our total. I do not know what exact number that is, but certainly it is going to go a long way in helping us.

I think there are also some important issues in here on the extenders. Our business partners that come in to talk to us constantly are saying to us, the extenders are something we have to go through every time. We are very concerned that this is not going to happen.

I would just say that I think that the extenders and one that I am very much interested in certainly was the wind which is also an alternative energy issue, one that we should be paying close attention to in these times.

All in all, I also think that we met some of the criteria that Mr. Greenspan and others have said that will also help us in stimulating this economy. I thank our chairman and our ranking member and members of this committee who got together and figured out that there was a way to go and get some things done around here that helps the American people. We thank them for that.

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Madam Speaker, let me first start out by saying that I am very pleased that the Republican leadership dropped the bill yesterday which would have complicated matters and brought up what is essentially a clean bill today on the unemployment compensation so we can get this passed and give that extra 13 weeks to our constituents. That is so important. I am pleased at the fact that they were willing to listen to Democrats and others that were asking that that be done.

However, I did want to say that the issue of health care for people who are displaced, for displaced workers, is still very important and needs to be addressed. One of the concerns I have,

which some of my colleagues have mentioned, which is that with the States piggybacking on this Federal depreciation rule, many of the States are now concerned that they are going to be losing significant amounts of money and that they will not be able to afford to keep everyone on their Medicaid rolls. In my home State of New Jersey, which faces like a 12 percent deficit from the previous Republican administration, our Governor is saying a big part of that is Medicaid. So we do not want to aggravate the situation, making it more difficult for States to provide health care for people who do not have a job or who are low income.

What I would like to see, and this is what I would ask, is that the Republican leadership allow at some point in the next few weeks the opportunity for the Democrats and all of us to address the problem of health care. Democrats have talked about expanding COBRA. Democrats have talked about giving more money to States to deal with this Medicaid problem. We have to recognize the fact that given the recession and the amount of displaced workers, there are a lot more uninsured and their problems are only going to be addressed if we deal with public programs and try to help the States with Medicaid, if we deal with COBRA, if we deal with some of these health care initiatives that actually make a difference and provide people with health insurance.

The tax credits that the Republicans have been talking about are not going to help the uninsured. Very few people are going to be able to buy into the individual market; and if anything, the Republican proposals with their tax credits undermine the employer-based system. That is why we brought it up on the previous question today that we voted "no," because we do not want to undermine the employer-based system with these tax credits that the Republican leadership has proposed.

Mr. THOMAS. Madam Speaker, it is my pleasure to yield 2½ minutes to the gentleman from Ohio (Mr. PORTMAN), a member of the Committee on Ways and Means.

Mr. PORTMAN. Madam Speaker, I tell my friend who just spoke on the other side of the aisle that we had an opportunity to help States in regard to health care in the previous three bills that came to this floor for economic stimulus. I do not know whether the gentleman was on those, whether he voted for them or not; but we have had that opportunity, and we will have it in the future because this House will act to deal with the issue of the uninsured.

I thought it would be helpful to talk for a second about how we got to where we are right now. Let us start with why we are here. We are here because of the recession, and we are here because of the horrible events of September 11 and the deepening of the recession that that caused. In reaction to

that, the House back in October, 5 months ago, passed legislation on this floor, then again passed it in December, then again passed it in February, each time focusing on two things: one, helping those who are unemployed, including the extension of unemployment insurance; and, second, helping to get the economy back on track so we can get people back to work. That has been the focus of all the three previous efforts. Each time as the House has passed these bills with practically unanimous Republican support and some support from the other side of the aisle, these bills have been blocked by the other body. Despite the fact that we believe there is a majority of the other body that supports the legislation, at least the legislation in December and the legislation in February, the other body has chosen to block that legislation, despite the fact that during this time the recession has dragged on and on and on.

That is why we are here today, because as the other body has blocked each of these good-faith efforts again to get people back to work, the House has reacted by altering the legislation, trying to address the very concerns that were raised on the floor of the other body and some concerns that were raised on the other side of the aisle here so that the bill which was brought forward in December, the bill which was brought forward in February, was altered from the original legislation to try to be sure we could get through that Senate gauntlet, excuse me, the other body's gauntlet and get the bill to the President for signature because we care about helping people who are unemployed but also care deeply about getting people back to work and re-creating those jobs in the American economy.

The House stayed focused on that every time. The House stayed focused on helping people. Now we are here. The other body finally blocked legislation indicating to us that now we need to alter the bill again. We have once again done so. This time we have fewer incentives for jobs, but still have incentives for jobs. We kept at it. Again, I must say that I applaud the chairman's personal perseverance and patience in this effort. I think, frankly, politically many people argued we should have done something else, we should have blamed the Senate or the other body for blocking this legislation. Instead, we have persevered. We have done what we can to try to get this bill done.

Again today we are hearing on the other side of the aisle more support for this legislation. I certainly hope the other body is listening, because it is time. It is 5 months too late; but it is time for us to move to help those who are unemployed, to extend unemployment insurance, to provide other assistance but also to help get people back to work, to put in place some incentives so that new jobs can be created and folks can get back to work helping the U.S. economy.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. EMERSON). The Chair would once again remind all Members that during the course of this debate, Members should refrain from characterizing Senate action, including urging Senate action.

PARLIAMENTARY INQUIRY

Mr. THOMAS. Madam Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. THOMAS. In terms of not representing or characterizing Senate action, does that also refer to characterizing Senate inaction?

The SPEAKER pro tempore. The gentleman is correct.

Mr. MATSUI. Madam Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. DOOLEY).

Mr. DOOLEY of California. Madam Speaker, I am very pleased today that we finally have put together a stimulus package that will enjoy significant bipartisan support, and it will engender this significant bipartisan support because it is focused. It is focused on enacting tax cuts that will really result in increased economic activity. It focuses on providing needed benefits to New York. It focuses on providing needed benefits to our unemployed workers. And unlike some of the past stimulus bills that were brought before this House, it is focused on tax cuts that will really make a difference in the immediate term.

There has been some characterization that we did not have a stimulus bill signed into law before this or through the past 5 months because of a failure of one body or the other to take action. I think the reason we do not have a bill that is signed into law already was because we failed to work in a bipartisan fashion to structure a bill that would be focused on the immediate tax cuts that would provide that economic stimulus that was balanced to the appropriate benefits that needed to be provided to the unemployed workers in this country. I do not think we should be surprised that today when we pass this measure out of the House with broad bipartisan support that it is quite likely that we will see a bill that will be enacted and sent to the President's desk. There is a very simple lesson there, I think, that by working together and by being focused and finding a bill that can find that common ground, we can make a difference, we can advance policies that will ensure that we can see greater economic activity, and we can advance benefits that are going to provide some relief to a lot of the hard-working Americans who, unfortunately, have lost their jobs over the past few months.

Mr. THOMAS. Madam Speaker, it is my pleasure to yield 2½ minutes to the gentleman from Louisiana (Mr. MCCREY), chairman of the Subcommittee on Select Revenue Measures of the Committee on Ways and Means.

Mr. McCRERY. Madam Speaker, I first want to talk about why Republicans have stuck to our guns on insisting that extension of unemployment benefits be coupled with tax cuts for business so that they might create jobs and pull us out of this recession.

I am going to quote from an online publication of Business Week magazine from yesterday:

“Federal Reserve Chairman Alan Greenspan has repeatedly pointed out that the current recession was triggered by business cutbacks and said he’ll need to see improved corporate demand before he’s convinced the recovery is sustainable.

“Surveys of corporate buyers have consistently shown they plan only a gradual pickup in spending this year. Only 15 percent of respondents to a National Association of Manufacturers survey released on February 20 said they would increase capital spending by more than 5 percent in the first half of 2002.

□ 1200

“For the second half of 2002, only 25 percent of respondents said they expect to increase spending by more than 5 percent, but 54 percent said their increase would be in the zero- to 5-percent range.”

There is certainly a need, if we want to get out of this recession, if we want to create jobs and put people back to work, there is a need to give corporate America an incentive to invest; capital investment. That is what Chairman Greenspan is talking about.

Therefore, we have stuck to our guns and we have won today. We have a package that is going to pass this floor and go to the other body and, hopefully, will be passed there, that will not only give some relief to the unemployed in the form of benefit checks, but it will also give them some hope in the form of a future job.

Now, let us talk about the unemployment compensation benefits in this bill, because they are important. The gentleman from Maryland touched on them, but he did not go far enough in describing what is in this bill. Besides the extension of the 13 weeks of unemployment benefits, we also do what is known as a Reed Act distribution. That means that we are finally going to give to the States adequate monies for administration of the unemployment compensation system in the States, primarily the employment services portion of that system. That is what Congress has been shortchanging the States on for years now.

In this bill, we are going to make good on our promise to give them adequate funds to administer this program to get people back to work.

Mr. MATSUI. Madam Speaker, I yield 1 minute to the gentleman from Virginia (Mr. MORAN).

Mr. MORAN of Virginia. Madam Speaker, when we have bills that are the result of real compromise before us, it is incumbent upon us to find real consensus. The fact is that this is a

balanced bill, and extending unemployment benefits for another 3 months makes sense. We all agree on that.

I also agree on the tax incentives. The capital equipment that is going to be purchased as a result of the 30 percent accelerated depreciation probably would have happened anyway, but it is going to happen now, it is going to be concentrated, it is going to give a real jump-start to the economy, and it is going to get those folks on unemployment now back into the workforce. Even the 5-year loss carry-back makes sense.

This is the kind of thing where the money that we are providing is going to be invested immediately for the productivity of our workforce with the capital investment, and it is going to be invested in the kind of plant and equipment that will ensure that these companies will be sustainable.

We have a great thing going for us. We have had a mini recession. There are certain things that we need to do to fill gaps, to build capacity in the economy, and we need to make sure that our working families can provide for their children.

This does it. It should be approved, and it should be approved unanimously.

Mr. THOMAS. Madam Speaker, I thank the gentleman for his kind words.

Madam Speaker, I yield 1 minute to the gentlewoman from Washington (Ms. DUNN), a member of the Committee on Ways and Means.

Ms. DUNN. Madam Speaker, I am pleased to hear preliminary reports that indicate that our economy might be back on track, but in Washington State, recovery will take longer. Our unemployment continues to go up, not down, for each round of Boeing layoffs. At 7.5 percent, it is the second highest in the Nation. Many analysts have projected it will grow to 8 percent, the highest unemployment in the Nation. So we can see why providing the benefits that we provide for unemployed people in this bill is crucial, but it is not enough, Madam Speaker.

It is also crucial to provide some help for businesses so that they will invest in workers and keep people employed. We know it is the private sector that creates jobs. Assisting them needs to be a focus of our recovery efforts. The tax provisions in this bill will encourage Washington State companies to begin investing again and keep people employed.

I urge passage of this bill.

Mr. MATSUI. Madam Speaker, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. ANDREWS).

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

Mr. ANDREWS. Madam Speaker, I rise in support of this bill because of what it does and what it does not do. I commend and thank the leadership of both parties for bringing us a bill that extends unemployment benefits, that

provides meaningful incentives for people to invest in capital goods and get the business economy rolling again.

I also support the bill because it is not nearly as large as the other plans that were before us just a few weeks and months ago. The looming problem in this economy is the budget deficit. This bill adds only marginally to the budget deficit in the short run, and I believe it will subtract from it in the long run. But that problem is not going away. We are once again going to run this government on borrowed money, I believe because of the unduly large tax cut enacted last summer.

We have done a good job today in addressing the short-term problem, but we have a bigger job to do in the weeks and months ahead in addressing the looming train wreck with Social Security in the American economy because we are once again going to go back to the bad old days of the 1980s of running this government on borrowed money.

Let us stimulate this economy today, but let us solve the long-term problems in the future.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 2 minutes to the gentleman from Pennsylvania (Mr. ENGLISH), a member of the Committee on Ways and Means.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I thank the chairman for yielding me this time.

I am here to express support for a bill that House Republicans are once again putting forward before the House in response to the pleas of American workers who have been laid off in the Arctic climate of this recession.

Mr. Speaker, it is critical that we pass this legislation, but, unfortunately, we have been missing many opportunities. Three times already we have passed the substance of this legislation with additional stimulus built in, passed it, and sent it to where it has been blocked by partisan obstructionism which I have neither the time, nor the inclination, nor the flexibility, under the rules of this House, to adequately explore.

What is important here is that we are laying forward a bill that helps American workers by extending unemployment benefits for 13 weeks. At a time when workers are having difficulty finding another job, they need that extension. It provides clear tax incentives for investment in good-paying jobs.

I represent a manufacturing district. This is precisely the sort of incentive that will allow manufacturers to pour money into capital equipment, modernize their production lines, improve productivity, and successfully compete globally. This is precisely the kind of incentive that is going to allow them to become more competitive and also boost the economy now at a critical time when it needs a boost.

The legislation that we face is the right mix in order to try to provide some relief for an economy that is still dragging and still very much at risk.

Mr. Speaker, it is critical that we pass this legislation now. If we cannot get the full-blown stimulus package that House Republicans have been advocating and that the President has been advocating, it is critical that we move this legislation forward to try to address at least some of the more obvious problems that we are facing.

Mr. MATSUI. Mr. Speaker, I yield 3½ minutes to the distinguished gentleman from the State of Washington (Mr. McDERMOTT), a member of the Committee on Ways and Means.

Mr. McDERMOTT. Mr. Speaker, I am really pleased that we finally got the hunting season settled for mourning doves yesterday so that we could finally get down and do something important.

Since September 12 when we tried to give \$15 billion to the airline executives and stockholders, we have refused to deal directly and simply with the unemployment question. We have always had to have it wrapped with a whole bunch of tax cuts.

Now, we are out here today to pass a bill, and the price has gotten down low enough that a lot of us will support it. It will go out of here almost unanimously. We are going to give \$14 billion over the next 3 years to the unemployed and \$100 billion to the employers in the form of tax cuts.

We had a famous member of the other body from our State who used to say, I would like to find a one-armed economist, because on the one hand they say things are going up and on the other hand they say things are going down. I do not know whether this bill is for the going ups or the going downs, because I hear that the recession is all over, that we have pulled out of it already because of all of the great things we have done. So why do we need this stimulus package? Why are we putting in \$100 billion taken from the Social Security money?

Over the next 3 years, the workers in this country are going to be paying Social Security so they can give a tax break to their bosses to buy more machines. Now, if we are out of the recession, then why do we need this stimulus package? We clearly need the money for unemployment for the 1.1 million people who have lost their jobs and lost their unemployment since 9-11. That is clear. But there is not any evidence that I see, at least from my State, that says they are all coming back to work now.

Now, if a guy has a plant and he has equipment, why is he going to go out and invest in more unless there is a market? If you have, as we have, an 8 percent unemployment rate in Seattle, anybody investing to make more, I guess it can just sit in the warehouse. That would be good business, I guess, although I have never run a business, so I would not know if it is a good idea. But it does not seem very smart to buy a bunch of machinery for something that one cannot sell. Until the economy starts and people are back work-

ing, it is going to be very hard to convince people to go and buy more high-priced electronic equipment and all of the things that have gone down.

Now, what is really aggravating about this is you will not give us a chance to have a pay-for, no chance to pay for it. No, no, no. This is the plan that says, if you are in a hole, keep digging. We are in a hole, and we are going to dig another \$100 billion deeper, and we could reverse that. We could do something about that if we could have hearings and actually have meetings on this, but these things keep popping out of the committee without anybody ever having a chance to talk about them. We find out that, after all of these months, the State of Washington, we have to have a letter from the Department explaining how it is going to work.

I urge everyone to vote for a bad compromise.

Mr. THOMAS. Mr. Speaker, my understanding is the gentleman said that he was in favor of the bill? I did not hear the closing pitch. How ironic.

Mr. Speaker, it is my pleasure to yield 1½ minutes to the gentleman from Missouri (Mr. HULSHOF), a member of the Committee on Ways and Means.

Mr. HULSHOF. Mr. Speaker, I rise in support of the Job Creation and Worker Assistance Act.

This, Mr. Speaker, is the least we could do; literally, this is the least we could do, because of the political climate in which we find ourselves. This is a pragmatic solution.

There have been a number of speakers who lament the fact that we have not provided worker assistance in the past, and I would remind my colleagues that we have provided that assistance in the three prior true stimulus bills. Perhaps we have missed some opportunities, because we also had some health assistance for displaced workers. My colleagues may recall we had some simplification of the capital gains holding period that a lot of small businesses have been asking us about. We had relief from the punitive Alternative Minimum Tax, which, I remind my colleagues, economically hits businesses at a time when they can least afford to be hit with this tax; that is, times of economic slowdown.

Interestingly, the gentleman from Texas who spoke earlier talked about tax breaks for wealthy corporations. And yet, if these corporations are so wealthy, then why are we including a net operating loss carry-back?

The fact is that these economic downturns have caused many businesses to become awash in red ink. Ford Motor Company, for instance, that was on the top 10 recipients of additional tax relief on a chart that my colleagues on the other side of the aisle used recently, announced a layoff of a plant in St. Louis, Missouri, which is going to affect about 2,500 workers.

Notwithstanding that, I think that this is a good bill and, as I have said

before, inaction is not an option. I am glad that the House is finally acting.

Mr. MATSUI. Mr. Speaker, I yield the balance of my time to the distinguished gentlewoman from the State of California (Ms. PELOSI), the Democratic whip.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding and for his leadership on this very important issue.

Well, here we are 6 months later, four legislative attempts and millions of jobs lost, finally passing a package to extend unemployment benefits for those affected by the recession and the September 11 tragedy.

□ 1215

We have to review this legislation today in the context of this past year. One year ago, when the Clinton administration left office, we had the strongest economy in the history of our country. We had the biggest budget surplus in a generation.

What a difference a year makes. Under the Bush economic package, we started into a recession, we started into reversing the tendency towards surplus and moved into deficit, and we have been advancing policies under the Republican leadership in the House to raid Social Security.

Within that context came September 11, when we already had an economy moving into a recession. What a tragedy it was in so many respects for our country. Immediately this House acted, and probably appropriately, to bail out the airline industry in a matter of days from September 11.

Many of us wanted to vote in tandem for that bill and a bill that would help bail out all of the workers who lost their jobs as a result of September 11 in the airline industry and in the related hospitality industry.

But no, the emergency was only for the industry, and the workers would have to wait. So in good spirits and with good will, we voted for the airline bailout bill with the thought that the worker bailout would shortly come before us.

Six months later, we still do not have that comprehensive worker bailout bill on the floor. What we have before us today is the very least that we could do, the very least that we could do, to extend for 13 weeks the unemployment benefit package for the workers. Now we are at record numbers, 8 million unemployed in our country, record numbers of people going on unemployment every day.

So when we talk about this bill before us today, we say that at long last we can be relevant to the pain and suffering in the families of America's working people because we will extend the benefits. But this, as I said, is the very least that we can do. Much more needs to be done.

That is why next week the Democrats will launch a discharge petition calling to expand the number of people who would be available for unemployment benefits: temporary workers,

those below a certain wage scale. It would also include in it a health package benefit, so that there would be funding to allow people to take advantage of COBRA extension of their health benefits, because health benefits are a very, very important part of the job, and should be a very important part of an unemployment benefit package.

Mr. Speaker, today we certainly vote to extend the benefits for American workers' families, but we recognize that this, as I said, is the very least that we can do.

The fight continues. Next week we will continue with the discharge petition.

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

First of all, Mr. Speaker, I want to thank the gentlewoman for her discordant, partisan remarks.

Mr. Speaker, I am very pleased to yield the remainder of our time to the gentleman from Illinois (Mr. HASTERT), the Speaker of the House of Representatives.

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

Mr. Speaker, I think today we have a bill that I hope we can vote for on both sides of the aisle. At least, that sounds like the debate that we have had.

Two or 3 weeks ago, we had a bill on the floor that basically did the same thing. We also had health care provisions. Last Monday, I received a letter from the minority leader that said "I don't want UI and health care benefits put together in this bill." We took it out. Now we have a bill that basically has UI benefits.

We have three things that I think are important for this country, not only helping those people who are out of work, and they need help, but also, most people who are out of work will tell us one thing: They want a job. It is our job to help create jobs in this country.

There are some fundamental things we can do. First of all, all American families that work have accumulated some kind of wealth, either through 401(k)s or mutual funds or savings accounts or pensions. They lost value after September 11. Luckily, that value is starting to come back, and people are seeing that their savings are starting to be restored.

But that is a valuable asset that we have in this country. That is a valuable asset for every American family. We need to get confidence in those markets that people will put money back in again and see that value rise.

The second thing that we needed to do is get confidence in consumers, because what this Congress has done over the past 3 years is paid down \$450 billion of public debt, so we do not have the Federal Government out there competing with the private sector for capital. We have helped keep interest rates low.

I say "helped keep" because the Federal Reserve has helped us, but they

have been able to help us because we have done what we have done. With low interest rates, we read that housing starts are up 6 million last year, unprecedented in a time of recession, but this helped keep the economy going. The auto industry is going. A lot of things are starting back up. We have helped that happen. This bill will give consumers confidence, also.

The third thing that we needed to do, and we will do in this bill, is to help amass capital in very crucial spots so that money will be invested in creating jobs. Creating jobs is not a hocus-pocus, or it is not something where we wave a wand over and it just happens. We have to create it. We have to make sure that there is capital amassed so people invest in new ideas, new construction, new capital equipment, and the ideas that create jobs in this country. That has been this Nation's strength. We do it in this bill.

We are going to be successful in the bill because 2 weeks ago we did not wave a white flag and say, "We will just pass UI and we will roll over dead." We fought back, we got a good piece of legislation. I think that the Senate ought to pick this legislation up and pass it.

Mrs. CHRISTENSEN. Mr. Speaker, I rise in support of H.R. 3090, the Job Creation and Worker Assistance Act. I am pleased that we appear to be finally on our way towards giving relief to the millions of Americans who have exhausted their unemployment benefits.

I want to thank the Chairman and Ranking Democrat of the Ways and Means Committee, Representatives THOMAS and RANGEL for including the annual Tax Extenders bill in the H.R. 3090 which includes the very important extension of the Rum Cover-Over for the Virgin Islands and Puerto Rico. The Rum Rebate, as it is known in my district, is critically important because it is used to secure the bonds that the Government of Virgin Islands issues to pay for the public infrastructure needs of the territory.

Mr. Speaker, I applaud the leadership you and your fellow majority leadership members have shown in crafting an unemployment extension bill which has strong bipartisan support and which has a good chance of becoming law soon because it does not contain any of the controversial tax breaks that were included in earlier bills such as the repeal of the corporate minimum tax. On balance this is a good bill and I urge my colleagues to support its passage.

Mrs. MALONEY of New York. Mr. Speaker, I rise to express my relief that we are finally voting on legislation that will help unemployed Americans.

I have heard countless stories of working men and women who cannot find jobs in these uncertain economic times. Families have been crying out for help, and it's time that we give them the relief that they need.

The aftershocks of 9/11 have affected thousands of workers. In my state alone, unemployment has increased by almost 2 percent since last January.

More than one hundred thousand New Yorkers were displaced by the terrorist attacks, and they shouldn't shoulder the economic burden of 9/11 alone.

Federal grants to extend unemployment make sense not only for New York, but for the nation as a whole.

I am pleased that this legislation contains the 13-week extension of unemployment benefits.

However, we must continue our efforts to ensure that laid-off workers without health care benefits obtain the coverage that they need.

I only hope that this relief will not linger in conference so that workers will not have to worry about paying rent, sending their children to college, or going to the doctor.

It's time to pass this benefits package.

Mr. POMEROY. Mr. Speaker, I rise in strong support of H.R. 3090, the Job Creation and Worker Assistance Act of 2002. I only regret that it took five months for the majority to bring forward a responsible, bipartisan bill that provides assistance to unemployed workers, helps stimulate investment in our economy, but does not further harm our long-term budget outlook. Although the delay is unfortunate, we have a good bill on the floor today and I urge my colleagues to support it.

First, the bill helps unemployed workers by extending the limit on unemployment insurance from 26 to 39 weeks. Importantly, the bill also expands UI benefits by providing funds to assist part-time workers who have lost their jobs. At a time when 80,000 workers per week are exhausting their UI benefits, the 13-week extension in this bill is sorely needed. This Congress has been promising for months to help displaced workers; the bill before us finally delivers on that promise.

Second, the bill encourages new investment to help lift our sputtering economy. It provides businesses with a 30 percent bonus depreciation for plant and equipment placed in service after the terrorist attack of September 11. This will give businesses a powerful incentive to expand their operations and grow the economy. In addition, the bill extends the net operating loss carry-back from two years to five, so that businesses can take advantage of their loss deductions, freeing up funds for new investment.

Third, the bill extends expiring tax credits, including the Welfare-to-Work Tax Credit and the Work Opportunity Tax Credit. Importantly for North Dakota, the bill extends the taxable income limit for oil production from marginal wells and the tax credit for wind energy production. North Dakota is not only a major producer of oil, it is number one in the nation in the potential for energy generation from wind. Both of these provisions will be of significant benefit to my home state.

Finally, the provisions of this bill are temporary, which has two benefits. First, it will encourage businesses to act now, when new investment is needed most to boost the economy. Second, it will minimize the harm to the long-term budget outlook. As each of us knows, the 10-year budget is projected to divert \$1.56 trillion from the Social Security trust fund. By limiting the term of these provisions, we stimulate the economy without setting back our efforts to balance the budget without using Social Security.

Mr. Speaker, I support this legislation and urge its adoption.

Mr. BLUMENAUER. Mr. Speaker, I rise today in strong support of the Job Creation and Worker Assistance Act of 2002. In extending unemployment benefits for 13 weeks, this

legislation goes a long way toward providing critical economic assistance to workers and small businesses around the country.

The current economic downturn has had a tremendous impact on the Pacific Northwest. The State of Oregon, in particular, has the highest unemployment rate in the country. Some of our most important market sectors, such as technology, agriculture, and forestry, have been hard hit in the last year. This legislation will help our state and our nation until people get back to work.

The bill before us today strikes a balance between the need to assist our country's workers while recognizing the very real financial constraints our government is facing. The 13-week extension of unemployment benefits will help the many in my district who have had trouble regaining employment due to the events of September 11th and the economic downturn and have exhausted their regular benefits.

In addition, I strongly support the provisions of the legislation on accelerated depreciation. Under current law, the recovery period for most personal property through the depreciation process is anywhere from three to 25 years. This legislation would allow a temporary additional first-year deduction of 30 percent for property that generally has a recovery period of 20 years or less, and was purchased on or after September 11, 2001. Small businesses and individuals around the country will be able to use this provision to recover more of their capital costs more quickly, in turn allowing them to use these funds to employ more workers and purchase more goods and services.

Finally, this legislation extends a number of important tax provisions, such as welfare-to-work, the tax credit for electric vehicles, wind and bio mass and, perhaps most important, tax incentives to encourage reconstruction and redevelopment of the New York "Liberty Zone" surrounding the World Trade Center. These tax incentives will provide further stimulus to those sectors of the economy desperately in need of assistance, while improving the livability of our communities.

Mr. Speaker, this legislation is absolutely necessary to ensure that workers in Oregon communities and across the country can provide for their families until they get back to work. I urge my colleagues to support the legislation.

Mr. UDALL of New Mexico. Mr. Speaker, it gives me great pleasure to rise today in support of a worker assistance measure that will finally benefit the men and women who need it the most—the unemployed. I am also happy to see that we were finally able to work in a bipartisan fashion to get important legislation crafted for individuals strongly in need of help.

I cannot tell you, Mr. Speaker, how many phone calls my office received from people who were nearing the end of their unemployment benefits, and were still struggling to find employment despite constant efforts to do so. Unfortunately, since last fall, Republicans have been playing nothing more than dirty pool by pushing so-called stimulus packages with accelerated tax cuts, corporate AMT refunds running back to 1986, and poorly conceived health insurance tax credits.

Nevertheless, as the old adage goes, "it's better late than never." And, although Federal Reserve Chairman Greenspan is on the Hill today proclaiming that economic recovery is "well under way," there are thousands of

Americans, and many of New Mexicans who are still not seeing the benefits of a recovering economy. That is why I am glad the majority finally decided to do what is right and bring forth a real, meaningful worker assistance bill without controversial tax breaks.

I am pleased to support this legislation and urge my colleagues to do the same. Worker assistance is long overdue.

Mr. SHOWS. Mr. Speaker, today we are considering a measure to extend unemployment benefits for an additional 13 weeks.

On Monday we will mourn the 6-month anniversary of September 11. However, with this anniversary comes issues that Congress must address. Among those is the fact that unemployment benefits will expire on Monday. Unemployed Americans are counting on us to help them get through another difficult situation.

We keep hearing about the need to stimulate our sagging economy. Tough economic times were made worse in the aftermath of September 11th, but I can tell you that back in Mississippi too many people were losing their jobs before then.

And we can only blame ourselves for enacting trade policies that have sent Mississippi jobs packing across our borders. We did it with NAFTA and I am afraid we're going to do it again with Fast Track.

Since September 2001, more than 1.3 million Americans have exhausted their unemployment benefits. In Mississippi alone, more than 7,200 men and women have exhausted their benefits since November, compared to 4,700 unemployment workers during the same time period in 2000—a 54 percent increase. And we continue to experience new factory closures every week in Mississippi.

So, while we argue over ways to jump-start our sluggish economy, it is just as important that we help the victims of that economy.

This Congress has had ample opportunity to help our unemployed—our once working American families—but the leadership of this body chose not to act. This is why I filed the discharge petition to bring this bill to the floor. It's too bad we had to resort to this measure—to bypass regular order—to force action on this essential measure.

However, at least today we will and rectify this economic situation and help American workers who need their government to work for them in this difficult time.

Mr. HINOJOSA. Mr. Speaker, I rise today in support of the Job Creation and Workers Assistance Act, H.R. 3090. On behalf of my constituents in the 15th Congressional District of Texas, which has suffered from a chronic double-digit unemployment rate for decades, this bill is long overdue. I am glad that the majority decided to bring a bill to the floor upon which we have broad agreement, and which will be well received by the other body—the Senate.

Mr. Speaker, this bill represents the kind of constructive compromise that must be the cornerstone of our efforts to create public policy that promotes job growth and economic prosperity. This bill includes provisions that will provide much-needed relief to our unemployed workers who have been losing their benefits. It also provides effective and immediate tax relief that will help businesses to survive these difficult economic times and lead our Nation to renewed economic growth.

I applaud my colleagues on both sides of the aisle for coming together to craft this "eco-

nomically sound" bill in our Nation's time of need, and I urge support for the resolution and the bill.

Mr. ETHERIDGE. Mr. Speaker, I rise in strong support of H.R. 3090, the Job Creation and Worker Assistance Act. This bill, like the bill the Senate passed a few weeks ago, extends unemployment benefits for 13 weeks and provides temporary tax relief for businesses that will truly help stimulate our economy. H.R. 3090 represents the kind of temporary, immediate and affordable relief I advocated for months.

Mr. Speaker, for months, the House Leadership has continued to bring up only sham tax bills instead of relief for unemployed workers. In fact, the worker relief package we are considering today could have been law months ago if House Republicans had not insisted on attaching controversial and ineffective tax breaks for special corporate interests to previous stimulus packages.

While the relief contained in H.R. 3090 is a step in the right direction, we must not stand pat. As we approach the six-month anniversary of the terrible events of September 11, Congress must pass additional common sense legislation to jump-start our economy and put our people back to work. We must address the issue of health insurance for the unemployed. Mr. Speaker, providing health insurance for the unemployed and extending unemployment benefits must go hand in hand. And we should enact visionary policies to prompt long-term economic growth, prosperity and opportunity for all Americans willing to work hard to make the most of their God-given abilities. I am hopeful that Congress will address these important priorities in the coming months.

The SPEAKER pro tempore (Mr. LATOURETTE). All time for debate has expired.

Pursuant to House Resolution 360, the previous question is ordered on the motion.

The question is on the motion offered by the gentleman from California (Mr. THOMAS).

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. THOMAS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 417, nays 3, not voting 15, as follows:

[Roll No. 52]

YEAS—417

Abercrombie	Berry	Buyer
Ackerman	Biggert	Callahan
Aderholt	Bilirakis	Camp
Akin	Bishop	Cannon
Allen	Blumenauer	Cantor
Andrews	Blunt	Capito
Armey	Boehert	Capps
Baca	Boehner	Capuano
Bachus	Bonilla	Cardin
Baird	Bonior	Carson (IN)
Baker	Bono	Carson (OK)
Baldacci	Boozman	Castle
Baldwin	Borski	Chabot
Ballenger	Boswell	Chambliss
Barcia	Boucher	Clay
Barr	Brady (PA)	Clayton
Barrett	Brady (TX)	Clement
Bartlett	Brown (FL)	Clyburn
Bass	Brown (OH)	Coble
Becerra	Brown (SC)	Collins
Bereuter	Bryant	Combest
Berkley	Burr	Conyers
Berman	Burton	Cooksey

Costello  
Cox  
Coyne  
Cramer  
Crane  
Crenshaw  
Crowley  
Culberson  
Cummings  
Cunningham  
Davis (CA)  
Davis (FL)  
Davis (IL)  
Davis, Jo Ann  
Davis, Tom  
Deal  
DeFazio  
DeGette  
Delahunt  
DeLauro  
DeLay  
DeMint  
Deutsch  
Diaz-Balart  
Dicks  
Dingell  
Doggett  
Dooley  
Doolittle  
Doyle  
Dreier  
Duncan  
Dunn  
Edwards  
Ehlers  
Ehrlich  
Emerson  
Engel  
English  
Eshoo  
Etheridge  
Evans  
Everett  
Farr  
Fattah  
Ferguson  
Filner  
Flake  
Fletcher  
Foley  
Forbes  
Ford  
Fossella  
Frank  
Frelinghuysen  
Frost  
Ganske  
Gekas  
Gephardt  
Gibbons  
Gilchrest  
Gillmor  
Gilman  
Gonzalez  
Goode  
Goodlatte  
Gordon  
Goss  
Graham  
Granger  
Graves  
Green (TX)  
Green (WI)  
Greenwood  
Grucci  
Gutierrez  
Gutknecht  
Hall (OH)  
Hall (TX)  
Hansen  
Harman  
Hart  
Hastert  
Hastings (FL)  
Hastings (WA)  
Hayes  
Hayworth  
Hefley  
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Hill  
Hilleary  
Hilliard  
Hinches  
Hinojosa  
Hobson  
Hoeffel  
Hoekstra  
Holden  
Holt

Honda  
Hooley  
Horn  
Hostettler  
Houghton  
Hoyer  
Hulshof  
Hunter  
Hyde  
Inslie  
Isakson  
Israel  
Issa  
Istook  
Jackson (IL)  
Jefferson  
Jenkins  
John  
Johnson (CT)  
Johnson (IL)  
Johnson, E. B.  
Johnson, Sam  
Jones (NC)  
Jones (OH)  
Kanjorski  
Kaptur  
Keller  
Kelly  
Kennedy (MN)  
Kennedy (RI)  
Kerns  
Kildee  
Kilpatrick  
Kind (WI)  
King (NY)  
Kingston  
Kirk  
Klecicka  
Knollenberg  
Kolbe  
Kucinich  
LaFalce  
LaHood  
Lampson  
Langevin  
Lantos  
Larsen (WA)  
Larson (CT)  
Latham  
LaTourette  
Leach  
Lee  
Levin  
Lewis (CA)  
Lewis (GA)  
Lewis (KY)  
Linder  
Lipinski  
LoBiondo  
Lowe  
Lucas (KY)  
Lucas (OK)  
Luther  
Lynch  
Maloney (CT)  
Maloney (NY)  
Manzullo  
Markey  
Mascara  
Matheson  
Matsui  
McCarthy (MO)  
McCarthy (NY)  
McCollum  
McCrery  
McDermott  
McGovern  
McHugh  
McInnis  
McIntyre  
McKeon  
McKinney  
McNulty  
Meehan  
Meeke (NY)  
Menendez  
Mica  
Millender  
McDonald  
Miller, Dan  
Miller, Gary  
Miller, George  
Miller, Jeff  
Mink  
Mollohan  
Moore  
Moran (KS)  
Moran (VA)  
Morella

Murtha  
Myrick  
Nadler  
Napolitano  
Nethercutt  
Ney  
Northup  
Norwood  
Nussle  
Oberstar  
Obey  
Olver  
Ortiz  
Osborne  
Ose  
Otter  
Owens  
Oxley  
Pallone  
Pascarell  
Pastor  
Paul  
Payne  
Pelosi  
Pence  
Peterson (MN)  
Peterson (PA)  
Petri  
Phelps  
Pickering  
Pitts  
Platts  
Pomboy  
Pomeroy  
Portman  
Price (NC)  
Pryce (OH)  
Putnam  
Quinn  
Radanovich  
Rahall  
Ramstad  
Rangel  
Regula  
Rehberg  
Reyes  
Reynolds  
Riley  
Rivers  
Rodriguez  
Roemer  
Rogers (KY)  
Rogers (MI)  
Rohrabacher  
Ros-Lehtinen  
Ross  
Rothman  
Roukema  
Roybal-Allard  
Royce  
Rush  
Ryan (WI)  
Ryun (KS)  
Sabo  
Sanders  
Sandlin  
Sawyer  
Saxton  
Schaffer  
Schakowsky  
Schiff  
Schrock  
Scott  
Sensenbrenner  
Serrano  
Sessions  
Shadegg  
Shaw  
Shays  
Sherman  
Sherwood  
Shimkus  
Shows  
Shuster  
Simmons  
Simpson  
Skeen  
Skelton  
Slaughter  
Smith (MI)  
Smith (NJ)  
Smith (TX)  
Smith (WA)  
Snyder  
Souder  
Spratt  
Stark  
Stearns  
Strickland

Stump  
Stupak  
Sullivan  
Sununu  
Sweeney  
Tancred  
Tanner  
Tauscher  
Tauzin  
Taylor (NC)  
Terry  
Thomas  
Thompson (CA)  
Thompson (MS)  
Thornberry  
Thune  
Thurman  
Tiahrt

Tiberi  
Tierney  
Toomey  
Towns  
Turner  
Udall (CO)  
Udall (NM)  
Upton  
Velazquez  
Visclosky  
Vitter  
Walden  
Walsh  
Wamp  
Waters  
Watkins (OK)  
Watson (CA)  
Watt (NC)

Watts (OK)  
Waxman  
Weiner  
Weldon (FL)  
Weldon (PA)  
Weller  
Whitfield  
Wicker  
Wilson (NM)  
Wilson (SC)  
Wolf  
Woolsey  
Wu  
Wynn  
Young (AK)  
Young (FL)

NAYS—3

Boyd Stenholm Taylor (MS)

NOT VOTING—15

Barton Gallegly Sanchez  
Bentsen Jackson-Lee Solis  
Blagojevich (TX) Traficant  
Calvert Lofgren Wexler  
Condit Meek (FL)  
Cubin Neal

□ 1246

Mr. BERRY changed his vote from “nay” to “yea”.

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 52 on H.R. 3090, to provide tax incentives for economic recovery I was unavoidably detained. Had I been present, I would have voted “yea.”

PERSONAL EXPLANATION

Ms. SANCHEZ. Mr. Speaker, I was attending an important business meeting in Mexico with President Vicente Fox on March 7th dealing with International Women’s Day.

Had I been present and voting, I would have voted “nay” on rollcall No. 51 and “yea” on rollcall No. 52.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the motion just agreed to.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE PROGRAM

(Ms. PELOSI asked and was given permission to address the House for 1 minute.)

Ms. PELOSI. Mr. Speaker, I rise to inquire about the schedule for next week.

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

Ms. PELOSI. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I am pleased to announce that the House has completed its legislative business for the week.

The House will next meet for legislative business on Tuesday, March 12, at 12:30 p.m. for morning hour and 2 p.m. for legislative business. The House will consider a number of measures under suspension of the rules, a list of which will be distributed to Members’ offices tomorrow. Mr. Speaker, that list will include the Born Alive Infant Protection Act.

On Tuesday, recorded votes will be postponed until 6:30. On Wednesday and on Thursday, I have scheduled H.R. 2341, the Class Action Fairness Act of 2002, for consideration in the House. I would also like to note that the Committee on the Judiciary has completed its markup of H.R. 2146, the Two Strikes and You’re Out Child Protection Act; and I will be expecting to put that bill on the floor next week as well.

I thank the gentlewoman for yielding.

Ms. PELOSI. Mr. Speaker, reclaiming my time, I thank the gentleman for the schedule, but could he be more specific about the day that the Class Action Fairness Act of 2002 will be brought up?

Mr. ARMEY. Mr. Speaker, if the gentlewoman will continue to yield, we expect that bill to be on the schedule for Wednesday. I think we would plan on that.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for that specific answer.

ADJOURNMENT TO MONDAY, MARCH 11, 2002

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday next.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON TUESDAY, MARCH 12, 2002

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, March 11, 2002, it adjourn to meet at 12:30 p.m. on Tuesday, March 12, for morning hour debates.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO HAVE UNTIL 7 P.M., MONDAY, MARCH 11, 2002, TO FILE A REPORT ON H.R. 2341, CLASS ACTION FAIRNESS ACT OF 2001

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary have until 7 p.m. on Monday, March 11, 2002, to file a report to accompany the bill (H.R. 2341) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, to outlaw certain practices that provide inadequate settlements for class members, to assure that attorneys do not receive a disproportionate amount of settlements at the expense of class members, to provide for clearer and simpler information in class action settlement notices, to assure prompt consideration of interstate class actions, to amend title 28, United States Code, to allow the application of the principles of Federal diversity jurisdiction to interstate class actions, and for other purposes.

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

There was no objection.

ANNOUNCEMENT BY COMMITTEE ON RULES REGARDING AMENDMENTS TO H.R. 2341, CLASS ACTION FAIRNESS ACT OF 2001

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

Mr. DREIER. Mr. Speaker, the Committee on Rules may meet on Tuesday, March 12, 2002, to grant a rule for the consideration of H.R. 2341, the Class Action Fairness Act.

The Committee on Rules may grant a rule which would require amendments be printed in the CONGRESSIONAL RECORD prior to their consideration on the floor. Any Member wishing to offer an amendment should submit 55 copies of the amendment and one copy of a brief explanation of the amendment to the Committee on Rules in room H-312 in the Capitol no later than 1 p.m. on Tuesday, March 12.

The Committee on the Judiciary intends to file its report on the bill on Monday, March 11. The Committee on Rules will post the Committee on the Judiciary version of the bill on the Web site of the Committee on Rules as soon as it becomes available. Members should draft their amendments to the bill as reported by the Committee on the Judiciary.

Mr. Speaker, Members should use the Office of Legislative Counsel to ensure their amendments are properly drafted and should check with the Office of the Parliamentarian to make sure their amendments comply with the rules of the House.

PROVIDING AMOUNTS FOR FURTHER EXPENSES OF PERMANENT SELECT COMMITTEE ON INTELLIGENCE IN SECOND SESSION OF 107TH CONGRESS

Mr. NEY. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the resolution (H. Res. 359) providing amounts for further expenses of the Permanent Select Committee on Intelligence in the second session of the One Hundred Seventh Congress, and ask for its immediate consideration in the House.

The Clerk read the title of the resolution.

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

Mr. HOYER. Mr. Speaker, reserving the right to object, I take this time to ask the distinguished chairman of the Committee on House Administration for an explanation of his unanimous consent request.

Mr. NEY. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Ohio.

Mr. NEY. Mr. Speaker, House Resolution 359 is a supplemental funding resolution for the House Permanent Select Committee on Intelligence.

Mr. Speaker, as my colleagues know, each Congress passes a committee funding resolution to authorize committee spending. My colleague and I, the gentleman from Maryland, passed a very good and effective committee funding resolution that keeps the House in proper movement.

This process normally occurs at the beginning of each Congress. The committee funding process for the 107th Congress was completed in March of 2001 with the overwhelming bipartisan agreement of House Resolution 84, a bipartisan initiative which not only provided committees with the necessary resources to carry out their important work, but which also set new standards for allocating funds between majority and minority staffs.

I want to again thank the gentleman from Maryland and all the members of the committees, both sides of the aisle, ranking members and Chairs of the committees, for their tremendous and great cooperation.

Those funds more than adequately provided for committees to do the necessary work which they are charged to do in the 107th Congress. Unfortunately, because of the tragic and devastating attacks of September 11, we find it necessary to come to the House floor to seek additional spending authority for the House Permanent Select Committee on Intelligence.

The increased spending authority would be used to fund a joint bicameral inquiry with our counterparts from the other body into the activities of the intelligence community before, during, and since the September 11 terrorist attacks. Among the purposes of this

joint effort is ascertaining why the intelligence community did not learn of the conspiracy to launch the September 11 attacks in advance and to identify what, if anything, might be done to better position the intelligence community to warn of and prevent future terrorist attacks and other threats in the 21st century.

The investigation will principally focus on the U.S. intelligence agencies and their activities, as well as the interaction between intelligence agencies and nonintelligence entities associated with our national security. Based on their findings, the committee may seek to enact changes in order to remedy any systemic deficiencies revealed by the joint inquiry.

The decision to conduct a bicameral bipartisan review by the two intelligence committees is supported by both the gentleman from Florida (Mr. Goss), chairman, and the gentlewoman from California (Ms. PELOSI), the ranking member of the House Permanent Select Committee on Intelligence, along with the chairman and ranking member of the Senate Select Committee on Intelligence.

Review of the activities of the intelligence community through this joint effort is necessary for several reasons. To begin with, the two intelligence committees, House and Senate, are best suited by experience and practice to protect classified information. Since a significant portion of the investigation must include review and access to highly sensitive classified materials in order to fully understand intelligence actions, review by both committees is appropriate and needed.

Secondly, due to the fact that our Nation will be involved for some time in the war against terrorism, a bicameral review will allow the most effective use of time and manpower for those agencies that are still involved in protecting, investigating, and compiling information for our continued campaign against terror.

Third, by offering to approach the investigation in this manner, the committees have secured White House assurances that access to critical information necessary to do a thorough job will absolutely be provided.

And, finally, the unprecedented nature of the terrorist attacks demands an unprecedented response. An inquiry by the elected representatives of the people will ensure that we give the American people the explanation they deserve regarding the events of that infamous day.

The inquiry will consist of joint hearings, both open and closed, and will be conducted once the initial data gathering and interviews are completed. The inquiry is expected to last through the 107th Congress and could quite possibly extend into the next Congress, though this resolution only authorizes funds for this Congress.

Should the work continue into the 108th Congress, the House rules regarding interim committee funding will be

used to continue funding the committee, the inquiry, and all other committees as usual.

So, Mr. Speaker, we come to the floor today with a resolution to authorize \$1.6 million in additional spending authority for the House Permanent Select Committee on Intelligence. Although the committee already received an increase in its funding for efforts regarding terrorism, that effort is looking more broadly into terrorism and our Nation's preparedness rather than focusing in, in a comprehensive way, on the specific day of September 11. As I stated earlier, the resources made available to the committee which were allocated in the beginning of the committee funding process for the 107th could not have possibly taken into account what happened to this country on September 11. That is why it is necessary for us to augment both the funding levels and staff levels for the committee so that they may conduct a proper inquiry.

The amount being requested is approximately one-half of the total amount needed to hire staff and cover related administrative expenses, such as office supplies, travel, and computer systems. The other body, in separate action, has already allocated funds to its committees for the same purposes.

With that, Mr. Speaker, I ask for support of this resolution. We all know if we fail to learn from the mistakes of the past we are doomed to repeat them. I hope this inquiry will help us to learn from our mistakes so we can avoid a recurrence of these horrific events.

In closing, I would also note that this House was ahead of its time. Because last year, when we did the funding resolution, we gave the proper increases to the Permanent Select Committee on Intelligence before we ever could have dreamed what would have happened here in the United States. This, again, I think, is ahead of its time so that we can look back into what happened to help us in the future, not only to protect the United States but to, frankly, protect the world.

I thank the distinguished gentleman from Maryland for not only his cooperation but for yielding to me.

Mr. HOYER. Further reserving my right to object, Mr. Speaker, I yield to the gentlewoman from California (Ms. PELOSI), the distinguished ranking member of the Permanent Select Committee on Intelligence and the minority whip.

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

Ms. PELOSI. Mr. Speaker, I thank the gentleman from Maryland for his leadership and that of the distinguished chairman for facilitating this request and bringing it to the floor.

Mr. Speaker, I support this legislation.

Next Monday is the six-month anniversary of the terrorist attacks in New York City, Pennsylvania, and at the Pentagon. With the war against the al Qaeda network, and terrorism

generally, well underway, it is important that the process of determining why the September 11 attacks were not prevented receive appropriate attention in Congress.

The performance of the intelligence agencies is an essential part of the September 11 story, and it is the responsibility of the House and Senate intelligence committees to thoroughly assess that performance. It is the judgment of the committees that a joint inquiry is the best way to get at the facts and recommend changes as supported by the facts. The committees intend that the inquiry will ascertain why the agencies did not learn of the attacks in advance and identify what, if anything, might be done to better position the agencies to warn of, or prevent, future terrorist actions against the United States.

The joint inquiry will be a considerable challenge and will require additional resources, primarily for staff. The measure now under consideration provides these resources, and I urge its adoption so that we may proceed as quickly as possible on this important task. Additional resources and staff positions have been provided by the Senate. It should be made clear that, although we intend for this inquiry to be comprehensive as far as the intelligence agencies are concerned, it will not be exhaustive of all of the issues surrounding the September 11 attacks. Other committees may want to examine matters within their jurisdiction and, at some point, it may be appropriate to consider the creation of an entity outside of Congress to take an across the board look at all of the components of the September 11 disaster. Our purpose in undertaking this joint inquiry, and in seeking funds to do it properly, is not to foreclose any other review, but to ensure that the intelligence committees properly discharge the oversight responsibility given to them by the House and Senate.

Mr. HOYER. Mr. Speaker, under my reservation of objection, I certainly join the chairman of the Committee on House Administration in strong support of this funding resolution, which I think is appropriate, and I congratulate both the chairman and the ranking member, as well as the other body for the process that they have adopted to proceed on this matter, which I think will be efficient and effective.

Mr. Goss. Mr. Speaker, I rise today to express my strongest possible support for the passage of this resolution, which will provide urgently needed funds to support an unprecedented bipartisan and bicameral inquiry. This joint congressional inquiry, involving the Members and staff of both the House Permanent Select Committee on Intelligence and the Senate Select Committee on Intelligence, has several critical tasks: first, to review the events and the actions of our Government leading up to the terrorist attacks of last September; second, to ascertain accountability within our Government for the management of counterterrorist and homeland security functions, focusing specifically on our intelligence mechanisms; and third, to ensure that our Government is properly informed and prepared with accurate and timely intelligence to stop current and future terrorist attacks against our Nation and our people.

This joint inquiry is being handled on an urgent basis by the leadership of both parties in both Houses and with the full cooperation of the relevant agencies of the executive branch.

This inquiry is critically important to enhancing our Nation's security against the threat posed by global terrorism and to strengthening public confidence that our intelligence and law enforcement agencies are fully prepared to defuse the terrorist threats that now confront our Nation.

I want to thank the Ranking Member for her participation and her counsel in structuring the joint inquiry with the other body. I also want to express my sincere appreciation to Chairman NEY and Mr. HOYER of the House Administration Committee for their close cooperation and advice in moving the joint inquiry forward on an expedited basis.

Mr. HOYER. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the resolution, as follows:

H. RES. 359

*Resolved,*

**SECTION 1. FURTHER EXPENSES OF THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE.**

For further expenses of the Permanent Select Committee on Intelligence, there shall be paid out of the applicable accounts of the House of Representatives not more than \$1,600,000.

**SEC. 2. LIMITATION.**

Amounts shall be available under this resolution for expenses incurred during the period beginning at noon on January 3, 2002, and ending immediately before noon on January 3, 2003.

**SEC. 3. VOUCHERS.**

Payments under this resolution shall be made on vouchers authorized by the Permanent Select Committee on Intelligence, signed by the chairman of such committee, and approved in the manner directed by the Committee on House Administration.

**SEC. 4. REGULATIONS.**

Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

**SEC. 5. ADJUSTMENT AUTHORITY.**

The Committee on House Administration shall have authority to make adjustments in amounts under section 1, if necessary to comply with an order of the President issued under section 254 of the Balanced Budget and Emergency Deficit Control Act of 1985 or to conform to any reduction in appropriations for the purposes of such section 1.

The resolution was agreed to.

A motion to reconsider was laid on the table.

**SPECIAL ORDERS**

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

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

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

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

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

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

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

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

#### HONORING OZARKS SOLDIERS

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

Mr. BLUNT. Mr. Speaker, in the last few days, beginning on Saturday, two individuals from my congressional district gave their lives in Afghanistan: one, a 34-year-old warrant officer in Special Forces; another, a 31-year-old sergeant, both of whom had clearly dedicated their lives and, in so many ways, dedicated their own families to protecting our freedoms and protecting our country.

As I was thinking about what I wanted to say today about them on the House floor, I read an editorial from a Springfield, Missouri, newspaper yesterday; and I think I would like to just enter that editorial in the RECORD and share it today as we think about the fact that we honor these men and women and the others who are putting their lives in harm's way for us.

Let me share that material with the Speaker and the Members here and then enter it fully in the RECORD. The editorial starts out: "From the beginning of the war in Afghanistan, President Bush has warned Americans to be prepared for casualties. Now we have them, and the pain of this war has been felt in the Ozarks. It has taken two of our neighbors: Chief Warrant Officer Stanley Harriman. Sergeant Philip J. Svitak.

□ 1300

"Harriman, a Strafford High School graduate, was the first American to die in the ground offensive on al Qaeda and Taliban strongholds in eastern Afghanistan. Svitak, of Joplin, was among the seven soldiers killed in incidents involving two American helicopters.

"They are not faceless casualties. They were flesh-and-blood men who touched others in their hometowns. Harriman was described as soft-hearted,

sensitive to the suffering of others, yet a fierce competitor on the football or baseball field. Svitak was an only child who wanted to be like his parents, who both served in the Navy in the 1960s. Each leaves a wife and two young children.

"Harriman and Svitak were devoted to the Army and their country. 'Stanley died for you and you and you,' his wife, Sheila Harriman, told reporters at Fort Bragg, North Carolina, 'and for your freedom. All Stanley ever wanted to do was be an American soldier.'

"Both soldiers knew the dangers of their jobs. Both knew that by making the military their career, they could be asked to put their lives on the line for their country at any time.

"Roseann Svitak said her son 'told me before he went, Mom, the terrorists have to be stopped.' He said, 'If they send me over there and anything happens to me, I am proud to die for my country.'

"Both men were sent. Both died, leaving friends, family, children to grieve and remember. They join John Willett and Craig Amundson, Ozarks natives who died in the September 11 attacks on New York and Washington. They are, for us in southwest Missouri, the faces of this war.

"Six months after those attacks, the Nation has largely returned to life as normal. Networks seek to reduce news programming to make room for more entertainment. Crash reality shows move back up in the ratings. Politicians again plot for their advantage.

"Yet the war continues, not a mop-up action but a full-scale assault. Our neighbors are on the front line. Our neighbors are dying. That ultimate sacrifice ought to mean something. The politicians will tell us it is in defense of liberty, and they are right. But it is up to us to decide what we will do with this liberty. Will we use it to keep the government honest, to be aware of what is happening in the rest of the world, to assure all Americans equal opportunity? Or will we use it to pay more attention to contestants on Survivor than soldiers in Afghanistan?

"Ozarkers are dying for freedom. How will we honor their sacrifice?"

[From the Springfield News Leader, Mar. 6, 2002]

#### HOW WILL WE HONOR OZARKS SOLDIERS?

Harriman and Svitak died fighting for our freedom.

From the beginning of the war in Afghanistan, President Bush has warned Americans to be prepared for casualties. Now we have them, and the pain of this war has been felt in the Ozarks. It has taken two more of our neighbors:

Chief Warrant Officer Stanley Harriman.  
Sgt. Philip J. Svitak.

Harriman, a Strafford High School graduate, was the first American to die in the ground offensive on al-Qaida and Taliban strongholds in eastern Afghanistan. Svitak, of Joplin, was among the seven soldiers killed in incidents involving two American helicopters.

They are not faceless casualties. They were flesh-and-blood men who touched others in their hometowns. Harriman was described as

soft-hearted, sensitive to the suffering of others, yet a fierce competitor on the football or baseball field. Svitak was an only child who wanted to be like his parents, who both served in the Navy in the 1960s.

Each leaves a wife and two young children. Harriman and Svitak were devoted to the Army and their country. "Stanley died for you and you and you," his wife, Sheila Harriman, told reporters at Fort Bragg, NC, "and for your freedom. All Stanley ever wanted to do was be an American soldier."

Both soldiers knew the dangers of their jobs. Both knew that by making the military their career, they could be asked to put their lives on the line for their country at any time.

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Ozarkers are dying for freedom. How will we honor their sacrifice?

The SPEAKER pro tempore (Mr. LAHOOD). Under a previous order of the House, the gentlewoman from California (Ms. WATSON) is recognized for 5 minutes.

(Ms. WATSON of California addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

#### ASSISTING VETERANS WITH PRESCRIPTION DRUG COPAYMENTS

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

Mr. STRICKLAND. Mr. Speaker, I rise today to urge my colleagues in this House to sign on to a bill which I have introduced, H.R. 2820. H.R. 2820 is a bill that would help our veterans.

In the early part of February, 2002, a decision was made to increase the prescription co-payment for veterans from \$2 a prescription to \$7 a prescription. To me this is an unacceptable action and it hurts our veterans, many of whom live on fixed incomes and simply cannot absorb this increased cost.

To put it in perspective, the Veterans Hospital in southern Ohio, where I serve, tells me that the average veteran who gets a prescription medication there on average gets 10 or more prescriptions. So if we take \$7 a prescription and we multiply it by 10, that is \$70 per month. Many of these veterans receive a 3-month supply of medications at a time. Three times \$70 is \$210. If I multiply the cost of a 1-month supply of medication at \$7 per prescription for 10 prescriptions, that is \$840 per year.

Mr. Speaker, I think this is an unnecessary burden to place upon our veterans. We hear a lot of lofty rhetoric in this Chamber about how we appreciate the fact that so many American citizens are willing to serve in our military, and many of them give their lives and limb in order to protect our freedoms.

It seems so inappropriate at this time in our Nation's history to place this additional burden upon our veterans. So I have introduced H.R. 2820. I have over 75 cosponsors at this time, bipartisan cosponsors, and I am happy to say the gentleman from Ohio (Mr. NEY) has introduced this legislation with me. This legislation is very simple. It would simply return the cost of the co-payment for a prescription drug from the \$7 that has been imposed down to the \$2 level where it has been. It would freeze the co-payment at the \$2 per prescription level for the next 5 years.

Mr. Speaker, surely when we can find the resources to give a \$15 billion bailout to our airline industry, surely when we can find the resources to give tax breaks, surely when we can find the resources to do a whole host of other things in this Chamber, we can find the resources that will enable us to keep from imposing this additional burden upon our Nation's veterans.

So, once again, I ask all of my colleagues of both parties in this House to simply cosponsor H.R. 2820 so that we can remove this burden which has been placed upon our veterans.

Mr. Speaker, in closing, I would like to mention another burden for our veterans. For category 7 veterans, there is a proposal that we would place upon them an annual \$1,500 deductible when they go to our veterans' health centers and clinics and hospitals to receive medical attention. This also seems like something that we should take action to prevent in this Chamber. I urge my colleagues, this is something that we can do. We ought to do it. I believe if Members talk to veterans around the country, this is something that they are keenly aware of and keenly object to.

We can solve this problem regarding the prescription co-pay by passing this very simple but important piece of legislation, H.R. 2820.

#### PRESIDENTIAL DECISION ON STEEL IMPORTS

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

Mr. BROWN of Ohio. Mr. Speaker, I rise to comment on President Bush's decision to levy up to a 30 percent tariff on steel imports coming into the United States. I am glad the President took a step forward, something that we hoped he would do, but he did much less than we asked. Steel companies, steelworkers, elected officials representing steel States, asked the President to levy 40 percent tariffs for 4 years, something to level the playing field for imported steel in the United States.

The International Trade Commission had found that steel companies in foreign lands, especially in Russia, Brazil, Korea, and China had violated international trade laws by subsidizing and selling into our market illegally priced steel, so-called dumping. The President had the option of levying tariffs up to 40 percent for 4 years. That is clearly what we needed for LTV in Cleveland, for RTI in Lorain, for CSC in Warren, Ohio, and steel companies all over this great country from Alabama to Ohio to Michigan, to Indiana, wherever steel is made in the United States.

Unfortunately, the President's decision to do up to 30 percent, understanding that it was not 30 percent in every case but up to 30 percent for only 3 years, fell short on that mark. It also fell short because the 30 percent is phased out during those 3 years.

The second thing that the President neglected to do was deal with the issue of legacy costs. That is those costs of health care and pensions that companies have promised to steelworkers that in many cases the commitment will not be met.

So on the one hand steelworkers with their health care are left out in the cold, those people who are retired. Second, those companies that absorbed legacy costs are in a competitive disadvantage with the rest of the world because most countries have universal health coverage provided by a government program, while in the United States in our employment-employer based health care system, the steel companies and other companies pay for the cost of the health care. So that puts us at a competitive disadvantage there.

It also is an argument for universal coverage because all American companies are at a competitive disadvantage when the government provides the health care in a Medicare-type system that most countries around the world have. Yet, in America, employers must pick up those health care costs.

The third problem with the President's decision on steel and where he fell short and the reason for my disappointment is that the President opened up several loopholes in his tariff proposals, in his tariff enactments.

For instance, there is a Mexico exception which allows companies in China, Korea, Japan and other places to sell their steel into Mexico at very low or nonexistent tariff rates. Then Mexico will sell that steel into the United States at a zero tariff because of the North American Free Trade Agreement.

So that Mexico exception allows those companies which have illegally priced their steel according to the International Trade Commission to back-door their steel through Mexico into the United States at no tariff. All Mexico has to do, if even that, is a Mexican company needs to do a little value added to the steel, stamp Made in Mexico, and send it into the United States.

Mr. Speaker, that could be a difficult thing to do, except that we do not police our borders well enough. We do not have tariff and customs inspectors in as nearly a comprehensive way as we ought to have.

Those are the problems with the Bush tariff plan. One, it is not 40 percent over 4 years. It falls woefully short. Second, it does not deal with the legacy costs which is unfair to those retirees. LTV workers lose their health care March 31. Other retirees have already lost theirs. It does not deal with the legacy costs for those companies that are continuing to produce steel. And, third, it creates the Mexico exception. That will hurt our steel industry. It is a question of national security. That will hurt our steelworkers. It is a question of our communities.

#### TRIBUTE TO TECHNICAL SERGEANT JOHN A. CHAPMAN

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

Mr. MCINTYRE. Mr. Speaker, I offer my deepest condolences to the family and friends of Technical Sergeant John A. Chapman of the Twenty-fourth Special Tactics Squadron of the United States Air Force who gave his life in the service of our country. I join with his family and friends in paying tribute to him for his ultimate sacrifice on behalf of our Nation. My prayers are for his family.

John Chapman was a decorated soldier who readily and courageously participated in Operation Enduring Freedom. Among his many awards and decorations were: two Air Force Commendation Medals, two Air Force Achievement Medals, and two Joint Service Achievement Medals.

This tragedy should act as a reminder to all Americans that the liberties we hold dear are neither free nor secure. Our freedoms are earned and protected by our servicemen and women. They risk their lives so that freedom may survive.

□ 1315

Technical Sergeant Chapman's courage in the face of danger reflects a

character born of his commitment to his family as a devoted husband, father, and son, and his commitment to his many friends and to our country.

We owe Technical Sergeant John Chapman our sincere appreciation for his 17 years of committed service to our Nation. His determination, devotion, and dedication to freedom should serve as an example for us all. It is important that we not only remember John as an excellent and dedicated airman and family man but also as the American hero that he is.

May God bless him and his family and those who have served with him. May God bless our great country. We indeed are a better Nation because of John Chapman and those who serve with him in our Nation's Armed Forces.

#### IMMIGRATION

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

Mr. TANCREDO. Mr. Speaker, recently a study was conducted by the GAO, the General Accounting Office. It was to look into the degree of fraud in the immigration benefits program. I have oftentimes, Mr. Speaker, taken the microphone for the purpose of identifying what I believe to be our serious concerns in this particular agency. There are, of course, many people who work in this agency, many people who are assigned especially on the border, assigned with the task of trying to defend our borders, trying to actually make sure that people do not come into the country illegally.

This is an overwhelming task. I commend those people for doing everything they can to uphold the laws of the United States. But it is something I have likened to trying to keep back a flood with a sieve because of the variety of conflicting laws that have been passed by this Congress, because of the culture within the INS which has absolutely no support for upholding the laws, the immigration laws of this land, and because they are just overwhelmed by the numbers. I have often brought those things to the attention of the Congress. I have personally been to the border. Several Members and I took a CODEL down there just a month and a half ago or so. We observed firsthand the problems that are confronted by our people there on the border. I know and I sympathize and I understand their problems. They not only face the daunting task of trying to deal with the hundreds of thousands of people a day that come into the United States and determine whether or not they are coming here legally, for what purpose, for how long and that sort of thing, and they not only face the, as I say, conflicting laws that have been passed by Congress, some designed to enhance border security, others de-

signed to degrade it, but they are also, it is apparent now, working within a system that is broken beyond the ability for us to fix it. In their own system, they realize that they cannot look to anyone higher up on the ladder, those people that are there today who, as I say, are in the trenches, either on the borders or the people who work in customs, all of them recognize that the system in which they are operating is broken.

Recently, I returned from overseas. As my wife and I were going through customs at JFK in New York, the lady looked up and she said, "I think I recognize you. I actually watch C-SPAN. I think I recognize you. Aren't you?" I said, "Yes, I have been on often talking about immigration-related issues."

She just hung her head the minute I said it, she said, "Oh, yeah, that's right, it is such a mess. Don't get me started on this. I don't know where to start. It is a mess." Her brief response to the word immigration, immigration policy, is I think probably the best analogy I can give you to the whole system. It is a mess. That is the best example I can give you, the best definition of the system I can give you. It is a mess. This recent report of the GAO is just the most recent example of the problem.

We have actually had over the course of the last 10 years several reports done by a variety of different agencies all on the INS talking about the inefficiency in the organization, their inability to get the job done, even referencing their lack of a true desire to get the job done.

Mr. Speaker, the INS, as you know, is divided into two parts at the present time. They have two different functions within the same organization. Maybe that is part of the problem, because these responsibilities conflict with one another. One part of the INS, Immigration and Naturalization Service, is designed to be what I call the immigration social work side, that is, to find benefits for people coming to the United States, hopefully legally, help them get their green card, help them get visas, all the things that are attendant to people coming into the United States legally and then being able to function when they get here. All of that stuff is part of their responsibility.

Then on the other side, of course, is the enforcement arm. The INS is supposed to be the agency to which we go when we say, look, we are concerned about the number of people coming across the border illegally; we are concerned about not knowing who is here, when they are here and what they are doing here and we are supposed to rely on them to do something about it.

But, as you know, as most of the Members of this body know, the INS is completely incapable and to some extent it is not really desirous of taking on that role. There are literally scores of examples to show that. The fact that 19 of these hijackers on September 11

came here on visas, some of them, of course, then expired, some people were here illegally at the time that it happened and the inability of the INS to control that process is a dramatic example, one dramatic event that happened as a result of their inability to actually know who is in the United States, know for what purpose they are here and know when they have overstayed their visa, for instance, so that they can in fact be deported. But the INS pays little, if any, attention; and they will tell you when you call them and ask them, do you actually go out and look for people who are here illegally. Their answer is, Well, of course not. That's not our job.

I was on the radio not too long ago with a lady who is the spokesperson for the INS in the Denver area and she said, really, that is not what they do anymore. They do not go out on sites and look for people who are here illegally. Really, our job is just to explain to them why they are here illegally and then help them get benefits. That was her statement. It was almost incredible, but that was what she said. That is what they think, that it is not their job. They will say, well, we do not have the resources, we do not have the time; but what they actually should add to it is, we do not have the inclination. It is really not in our makeup. It is not what we want to do. We want to be the social work side of it. That is what we can do well. We do not really do this very well, this sort of becoming a policeman. We do not like that idea. So they shy away from it.

We have had calls in my office from incredibly frustrated INS inspectors, from INS agents, sometimes who have been on board for 30 years. The caucus that I head, the Immigration Reform Caucus, has actually held hearings bringing these people in so they can talk and vent some of their frustration. It is incredible the stories they tell. They have every reason to be frustrated, because they work for an agency that is dysfunctional; and they are trying to do a job that is not supported by the agency itself. It would drive you nuts. I can certainly understand it.

We have had calls from judges who will tell us that they are immigration law judges, and they are also frustrated by the fact that day after day after day they see people in front of them who have committed crimes in the United States besides, by the way, being here, probably many of them, illegally but they have committed crimes and they are aliens and so they are ordered to be deported by a judge. But because they turn that function over to the INS right after the gavel falls and the person is ordered to be deported, they turn that function over to the INS and the INS simply looks the other way.

So at this point in time, we have at least, and I underline at least, because when you ask the INS for specific information, they come back with the same response. In fact, it is the logo that I have designed for the INS. It

should be on their letterhead. It should be on their Web site. When you click on INS, a little figure should pop up that looks like this, a guy shrugging his shoulders going, "I don't know, I'm not sure. Maybe. Could be." Because when you ask them anything, that is exactly what happens. They respond with, "I don't know. I'm not sure. Could be." When you ask them how many people have actually been ordered to be deported but have not in fact left the country, you get this: "I'm not sure. I don't know." Probably around 300,000, they will say, 300,000 people.

Remember, Mr. Speaker, we are not talking about people who are just here illegally. As we know, that is probably 10 or 11 million people here illegally. We are not talking about people who have just overstayed their visas. Certainly they number in the millions, also. We are talking about people who have violated the law. They have robbed a bank, they stole money from somebody on the street, they shot somebody, they raped somebody and then they got arrested. And because of their violation of an American law, they were ordered to be deported. But they do not get deported. They walk away. No one has the slightest idea where they are, 300,000 of them. But the INS says, well, that is not really my thing, that is not really what I am too interested in. We are really on the immigration social work side of things. That is where we concentrate our efforts and that is certainly where we concentrate all of our resources. We have quadrupled the budget for the INS over the last several years. Quadrupled. It has gone almost entirely to the social work side. Very little has gone into defending our borders.

Time and time again we have seen that the INS has absolutely no concern about the people who are here illegally. If you call right now, if a local policeman, for instance, picks somebody up on the street, it may be a traffic violation, it may be disturbance of the peace, whatever, and they find that that person is here illegally, they could, although hardly anyone does anymore because they know it is futile, they could call the INS and they could say, look, I have someone here who has done X, Y and Z and they are here illegally. What do you want me to do? The INS would say, well, go ahead, let them go. Get their name, and we will try to get back to them. Sometimes even people that have gone through this process and are ordered to be deported or who are coming up for their deportation will get a letter, it is actually called a "run letter" in the lexicon because it means the minute you get it, it says something like, look, we know you have violated the law so please report here in 2½ months for deportation.

Yes, right, thank you, of course I will be there with my bags all packed. I do not think many people show up. It is called a run letter for a purpose, because when they get it they run. It is idiotic. Why should we even waste the

stamp? The local law enforcement agency calls up and says, these people are here illegally and they tell them, let them go. We have had in Colorado instances where people have been picked up on the highway for violating some traffic law, the van opens, there are 15 people inside, they are all illegal. That is when they are lucky, that is when they have not run off the road and had the van get into an accident. We have had, of course, many people killed on the highways. It ended up that they were being transported through the State of Colorado. It is a big transportation hub, I am told, for illegal immigration.

But, of course, we call the INS and nothing happens. They tell them, we really have not got the time, we have not got the people, so just forget about it. So at this time very few people actually even do anything; very few law enforcement agencies do anything like, say, call the INS because they have got somebody. They know it is futile. They know there is absolutely no reason to do it. And even after September 11, even after that, we find very little happening inside the INS that would lead us to believe there is a change of heart, a change of the culture, an emphasis on trying to actually keep people out of the country who are here illegally.

It is incredible that we can say that after the most horrific event this country has ever experienced in terms of an act of terror, and, I pray to God, the most horrific event it will ever experience. But, of course, you and I know, Mr. Speaker, we have been told over and over and over again by our Permanent Select Committee on Intelligence here in the House, by members of that committee, we have been told by members of the Armed Forces, we hear it from the Secretary of Defense almost nightly that, in fact, we probably will be experiencing other acts of violence of this nature, of terrorism.

Once again I pray to God that none of them would ever reach the level of damage as that that occurred on the 11th of September, but we do not know. We know, we believe, something will happen. We hear that all the time. There are alerts that are being offered, issued all the time. Yet even with all of that, we have not been able to get the INS, and this Congress, as a matter of fact, we have not been able to get anything out of this Congress that would force the INS to do a better job.

□ 1330

Amazing. We have responded to the President's call by increasing the budget for the armed services and for the homeland defense, and I am totally in favor of it. I vote in favor of very few budget increases on this floor, but I certainly do vote for increases in the area of defense for one reason: It is our single responsibility. It is the most important thing we do here.

I know it is hard to believe, but I certainly think the Constitution would back me up when I say it is more im-

portant; the defense of this Nation is more important than health and human services. It is more important than the education budget. It is more important than transportation. It is more important than anything else we do. So I am more than willing to increase the budget for those agencies through my vote.

But what is amazing is that we have taken very specific and very direct action in beefing up the military, and thank God we have. They will, as the President said so eloquently when he addressed the Nation, they will always make us proud, and they do. They are fighting overseas today as we speak. American blood is being shed in foreign lands in defense of this Nation, and it is the right and proper thing to do.

Who knows? We may soon be in other countries besides Afghanistan. I would agree with the proposal that we need to do something wherever terrorism raises its head or shows its tentacle, whether it is in Iran, Iraq, Georgia, or the Philippines. Wherever it is, I am willing to say we should try and go there and stamp it out.

But why is it, Mr. Speaker, that we are so willing and able as a body to do that, while we are just as unwilling to do anything significant to improve our own defenses here in this country? How is it that we can ignore the fact that we still have people coming across the borders illegally? We still have thousands of people coming across the border every single day illegally. We have not really paid much attention to that. We have paid mostly lip service to it.

It is, for one thing, a fact of political life that we are concerned about raising the issue of immigration reform for fear of the political fallout in the United States. But from whom, I ask, Mr. Speaker. From whom should we be expecting opposition?

Yes, certainly from the Democratic Party, because they recognize that massive immigration will eventually lead to what they believe will lead to more voters for the Democrat candidate. So they will do anything they can, and have done everything they can, to stop any sort of immigration reform, and they want them essentially to come in, legally or illegally, it does not matter. Eventually, they believe it will accrue to their political benefit.

On our side, we, of course, hear from people who are business owners, who say to us, I have to have these people because no one else will do the job. So turn a blind eye to illegal immigration. Let them come in. We need them.

We certainly do not want to be seen as a party that is anti-immigration, or anti-ethnic group; and certainly, I guarantee my colleagues, Mr. Speaker, I am not either of those two things. I am not anti-immigration. I certainly have nothing against any ethnic group coming into this country.

The issue is, how much, how many, for what purpose, and will we be able to control it? That is the issue. Do we want open borders? Do we want the elimination of our borders?

There are people who, in fact, do. President Vicente Fox has stated very publicly that he expects in the next 20 years to not have a border between the United States and Mexico. I have talked with members of his cabinet who share that exact same vision: The head of a newly created agency in Mexico that would translate into the Ministry for Mexicans Living Outside of Mexico, an interesting cabinet level position, I would certainly say.

I have talked to Mr. Hernandez, the newly appointed minister in this particular cabinet level department, and he has stated clearly to me that he does not believe that there are two countries. He says they are just a region. That is all. It is not two countries, he says.

Well, now, this may be a very legitimate debate topic. There may very well be people on the floor of the House and in the administration in the United States, and certainly we know in Mexico, who believe that we should not have borders, that we should meld ourselves into sort of a United States of the North American continent and beyond, perhaps. South America, too. A European Union model. I know all of these things are actually in the sights of many people. That is what they think we are going to do.

Well, okay, let us debate that issue, right here, a bill on the floor. I would like a bill to go the committee of reference to eliminate the borders and to join hands with all of the people on the North American continent in some sort of confederation, with common currency, all of the stuff that the European Union is doing.

I will vote no, I will tell my colleagues. I will vote no. But that is okay. That is just my vote. If a majority of the Members of this body and the President agree, that is the way it will be.

But what I do not like happening, Mr. Speaker, is that that is exactly where we are heading, only without any sort of legal justification, without an actual law being passed, without a decision being made by this Congress or by this President. We will look at some point in time in the future back and say, gee, how did all of this happen? We sort of eliminated the borders. They do not really exist anymore.

Well, that may be true; and, as I say, it may be a good thing. I do not think so, but let us debate. Let us at least have this issue come to the floor. Let us not pretend that we are not just expanding immigration for all of these altruistic reasons.

There are political reasons, both in the United States and in Mexico, for massive immigration. It is the hope of a number of people in Mexico, of the government of Mexico that enough people will be here to eventually influence the policy of the United States vis-à-vis Mexico. It is the hope of people in the United States that we can somehow attract these people and get them involved. It is the hope of the labor

unions that they can get all of the newly arrived immigrants, whether they are legal or illegal, into labor unions, so all of a sudden we have labor in support of massive immigration.

And then there are certainly altruistic reasons why even the President of the United States will support it.

I believe that the President is a man who does speak from his heart. I believe that. I go to bed every single night thanking God that George Bush is the President of the United States. Let me get that clear and out here on the table. And especially not the alternative that we had in the last election. So that is not an issue. I am a 100 percent solid supporter. No, I am not 100 percent, because this issue is one with which I disagree with the President. But I believe it comes from his heart when he is saying that he wants to expand immigration. I just think he is wrong.

I have a responsibility here to vote my conscience, and I certainly will do that, and I will speak out against it. It is not being disloyal to the President. It is simply an issue with which I disagree that he brings up, his point of view.

I believe that there are massive implications for immigration in the United States, especially in the numbers that we are talking about today. It is something we are going to have to deal with politically, economically, culturally. There are a whole raft of fascinating topics that can be brought up when we begin to debate on immigration. But as long as we are going to have borders, however, as long as there are still lines on a map that actually divide the United States from other places in the world, from other countries, then, of course, they should be meaningful.

What is the purpose of a border, we should ask ourselves, and what is our responsibility as a national government to defend them?

It is again a unique position we find ourselves in at the Federal level, establishing immigration policy. States cannot do it. States have to deal with our decisions. With our decisions to abandon the border comes a host of problems that confront every State in the Nation, some more dramatically than others.

California, Texas, New Mexico, Arizona, Florida and other States that face massive immigration, legal and illegal, are faced with building schools as fast as they can, building highways, building hospitals, their social service budgets are busting at the seams, all because they are being inundated by people coming here, as they have come for many years, to seek a better life.

There is one unique kind of situation that is developing, however, Mr. Speaker, in that we are witnessing an interesting phenomenon with the recent arrivals into the United States. Undeniably, they are coming here because they want a better life, because they see job opportunities that are not

available to them in their homeland. That is exactly why most of our relatives, most of our grandparents or great grandparents or whatever, this is why they came. That is not different.

But, in the past, the vast majority of people coming into the United States were seeking not only economic opportunity but they were seeking a new life, a new experience, a new country that they could become a part of, and they were anxious to cut the ties that bound them to the country of their origin. They were willing to speak the language for a while but very, very intent upon moving to the English language as quickly as possible, because they recognized that it was the way they could move up the economic ladder in this country. And it was also because, as my grandparents used to say to each other, they would say "speak America," not English, but "speak America." They were the immigrants of the late 1800s, early 1900s.

They would get into arguments. I remember Sunday drives, and they would get in an argument in the back seat and my grandmother would yell at my grandfather, "speak America," because it meant more to her. She knew that the word was "English," but what she was conveying was something else. She was intent, as was my grandfather, on making themselves and their children and their grandchildren American in every way that they could.

Mr. Speaker, I am a relatively new immigrant, in a way. That is to say, I was born here, but my family is only third generation. I am only third generation. My grandparents came here, as I said, in the late 1800s; and it is intriguing to me that in my life, the second generation after that, there was absolutely no attachment to the country of my grandparents' birth, other than I knew where it was. We had the cuisine that represented Italian ancestry, and that was it, really. That was it. There was certainly no political allegiance that my or my grandparents or my parents held to the country from which they came.

Today, however, we are witnessing something quite different. We are witnessing a flood of people into the United States who do not wish to cut those ties. They wish to retain the political, cultural, and linguistic ties of the country of their origin, and we encourage it in the United States. Believe me, our own policies here, this radical, what I would call radical, multiculturalism certainly encourages that kind of separate status, the Balkanization of America.

I can tell my colleagues that this is the case. We can actually show empirical evidence. This is not just theory. It is a different sort of situation today because I think that has always been brought up whenever immigration issues are discussed that, well, it is different today than it was before. Well, it is different today. Today, there are 6 million people here in the United States, at least; this is our best estimate so far, at least 6 million people in

the United States who claim dual citizenship. Now, this is an interesting thing. It has never been this high.

Well, for the longest time one could not do that in the United States, and one is not really supposed to now. You cannot really become a citizen. You are supposed to swear allegiance to the United States and no allegiance to any foreign dictator or potentate, I think the word is. But, in fact, people do retain their citizenship, as a result of Mexico allowing their citizens to retain their citizenship just a few years ago, and the numbers shot up to 6 million people.

□ 1345

Now, I am stating, Mr. Speaker, that I do not believe that we would have had this same phenomenon, not even the same percentage of immigrants coming to the United States in the early 1900s, late 1800s. I do not believe we would have had the same percentage of people seeking to retain their citizenship of the country of origin. Because they came for a different purpose.

Now, I am not suggesting that this is a nefarious thing, that these are not people coming here with the intent to do us harm for the most part. That is certainly true. But it does, in fact, bode ill for the United States. It really puts the emphasis on pluribus and not on unum. Out of many, one. It puts the emphasis on many, and we really do not get to the one. And that is happening to us, and most people I think understand it. I know that most Americans understand it.

Poll after poll after poll indicates a desire on the part of the American people and, by the way, even recent immigrants to reduce the number of people coming, to take a break, take a breather here, to not let people come in illegally, and to not do something like give amnesty for those people who are here illegally.

I will get to that in just a moment because, I am afraid to say it, but I am disappointed that I have to say it, but the fact is we will probably be once again facing this proposal. I know the White House is pushing it. I understand the leadership of the Congress, at least the House anyway, has agreed to bring it up, maybe even as soon as next week.

But let me go back for a moment to the INS and talk about my concerns there.

I have already discussed the incredible degree of dysfunctionality, if you will, in that particular agency, especially on the enforcement side. They are incapable or nondesirous of actually doing anything for enforcement. I think that is blatantly clear. I cannot imagine anybody here, no matter how supportive they are of immigration, I cannot imagine anybody actually defending the INS and their ability to actually accomplish anything.

And we must not think very much of it, Mr. Speaker. We must not think very much of the agency itself, because

we just appointed a guy to the head of it, a good friend of the minority leader in the other body, a good friend of a number of Members in the other body. This is a gentleman that we appointed to head the INS. A nice man. I have met him.

Let me tell what you his qualifications are for the job. He was the Sergeant at Arms of the other body. That is it. That is it. He had been a staffer, I think, some many years back. He had been the Sergeant of Arms for years. Of course, he knew many Members over there; and, lo and behold, he is the new head of the INS. So we must not think very much of the agency, I suppose. It is sort of a toss or a throwaway.

We should think more about it because it is charged with an incredibly important function. It just does not carry it out, and it really cannot because not only, as I say, is the problem with the enforcement side but now comes that GAO report that I mentioned earlier on. February 15 the report was issued, titled "GAO Report Finds 'Pervasive and Serious Problems With Immigration Benefit Fraud'".

Now, remember, Mr. Speaker, this is the other side of what they do. This is what they are supposed to do well. This is the social work side, and this is what they tout. This is what they will state that they are really all about.

The lady that I debated who was the spokesperson for the INS in Denver, this is what she said they do. They help people. They are there to get people their benefits. That is what she said.

Well, here is what the GAO report just found. "Immigration benefit fraud is a significant problem that threatens the integrity of the legal immigration system. Aliens apply to the Immigration and Naturalization Service for such benefits as naturalization, work authorization and adjustment of status. Immigrants benefit fraud involves attempts by aliens to obtain such benefits through illegal means."

Oh, my goodness. Could that be happening? Ask the INS, how much fraud is there, and they give you the low go. I am not sure. Probably a lot.

"The report also details the Immigration and Naturalization Service failure to root out fraud in the immigration benefits application process." In other words, they know there is fraud. They do not care.

The Chairman of the House Committee on the Judiciary, the gentleman from Wisconsin (Mr. SENSENBRENNER), stated, and I quote, "This report raises a whole host of troubling homeland security threats posed by an immigration benefits process wrought with fraud. In fact, the GAO study finds the INS does not know the extent of the problem."

There we go again. Hey, who knows? Probably a lot.

The gentleman from Wisconsin (Mr. SENSENBRENNER) continues, "Based on this report I am not confident that the INS is not giving green cards to al Qaeda operatives. We have a complete failure by the INS to take the steps

necessary to protect the people of the United States and the immigration system itself from criminals manipulating the benefits process. These findings support the urgent need for a comprehensive legislative restructuring of the INS."

Is that not the truth? Underline comprehensive, by the way. Underline comprehensive.

We know what will happen in this body, Mr. Speaker. I am sure you are aware as much as anyone else how difficult it is to actually reform an agency of the Federal government and do so quite significantly, comprehensively, very difficult. We will take a stab at it. We will introduce something. It will get watered down in both Houses, and we will end up thinking, was this really what we were trying to do? Is this really reform? Maybe we have changed a few names.

I am worried about it, but, nonetheless, we have got to try to do something, again, as the gentleman from Wisconsin (Mr. SENSENBRENNER) says, "comprehensively."

Here are some of the findings from the GAO report. Now, please understand that the GAO is not an agency with a given bias here. These people, if anything, we would expect them to be more on the side of the agency itself that they are investigating. But get this, Mr. Speaker. A 90 percent fraud rate. A 90 percent fraud rate was found in one review of a targeted group of 5,000 petitions. A follow-up analysis of about 1,500 petitions found only one was not fraudulent.

Please let me repeat that. I just do not know if you got that. A 90 percent fraud rate was found in the review of the targeted group of 5,000 petitions. Follow-up analysis of about 1,500 found only that one was not fraudulent.

This is what they are supposed to do well, remember. "Benefit fraud is a comparatively low priority within the INS," it went on to say. "Without improvement in its benefit fraud investigations the INS's inability to detect the number of ineligible aliens improperly applying for benefits will be hampered."

Next, "A senior INS official has testified to Congress that criminal aliens and terrorists manipulate the benefit application process to facilitate expansion of their illegal activities, such as crimes of violence, narcotic trafficking, terrorism and entitlement fraud. GAO was told by an INS official that fraud is probably involved in about 20 to 30 percent of all applications filed." They wish it was that low.

"The INS approach to addressing benefit fraud is fragmented and unfocused. There is no assurance that INS reviews are adequate for detecting non-compliance or abuse during application processing."

These are all findings of the GAO study. This is not my analysis. This is the GAO policy of the part of the activity of the INS that they are supposed to do well.

“Some adjudication officers had to sneak over to the operations unit to discuss fraud-related issues because adjudication officers are discouraged from taking the time to discuss questionable cases with investigators.

“INS officials said that fraud is rampant across the country and out of control.” That is the part they are probably sure of. I know there is a lot of it, they would say. “INS officials indicate that the immigration benefit fraud problem will increase as smugglers and other criminal enterprises use fraud as other means of bringing illegal aliens, including criminal aliens, into the country.”

By the way, please understand we are not talking about Mexico here for these types of problems. We are talking about Russia. We are talking about China. We are talking about countries all over the world who are perpetrating this fraud in order to advance certain illegal activities.

“The INS fails to balance its responsibility to provide immigration benefits with its duty to detect fraud in the immigration process. The GAO concluded that emphasis has been placed on timely processing of applications, allowing quality to suffer. This has contributed to the increase in benefit fraud.”

Now, this is the GAO report; and it probably, as most reports of this nature, only skims the surface. This is probably just the tip of the iceberg. But even if it is the whole thing, for heaven's sake, why would we not say we have a massive problem here?

Mr. Speaker, with this in mind, with this picture I have tried to paint of an agency, dysfunctional in nature, incompetent, inefficiently run, headed by a gentleman, again, nice enough fellow but who was the Sergeant of Arms at the Senate, that is it. That is it. This is the agency to which we entrust the sanctity of our border, maintaining that, creating it, because that certainly is not a place with which you can apply that term today.

This is to whom we turn in a time when terrorism poses enormous threats to our very survival. This is the agency that we turn to.

Now, when we were on the border, Mr. Speaker, as I mentioned to you not too long ago, several Members and I went down on a congressional delegation. We talked to literally scores of people who were working on the border at the time. We talked to our immigration officials. We talked to people in the embassy, people who were important for visa processing. We talked to people right on the border, border control agents; and to a person they recognized that they were facing unbelievable challenges and that they were not really doing all that well.

But what they said to us is, please do not do anything to make the job worse. And we said, well, like what? They said, like this amnesty issue. Do not do that again. Every time you start talking about amnesty up there, meaning

here, the flood turns into a tidal wave. Because, of course, what do we think would happen?

Is it illogical to assume that if we allow everybody who is here legally or even a large portion of them if they are here illegally, if we allow them amnesty, would that not simply encourage a lot of people to come across the border in hopes of obtaining exactly the same thing in a short time and not going through the regular process, not doing what millions of other people have to do, fill out the paperwork, go through the process of immigration, wait in line and wait your turn? Why would not they just simply come across?

Well, they do. Of course they do. And they said, please do not do that again.

I got back here that night to find that, in fact, we were preparing an amendment to do exactly that. The President had asked for it. The leadership was preparing it. We had quite a little tussle in our conference about that, and a decision was made shortly thereafter to not pursue it. A wise decision, I think.

But because the President is going to Mexico in just a few weeks, just a couple of weeks, there is strong desire on the part of the administration to allow him to take with him this issue, an amnesty. So I am told in a relatively short time, maybe next week, the House will be once again debating whether or not we are going to give amnesty to people here illegally.

Now, again, it is almost incredible that we have to say that this is a bad idea. Again, I support the President in almost every single one of his efforts, domestic and foreign policy combined. But on this he is wrong.

We should not reward people for breaking our laws. And whether we call it a fine or just a revenue enhancement thing, having them pay a little extra money to get in here, I am told that maybe the thinking is having them pay \$1,000 and that would be the fine for having broken our laws. What does that mean to the whole world? Come up with a grand and come on in.

□ 1400

That is all it means. It means do not go through the system. Do not be a fool. Why would you actually go through the system? Why would you wait in line? Why would you do it legally? There is an easier way. Come across the border, get into the United States through a visa, by any way you can, by ship, by plane, just get here, stay here, overstay your visa, meld into the populace at large and forget about it. Because pretty soon somebody will say “Olly, Olly, Ox In Free,” and we will let them in.

This is a bad idea. It may be done for political reasons; it may be done out of all truism. I do not know. It does not matter. It is a bad idea. There is a security issue we must deal with.

Mr. SIMMONS. Mr. Speaker, will the gentleman yield?

Mr. TANCREDO. I yield to the gentleman from Connecticut.

Mr. SIMMONS. Mr. Speaker, I simply wanted to congratulate the gentleman on his brilliant articulation of the topic.

Mr. TANCREDO. Reclaiming my time, Mr. Speaker, I would say to the gentleman that we will see how brilliant it is once we get a vote on this issue and whether or not we are able to convince anybody, but I thank the gentleman for those kind words.

Mr. Speaker, I know there is an agreement of political muscle being applied on this. The Speaker of the House is going to bring it, the President of the United States wants it, but most people in this country do not. Even yesterday, Mr. Speaker, something very interesting happened. I was told about this, I did not witness it myself; but I understand the President was speaking to the National Hispanic Chamber of Commerce and he was getting applause in all the right places for everything he said and everything he was doing in talking about the troops, talking about our war against terrorism; and then he said, and by the way, I am going to push for 245(i) extension. There was not, as I am told, there was not a single person in the audience who put their hands together in applause.

This is not something that most people who came here legally want. They understand the problem. They do not want to encourage illegal immigration. They came here legally. They know that that is the right way to do it. We should not be pandering to any other groups or organizations, to the immigration lobbyists. We should not be doing that. We are not going to benefit from it politically. Nothing we will ever do will ever satisfy groups like La Raza and others, these immigration advocacy groups. Nothing will ever satisfy them until the complete elimination of the borders actually occurs.

It is not a good idea. Every time I go to Mexico and I talk to them in Mexico, I ask them, what is it they are looking for? They always talk to me about the circularity. They want people coming to the United States, said the foreign minister, we want people coming to the United States, we want them working, we want them sending money back to Mexico, and then, as President Vincente Fox said, I want them coming home to retire in Mexico. Well, I would say that I am all for the circularity issue, but I would narrow the time frame quite dramatically to something we call a “guest worker program.”

People need a job, and people need workers. Great. We establish a guest worker program, one that really and truly is viable. People come in, they take the jobs that are available for them, and we protect their rights as workers. We do not let them be abused by employers who may want to take advantage of them because they would be here illegally under other circumstances. So we can protect their

rights and also protect our own rights as a Nation by determining who comes and how many and how long they stay by establishing a good guest worker program.

But they do not want that. They simply want us to abandon the border. They do not want people just coming to the United States working and then going home; they want them just coming to the United States. And, as I say, there are political reasons for that in Mexico; there are political reasons for that here in the United States. But we should at least speak out on it. We should at least speak out against it.

For one thing, Mr. Speaker, we would be giving the task of determining who is eligible for this amnesty to the Department of Justice and, more specifically, to the, guess what, to the INS. Now, Mr. Speaker, what more do I have to say about this organization that could possibly convince the people here that this is not the right organization to give such a responsibility to?

I cannot imagine that anybody thinks that fraud would not be rampant in all of the applications, or at least a huge majority that would be approved by this organization. Because, after a while, they just get the stamp out. As the clock winds out, they just get the stamp out. I would go back to this last comment that was made about the INS, about their only real intent is to move the paperwork quickly and efficiently. That is all they care about.

So they get the stamp out, they will let people in, and they will not have gone through a background check that is the same kind of background check they would have in the country from which they originated. And, therefore, we become even more vulnerable to the kind of terrorist activity that we have seen and that we anticipate.

Mr. Speaker, there are many, many battles that we will fight with regard to this immigration issue, some very, very broad in nature, some very specific. This is a specific one. Extension of 245(i). People listening to this might hear that, but that is simply a euphemism for the word "amnesty." This is not a good thing for us to do. It is not good public policy. Most people in the United States agree with that statement.

Why are we doing it? What is the reason we are in such a rush to get this in front of us? Why is there so much pressure being placed on us to do something most people in the country are absolutely opposed to, and in their heart of hearts, I think most Members are absolutely opposed to it? How they will vote, I am not sure, because there is, of course, this element of having the administration backing it. But I assure my colleagues that whether this administration or any other supports this kind of proposal, it is the wrong thing to do. And I for one will speak out against it as loudly as I can, as vociferously as I can, and as often as I can.

I recognize fully well that there are only two things I have in this body,

and that is my voice and my vote; and I will use both of them as effectively as I possibly can to stop what I believe to be a tragedy in the making, and that is the disuniting of America, as Arthur Schlesinger, Jr., puts it in his brilliant essay, "The Disuniting of America."

That is really what the issue is about here, whether this Nation will actually sustain itself. And, therefore, it is my responsibility to speak out against it regardless of who is pushing it, the President or Speaker.

#### REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1983

Mr. SIMMONS (during special order of Mr. TANCREDO). Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1983.

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

There was no objection.

#### APPOINTMENT OF ADDITIONAL CONFEREES ON H.R. 2646, FARM SECURITY ACT OF 2001

The SPEAKER pro tempore (Mr. LAHOOD). Without objection, the Chair appoints additional conferees on the bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011, as follows:

From the Committee on the Budget, for consideration of section 197 of the Senate amendment, and modifications committed to conference:

Messrs. NUSSLE, SUNUNU, and SPRATT.

From the Committee on Education and the Workforce, for consideration of sections 453-5, 457-9, 460-1, and 464 of the Senate amendment, and modifications committed to conference:

Messrs. CASTLE, OSBORNE, and KILDEE.

From the Committee on Energy and Commerce, for consideration of sections 213, 605, 627, 648, 652, 902, 1041, and 1079E of the Senate amendment, and modifications committed to conference:

Messrs. TAUZIN, BARTON of Texas and DINGELL.

From the Committee on Financial Services, for consideration of sections 335 and 601 of the Senate amendment, and modifications committed to conference:

Messrs. OXLEY, BACHUS, and LAFALCE.

From the Committee on International Relations, for consideration of title III of the House bill and title III of the Senate amendment, and modifications committed to conference:

Messrs. HYDE, SMITH of New Jersey, and LANTOS.

From the Committee on the Judiciary, for consideration of sections 940-1 of the House bill and sections 602, 1028-9, 1033-5, 1046, 1049, 1052-3, 1058, 1068-9, 1070-1, 1098 and 1098A of the Senate amendment, and modifications committed to conference:

Mr. SENSENBRENNER, Mr. GREEN of Wisconsin and Ms. BALDWIN.

From the Committee on Resources, for consideration of sections 201, 203, 211, 213, 215-7, 262, 721, 786, 806, 810, 817-8, 1069, 1070, and 1076 of the Senate amendment, and modifications committed to conference:

Messrs. HANSEN, YOUNG of Alaska, and KIND.

From the Committee on Science, for consideration of sections 808, 811, 902-3, and 1079 of the Senate amendment, and modifications committed to conference:

Messrs. BOEHLERT, BALLENGER, and HALL of Texas.

From the Committee on Ways and Means, for consideration of sections 127 and 146 of the House bill and sections 144, 1024, 1038 and 1070 of the Senate amendment, and modifications committed to conference:

Messrs. THOMAS, HERGER and RANGEL.

There was no objection.

#### MIKE PARKER FORCED TO RESIGN

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

Mr. TAYLOR of Mississippi. Mr. Speaker, when I was a kid, and when a guy named Mike Parker was a kid, it was fairly common for schoolteachers to talk about a story. We do not know if it is true or not, but they certainly told kids about a young man who, as a child, had a hatchet, and he took that hatchet to his father's favorite cherry tree and chopped it down. And when his father confronted him very angrily over whether or not he had done that, he said, Sir, I cannot tell a lie, I chopped down that cherry tree.

We do not know whether or not that is true, but it certainly is an important lesson. The important lesson is that the person who is said to have told the truth went on to become the father of our country, and this town is named after him. I regret to say that that sort of reward seems missing in this town right now.

I know of another person who in this town just last week told the truth and for that he was asked to resign. That person is my fellow Mississippian, Mike Parker, a former member of this body who served in both the Democrat and Republican Parties.

Mike appeared before the Subcommittee on Energy and Water Development of the Committee on Appropriations last week. As the head of the United States Army Corps of Engineers, the Under Secretary of the Army for that job, Mike told the Members of that committee that he did not feel that the budget was enough. He went on to say that he felt like the Office of Management and Budget had intentionally underestimated the amount of money that would be needed to run the Corps of Engineers.

That is the agency that builds the levees that keeps low-lying communities from flooding; that dredges channels so that inland commerce can take place; that dredges the channels for oceangoing ships; that agency that helps people with their sewage problems, with their drainage problems. He said that the administration's budget did not have enough money in it for him to do his job.

He went on to say that he felt like the Office of Management and Budget intentionally low-balled that to try to make the President's budget look a little closer to being balanced than it really was, and knowing that Congress would put the money back in the budget. He even went so far as to say that the Constitution of the United States under article I gives Congress the power to decide where the money goes, not the administration. The administration is certainly correct to request a budget, but it is Congress' job to pass a budget.

For telling the truth, my friend Mike Parker was fired. He was actually asked to resign. And what is really interesting about this town of half truths is that it was just 3 years ago on this very floor that a majority of my colleagues and I voted to impeach a sitting President because we felt like he had lied under oath. But when someone just last week tells the truth, he is asked to resign.

Mr. Speaker, I think that is a shame, and I think it is a horrible reflection on our Nation. I think it is a horrible reflection on this administration. Mike Parker did the right thing. This town is awash in debt because we are awash in half truths. Finally, somebody came forward and said this is the way to do it. You gave me a job to do. I have left my farm in Mississippi, I have left my business in Mississippi, my wife has left a successful accounting firm to come here all so we could serve our country. I have told you the truth, and my reward for telling the truth is to fire me.

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Mr. Speaker, it is a shame. So for Mike Parker and all of the folks out there who tell the truth, I want to say I am grateful, the people in Mississippi. I deeply regret that the President of the United States did the wrong thing; but Mike, I know you did the right thing.

Just recently there was a book published called "The Dereliction of Duty." I am told it was written by a historian at West Point who researched the early stages of the Vietnam War, and makes a very compelling case that the Joint Chiefs of Staff at that time knew that President Johnson had no intention of winning that war. And what he cites as a dereliction of duty is those generals and those admirals at the time, knowing that the President had no clear plan for victory, were not willing to risk their careers and step forward and say "This is wrong. I am

not going to let the kids in my command die," in what they knew to be a failed effort.

Mike Parker had the guts to say this is wrong and point out the way that it should be and tell the truth. So, Mike, they may have had a dereliction of duty, but you did not. For the sake of myself and again speaking on behalf of the people of Mississippi, we are proud of you, Mike. God bless you.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. JACKSON-LEE of Texas (at the request of Mr. GEPHARDT) for today on account of business in the district.

Mrs. MEEK of Florida (at the request of Mr. GEPHARDT) for today after 11:30 a.m. on account of personal reasons.

Ms. SOLIS (at the request of Mr. GEPHARDT) for today on account of official business.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STRICKLAND) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. WATSON of California, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Mr. BROWN of Ohio, for 5 minutes, today.

Mr. MCINTYRE, for 5 minutes, today.

Mr. TAYLOR of Mississippi, for 5 minutes, today.

(The following Member (at the request of Mr. BLUNT) to revise and extend his remarks and include extraneous material:)

Mr. BLUNT, for 5 minutes, today.

#### SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 32. A joint resolution congratulating the United States Military Academy at West Point on its bicentennial anniversary, and commending its outstanding contributions to the Nation.

#### ADJOURNMENT

Mr. TAYLOR of Mississippi. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 16 minutes p.m.) under its previous order, the House adjourned until Monday, March 11, 2002, at 2 p.m.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5775. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Hydrogen Peroxide; An Amendment to an Exemption from the Requirement of a Tolerance [OPP-301217; FRL-6822-7] (RIN: 2070-AB78) February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5776. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision; Interim Final Determination that State has Corrected the Deficiencies [CA 248-0293c; FRL-7149-7] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5777. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; State of Iowa [Iowa 0127-1127a; FRL-7151-7] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5778. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Operating Permits Program; State of Iowa [IA 0126-1126a; FRL-7151-9] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5779. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—North Carolina: Final Authorization of State Hazardous Waste Management Program Revision [FRL-7150-6] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5780. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, San Joaquin Valley Unified Air Pollution Control District [CA 169-0323; FRL-7148-8] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5781. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, El Dorado Air Pollution Control District [CA248-0293a; FRL-7149-6] received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5782. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Interim Final Determination that the State of California Has Corrected Deficiencies and Stay of Sanctions, San Joaquin Valley Unified Air Pollution Control District [CA 250-0317c; FRL-7146-1] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5783. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Interim Final Determination that the State of California Has Corrected Deficiencies and Stay of Sanctions, Kern

County Air Pollution Control District [CA 256-0319c; FRL-7139-2] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5784. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Delaware: Final Authorization of State Hazardous Waste Management Program Revision [FRL-7149-9] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5785. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; Maryland Nitrogen Oxide Averaging Plan for Constellation Power Source Generation [MD121-3082a; FRL-9144-5] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5786. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Minnesota [MN64-01-7289a; FRL-7139-8] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5787. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality State Implementation Plans; Georgia: Control of Gasoline Sulfur and Volatility [GA-47-2; GA-55-2; GA-58-2-200216; FRL-7148-4] received February 21, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5788. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5789. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-296, "Home Loan Protection Act of 2002" received March 7, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5790. A letter from the General Counsel, Corporation For National Service, transmitting the report in compliance with the Government in the Sunshine Act for 2001, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

5791. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's final rule—VISAS: Documentation of Nonimmigrants and Immigrants under the Immigration and Nationality Act, as amended: Fingerprinting; Access to Criminal History Records; Conditions for use of criminal history records—received February 28, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5792. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; General Electric Company GE90 Series Turbofan Engines [Docket No. 2001-NE-32-AD; Amendment 39-12606; AD 2002-01-12] (RIN: 2120-AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5793. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes [Docket No. 2001-NM-198-AD; Amendment 39-12607; AD 2002-01-13] (RIN: 2120-AA64) received February 26, 2002, pursu-

ant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5794. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; General Electric Company GE90 Series Turbofan Engines [Docket No. 2001-NE-32-AD; Amendment 39-12606; AD 2002-01-12] (RIN: 2120-AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5795. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Model DH.125, HS.125, BH.125, and BAe.125 (U-125 and C-29A) Series Airplanes; Model Hawker 800, Hawker 800 (U-125A), Hawker 800XP, and Hawker 1000 Airplanes [Docket No. 2000-NM-373-AD; Amendment 39-12619; AD 2001-17-26 R1] (RIN: 2120-AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5796. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC-8-100, -200, and -300 Series Airplanes [Docket No. 2001-NM-112-AD; Amendment 39-12620; AD 2002-01-25] (RIN: 2120-AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5797. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Mark 0070 and 0100 Series Airplanes [Docket No. 2001-NM-128-AD; Amendment 39-12613; AD 2002-01-19] (RIN: 2120-AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5798. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Model Beech 400, 400A, and 400T Series Airplanes; Model Beech MU-300-10 Airplanes; and Model Mitsubishi MU-300 Airplanes [Docket No. 2001-NM-382-AD; Amendment 39-12617; AD 2002-01-23] (RIN: 2120-AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5799. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC-9-81, -82, -83, and -87 Series Airplanes, and Model MD-88 Airplanes [Docket No. 2000-NM-362-AD; Amendment 39-12618; AD 2002-01-24] (RIN: 2120-AA64) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5800. A letter from the Chief, Regulations Branch, Department of the Treasury, transmitting the Department's final rule—Civil Asset Forfeiture (RIN: 1515-AC69) received February 25, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HANSEN: Committee on Resources. H.R. 706. A bill to direct the Secretary of the Interior to convey certain properties in the

vicinity of the Elephant Butte Reservoir and the Caballo Reservoir, New Mexico; with an amendment (Rept. 107-368). Referred to the Committee of the Whole House on the State of the Union.

#### REPORTED BILL SEQUENTIALLY REFERRED

Under clause 2 of rule XII, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. HANSEN: Committee on Resources. H.R. 3389. A bill to reauthorize the National Sea Grant College Program Act, and for other purposes, with an amendment; (Rept. 107-369 Pt. I) referred to the Committee on Science for a period ending not later than April 17, 2002, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(n), rule X.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. GILMAN (for himself and Mr. McNULTY):

H.R. 3890. A bill to authorize the President to award the Medal of Honor posthumously to Henry Johnson, of Albany, New York, for acts of valor during World War I and to direct the Secretary of Army to conduct a review of military service records to determine whether certain other African American World War I veterans should be awarded the Medal of Honor for actions during that war; to the Committee on Armed Services.

By Mr. SHERMAN (for himself, Mr. MCHUGH, Mrs. MALONEY of New York, Mr. MASCARA, Mr. FRANK, Mr. HONDA, and Mr. FALCOMA):

H.R. 3891. A bill to amend the Fair Debt Collection Practices Act to prohibit creditors from taking action that is adverse to the interests of a consumer with respect to certain payments that are due in or shortly after the period of a disruption of the mail resulting from a national emergency declared under the National Emergencies Act; to the Committee on Financial Services.

By Mr. COBLE (for himself and Mr. BERMAN):

H.R. 3892. A bill to amend title 28, United States Code, to make certain modifications in the judicial discipline procedures, and for other purposes; to the Committee on the Judiciary.

By Mr. BURTON of Indiana (for himself, Mr. WAXMAN, Mr. DAVIS of Illinois, Mrs. MORELLA, Mr. TIERNEY, Mr. CUMMINGS, and Ms. NORTON):

H.R. 3893. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income amounts paid on behalf of Federal employees under Federal student loan repayment programs; to the Committee on Ways and Means.

By Mr. CONYERS (for himself, Ms. ROS-LEHTINEN, Mr. GEPHARDT, Ms. JACKSON-LEE of Texas, Mr. REYES, Mr. FRANK, Mr. BERMAN, Mr. GUTIERREZ, Mr. RANGEL, Mr. ABERCROMBIE, Mr. ANDREWS, Ms. LEE, Mr. BLAGOJEVICH, Mr. DELAHUNT, Mr. FATTAH, Mr. FILNER, Mr. HONDA, Mr. LAFALCE, Mr. MCDERMOTT, Mrs. MEEK of Florida, Mr. NADLER, Mr. RODRIGUEZ, Ms. ROYBAL-ALLARD, Mr. SERRANO, Ms. SCHAKOWSKY, Mr. STARK, Mrs. JONES of Ohio, Mr. UNDERWOOD, Ms. VELAZQUEZ, Ms. WATERS, Mr. LANTOS, and Mr. BONIOR):

H.R. 3894. A bill to amend the Immigration and Nationality Act to restore fairness to

immigration law, and for other purposes; to the Committee on the Judiciary.

By Mr. ADERHOLT (for himself, Mr. PITTS, Mr. BRYANT, Mr. SAM JOHNSON of Texas, Mr. RYUN of Kansas, Mr. WICKER, Mr. SHOWS, Mr. HILLEARY, Mr. SESSIONS, Mr. SCHAFFER, Mr. GOODE, Mr. TERRY, Mr. DEMINT, Mr. SHADDEG, Mr. SMITH of Michigan, Mr. CRANE, Mr. HERGER, Mr. BARTLETT of Maryland, Mr. TIBERI, Mr. SOUDER, Mr. BROWN of South Carolina, Mr. BUYER, Mr. ARMEY, Mr. GREEN of Texas, Mr. DELAY, Mr. CANTOR, Mr. PICKERING, Mrs. MYRICK, Mr. BACHUS, Mr. GRAVES, Mr. KERNS, Mr. LEWIS of Kentucky, Mr. KINGSTON, Mr. WHITFIELD, Ms. HART, Mr. TAYLOR of North Carolina, Mr. WAMP, Mr. HAYES, Mr. HAYWORTH, Mr. BRADY of Texas, Mr. BONILLA, Mrs. EMERSON, Mr. PAUL, Mr. SMITH of New Jersey, Mr. ISTOOK, Mr. LUCAS of Oklahoma, Mr. TIAHRT, Mr. VITTER, Mr. OXLEY, Mr. STENHOLM, Mr. HOSTETTLER, Mr. JONES of North Carolina, Mr. HOEKSTRA, Mr. DOOLITTLE, Mr. PENCE, Mr. WELDON of Florida, Mr. SHUSTER, and Mr. BARR of Georgia):

H.R. 3895. A bill to defend the Ten Commandments; to the Committee on the Judiciary.

By Mr. BAKER:

H.R. 3896. A bill to repeal the reservation of mineral rights made by the United States when certain lands in Livingston Parish, Louisiana, were conveyed by Public Law 102-562; to the Committee on Resources.

By Mr. BARR of Georgia (for himself, Mr. CONYERS, Mr. NORWOOD, Mr. HOFFFEL, Mr. GANSKE, Mr. NADLER, and Mr. WELDON of Florida):

H.R. 3897. A bill to ensure and foster continued patient safety and quality of care by clarifying the application of the antitrust laws to negotiations between groups of health care professional and health plans and health care insurance issuers; to the Committee on the Judiciary.

By Mrs. CAPPS (for herself, Ms. HOOLEY of Oregon, Mr. DEFAZIO, Mr. WU, and Mr. THOMPSON of California):

H.R. 3898. A bill to provide for qualified withdrawals from the Capital Construction Fund for fishermen leaving the industry and for the rollover of Capital Construction Funds to individual retirement plans; to the Committee on Ways and Means, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CARSON of Oklahoma (for himself and Mrs. EMERSON):

H.R. 3899. A bill to amend title XVIII of the Social Security Act to provide for the coverage of marriage and family therapist services and mental health counselor services under part B of the Medicare Program, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. YOUNG of Florida (for himself, Mr. OBEY, Mr. SABO, Mr. ROGERS of Kentucky, Mr. REGULA, Mr. OLVER, Mr. PASTOR, Mr. WOLF, Ms. KILPATRICK, Mr. CALLAHAN, Mr. SERRANO, Mr. TIAHRT, Mr. ADERHOLT, Ms. GRANGER, Mrs. EMERSON, Mr. SWEENEY, Mr. CLYBURN, Ms. PELOSI, Mr. LEWIS of California, Mr. SKEEN, Mr. BONILLA, Mr. KENNEDY of Rhode Island, Mr. MORAN of Virginia, Ms.

DELAURO, Ms. KAPTUR, Mr. DICKS, Mr. JACKSON of Illinois, Mr. FARR of California, Mrs. MEEK of Florida, Mr. HINCHEY, Mrs. LOWEY, Mr. PRICE of North Carolina, Mr. FATTAH, Mr. BOYD, Mr. CRAMER, Mr. MOLLOHAN, Ms. ROYBAL-ALLARD, Mr. HOYER, Mr. MURTHA, Mr. WALSH, Mr. KNOLLENBERG, Mr. DAN MILLER of Florida, Mr. KINGSTON, Mr. WICKER, Mr. NETHERCUTT, Mr. CUNNINGHAM, Mr. WAMP, Mr. PETERSON of Pennsylvania, Mr. LAHOOD, Mr. VITTER, Mr. TAYLOR of North Carolina, Mr. VISCLOSKEY, Mr. ROTHMAN, Mr. GOODE, Mr. EDWARDS, Mr. SHERWOOD, Mr. DOOLITTLE, Mr. TIERNEY, Mr. BUYER, Mr. KLECZKA, Mrs. THURMAN, Mr. THOMPSON of Mississippi, Mr. MARKEY, Mr. MEEHAN, Mr. HOBSON, Mr. HOFFFEL, Mr. HILLIARD, Mr. BISHOP, and Mrs. CHRISTENSEN):

H.R. 3900. A bill to provide that certain adjustments made by the Director of the Office of Management and Budget under the Balanced Budget and Emergency Deficit Control Act of 1985 to align highway spending with revenues have no force or effect; to the Committee on the Budget, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CASTLE:

H.R. 3901. A bill to suspend temporarily the duty on triflusalurone methyl formulated product; to the Committee on Ways and Means.

By Mr. CASTLE:

H.R. 3902. A bill to suspend temporarily the duty on benzyl carbazate; to the Committee on Ways and Means.

By Mr. CASTLE:

H.R. 3903. A bill to suspend temporarily the duty on esfenvalerate technical; to the Committee on Ways and Means.

By Mr. CASTLE:

H.R. 3904. A bill to suspend temporarily the duty on Avaunt and Steward; to the Committee on Ways and Means.

By Mr. CRAMER:

H.R. 3905. A bill to amend the Internal Revenue Code of 1986 to authorize the Secretary of the Treasury to provide a one-time abatement of interest on an underpayment or nonpayment of income tax for reasonable cause; to the Committee on Ways and Means.

By Mr. CUNNINGHAM (for himself and Mr. FILNER):

H.R. 3906. A bill to except spouses and children of Philippine servicemen in the United States Navy from bars to admission and relief under the Immigration and Nationality Act; to the Committee on the Judiciary.

By Mr. HANSEN (for himself, Mr. MEEHAN, Mr. BROWN of Ohio, Mr. DOGGETT, Mr. FALCOMAEGA, Mr. FRANK, Mr. HINCHEY, Mr. HOLT, Mr. LANGEVIN, Mr. LANTOS, Mr. LIPINSKI, Ms. LOFGREN, Mr. MCDERMOTT, Mr. MCGOVERN, Mr. GEORGE MILLER of California, Mrs. MORELLA, Mr. PALLONE, Ms. ROYBAL-ALLARD, Mr. STARK, Mr. WAXMAN, and Mr. WYNN):

H.R. 3907. A bill to amend the Federal Cigarette Labeling and Advertising Act and the Comprehensive Smokeless Tobacco Health Education Act of 1986 to require warning labels for tobacco products; to the Committee on Energy and Commerce.

By Mr. HANSEN:

H.R. 3908. A bill to reauthorize the North American Wetlands Conservation Act, and for other purposes; to the Committee on Resources.

By Mr. HANSEN:

H.R. 3909. A bill to designate certain Federal lands in the State of Utah as the Gunn McKay Nature Preserve, and for other purposes; to the Committee on Resources.

By Mr. ISRAEL:

H.R. 3910. A bill to amend title XVIII of the Social Security Act to provide for coverage under the Medicare Program of certain tests to screen for ovarian cancer upon certification by the Director of the National Institutes of Health that such tests are effective; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. JOHNSON of Connecticut:

H.R. 3911. A bill to direct the Federal Trade Commission to issue rules that establish a list of telephone numbers of consumers who do not want to receive telephone calls for telemarketing purposes, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Financial Services, and Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KUCINICH (for himself, Mr. OWENS, Mr. ANDREWS, Ms. SOLIS, Ms. LEE, Mr. MCGOVERN, Mr. CONYERS, Ms. KAPTUR, Mr. HINCHEY, Mr. FILNER, Mr. FALCOMAEGA, and Ms. CARSON of Indiana):

H.R. 3912. A bill to assist States in establishing a universal prekindergarten program to ensure that all children 3, 4, and 5 years old have access to a high-quality full-day, full-calendar-year prekindergarten education; to the Committee on Education and the Workforce.

By Mrs. LOWEY (for herself, Mr. DEFAZIO, Mr. BERRY, Mr. McNULTY, Mr. PALLONE, and Mr. BLAGOJEVICH):

H.R. 3913. A bill to assure equitable treatment in health care coverage of prescription drugs under group health plans, health insurance coverage, Medicare and Medicaid managed care arrangements, Medicaid insurance coverage, and health plans under the Federal employees' health benefits program (FEHBP); to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Education and the Workforce, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MALONEY of New York:

H.R. 3914. A bill to restore oversight of energy derivatives by the Commodity Futures Trading Commission, and maintain the 1993 energy products exemption; to the Committee on Agriculture.

By Mrs. MALONEY of New York (for herself, Mr. TOM DAVIS of Virginia, Mr. HOYER, Mr. FRANK, Mr. ABERCROMBIE, Mr. FROST, Ms. MILLENDER-MCDONALD, Ms. DELAURO, Ms. BALDWIN, Ms. CARSON of Indiana, Ms. KILPATRICK, Mr. OWENS, and Ms. NOR-TON):

H.R. 3915. A bill to amend title 5, United States Code, to provide that, of the total amount of family leave available to a Federal employee based on the birth of a child or the placement of a child with the employee for adoption or foster care, at least one-half of that time shall be leave with pay; to the Committee on Government Reform.

By Mrs. MALONEY of New York (for herself, Mr. GREENWOOD, Mr. CROWLEY, Mrs. LOWEY, and Mr. OSE):

H.R. 3916. A bill to provide a United States voluntary contribution to the United Nations Population Fund; to the Committee on International Relations.

By Mr. MURTHA:

H.R. 3917. A bill to authorize a national memorial to commemorate the passengers and crew of Flight 93 who, on September 11, 2001, courageously gave their lives thereby thwarting a planned attack on our Nation's Capital, and for other purposes; to the Committee on Resources.

By Mr. PORTMAN (for himself, Mr. CARDIN, Mr. BOEHNER, and Mr. POMEROY):

H.R. 3918. A bill to amend the Employee Retirement Income Security Act of 1974 to simplify reporting and disclosure requirements, to provide Pension Benefit Guarantee Corporation premium relief, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PORTMAN (for himself, Mr. CARDIN, Mr. BOEHNER, Mr. POMEROY, and Mr. SAM JOHNSON of Texas):

H.R. 3919. A bill to amend the Internal Revenue Code of 1986 to increase the permissible range for the interest rate used in determining the additional funding requirements for defined benefit plans which are not multi-employer plans, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. THUNE:

H.R. 3920. A bill to amend the Endangered Species Act of 1973 to establish special requirements for determining whether the black-tailed prairie dog is an endangered species or threatened species; to the Committee on Resources.

By Mr. JEFFERSON:

H.J. Res. 84. A joint resolution disapproving the action taken by the President under section 203 of the Trade Act of 1974 transmitted to the Congress on March 5, 2002; to the Committee on Ways and Means.

By Mr. CLEMENT (for himself, Mr. CUNNINGHAM, Mrs. DAVIS of California, Mr. PHELPS, and Mr. ETHERIDGE):

H. Con. Res. 343. Concurrent resolution expressing the sense of the Congress supporting music education and Music in Our Schools Month; to the Committee on Education and the Workforce.

By Ms. SCHAKOWSKY (for herself, Mrs. BIGGERT, Ms. MILLENDER-MCDONALD, Mr. LANTOS, Ms. PELOSI, Ms. DELAURO, Mr. CONYERS, Ms. WATERS, Ms. BALDWIN, Mr. DAVIS of Illinois, Mr. CROWLEY, Ms. WOOLSEY, Mr. LEVIN, Mr. FILNER, Ms. KILPATRICK, Mrs. JONES of Ohio, Ms. KAPTUR, Mr. CUMMINGS, Ms. MCCOLLUM, Mr. LUTHER, Mrs. CAPPS, Mr. LANGEVIN, Ms. MCKINNEY, Mr. BLAGOJEVICH, Ms. NORTON, Ms. SOLIS, Ms. BERKLEY, Ms. SANCHEZ, Mrs. MALONEY of New York, Ms. ROYBAL-ALLARD, Ms. BROWN of Florida, Ms. CARSON of Indiana, Mrs. MCCARTHY of New York, Mrs. DAVIS of California, and Ms. WATSON):

H. Con. Res. 344. Concurrent resolution supporting the goals of International Women's Day; to the Committee on International Relations, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each

case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HANSEN (for himself, Mr. MATHESON, and Mr. CANNON):

H. Res. 363. A resolution congratulating the people of Utah, the Salt Lake Organizing Committee and the athletes of the world for a successful and inspiring 2002 Olympic Winter Games; to the Committee on International Relations.

## MEMORIALS

Under clause 3 of rule XII,

208. The SPEAKER presented a memorial of the House of Representatives of the State of Michigan, relative to House Resolution No. 85 memorializing the Congress of the United States to enact legislation to give states the authority to ban out-of-state solid waste; to the Committee on Energy and Commerce.

## ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 116: Ms. NORTON and Ms. SLAUGHTER.  
 H.R. 128: Mr. RAMSTAD, Ms. MCCARTHY of Missouri, and Mr. CLAY.  
 H.R. 218: Mr. HILLIARD, Mr. TAYLOR of Mississippi, and Mr. PLATTS.  
 H.R. 250: Mr. INSLEE and Mr. ROEMER.  
 H.R. 303: Mr. HULSHOF.  
 H.R. 778: Mr. KING.  
 H.R. 808: Mr. LYNCH.  
 H.R. 858: Mr. BONIOR.  
 H.R. 902: Mr. ROHRBACHER, Mr. SABO, and Mr. BERMAN.  
 H.R. 951: Mr. MICA, Ms. ROYBAL-ALLARD, and Mr. GOSS.  
 H.R. 1051: Mr. DELAHUNT and Mr. BRADY of Pennsylvania.  
 H.R. 1053: Mr. BONIOR.  
 H.R. 1055: Mr. BONIOR.  
 H.R. 1070: Mr. SMITH of Michigan.  
 H.R. 1073: Mr. HAYES.  
 H.R. 1076: Mr. GRUCCI.  
 H.R. 1109: Mr. MICA and Mr. OXLEY.  
 H.R. 1158: Mr. SHAYS.  
 H.R. 1167: Mr. SNYDER and Mr. MOORE.  
 H.R. 1168: Mr. SNYDER, Mr. WILSON of South Carolina, and Ms. DUNN.  
 H.R. 1202: Ms. WATERS.  
 H.R. 1213: Mr. MASCARA, Mr. GEKAS, and Mr. PALLONE.  
 H.R. 1214: Mr. GEKAS.  
 H.R. 1265: Mr. CLAY and Mrs. CAPPS.  
 H.R. 1310: Mr. FRANK.  
 H.R. 1354: Mr. DAVIS of Illinois.  
 H.R. 1400: Mr. MURTHA.  
 H.R. 1475: Mr. KIND, Mr. HILLIARD, and Mr. TIAHRT.  
 H.R. 1522: Mr. LIPINSKI.  
 H.R. 1609: Mr. SPRATT, Mr. KUCINICH, and Mr. UDALL of Colorado.  
 H.R. 1626: Mr. HOLDEN.  
 H.R. 1723: Mr. LYNCH.  
 H.R. 1899: Mr. LAMPSON.  
 H.R. 1904: Mrs. JONES of Ohio, Mr. BLAGOJEVICH, Ms. WOOLSEY, and Ms. RIVERS.  
 H.R. 1919: Mr. HOSTETTLER.  
 H.R. 1987: Mr. REYNOLDS.  
 H.R. 2189: Mr. HERGER.  
 H.R. 2219: Ms. LOFGREN.  
 H.R. 2230: Mr. FILNER.  
 H.R. 2254: Mr. MCGOVERN.  
 H.R. 2335: Mr. GEORGE MILLER of California and Mr. OBERSTAR.  
 H.R. 2341: Mr. FOLEY, Mr. SULLIVAN, and Mr. TIBERI.  
 H.R. 2527: Mr. PASTOR, Ms. DELAURO, Mr. CAPUANO, Mr. BOSWELL, Mr. SAWYER, Mr. SESSIONS, and Mrs. MEEK of Florida.

H.R. 2570: Mr. BLAGOJEVICH and Mr. CUMMINGS.

H.R. 2610: Mr. GILLMOR, Ms. HARMAN, and Mr. GANSKE.

H.R. 2629: Mrs. CAPITO, Ms. BALDWIN, and Mr. MEEHAN.

H.R. 2649: Mr. GEKAS, Mr. TANCREDO, Ms. MCKINNEY, Mr. PICKERING, Mr. TOM DAVIS of Virginia, and Mr. WATKINS.

H.R. 2695: Mr. MATSUI and Mr. BALLENGER.  
 H.R. 2740: Mrs. CLAYTON and Mr. WATT of North Carolina.

H.R. 2813: Mr. OLVER.

H.R. 3080: Ms. NORTON and Ms. CARSON of Indiana.

H.R. 3130: Mr. GOODLATTE and Mr. SMITH of Texas.

H.R. 3131: Mrs. CAPPS, Mr. FROST, Mr. CHAMBLISS, Mr. CALVERT, Mr. COSTELLO, and Mr. GREENWOOD.

H.R. 3157: Mrs. WILSON of New Mexico.

H.R. 3192: Mr. OWENS and Mrs. MINK of Hawaii.

H.R. 3246: Mrs. THURMAN.

H.R. 3267: Mr. CLAY.

H.R. 3278: Mr. PASCRELL.

H.R. 3284: Mr. CLAY.

H.R. 3321: Mr. JOHN, Mr. CLAY, Mrs. MINK of Hawaii, Mr. STUMP, and Ms. MCCARTHY of Missouri.

H.R. 3324: Mr. SCHIFF, Ms. WOOLSEY, and Mr. THOMPSON of California.

H.R. 3358: Mrs. TAUSCHER and Mr. TURNER.

H.R. 3363: Mr. LANGEVIN, Mr. McNULTY, Mr. LIPINSKI, Mr. ALLEN, Mr. PRICE of North Carolina, and Mr. MCGOVERN.

H.R. 3374: Mr. OWENS, Mr. FORD, Mr. FROST, Mr. CONYERS, Mrs. MEEK of Florida, Mr. UNDERWOOD, Ms. WATSON, and Mr. MCGOVERN.

H.R. 3389: Mrs. CAPPS, Mr. JEFF MILLER of Florida, Mr. BILIRAKIS, Mr. WATT of North Carolina, Mr. DIAZ-BALART, Ms. MCCOLLUM, Mr. HASTINGS of Florida, and Ms. HOOLEY of Oregon.

H.R. 3414: Mr. PHELPS and Mr. WATT of North Carolina.

H.R. 3430: Mr. FRANK.

H.R. 3486: Mr. GOODE.

H.R. 3488: Mr. TOWNS and Mrs. THURMAN.

H.R. 3524: Mr. PASTOR, Ms. VELAZQUEZ, and Mr. LATOURETTE.

H.R. 3561: Mr. GEKAS.

H.R. 3574: Mrs. THURMAN.

H.R. 3581: Mr. UNDERWOOD and Ms. MILLENDER-MCDONALD.

H.R. 3585: Mr. BARRETT.

H.R. 3605: Mr. SOUDER.

H.R. 3617: Mr. FILNER.

H.R. 3626: Mr. STUPAK and Mr. GUTKNECHT.  
 H.R. 3659: Mr. LANGEVIN and Mr. KENNEDY of Rhode Island.

H.R. 3694: Mr. BALLENGER, Mr. MOORE, Mr. PUTNAM, Mr. RAMSTAD, Mr. TANCREDO, Mr. KIND, Mrs. CHRISTENSEN, Mr. SHERMAN, Mr. DAVIS of Florida, Ms. DEGETTE, Mrs. CLAYTON, Mr. HILLIARD, Mr. CLAY, Ms. JACKSON-LEE of Texas, Ms. MCCARTHY of Missouri, Mrs. MEEK of Florida, Mr. SCOTT, Mr. ALLEN, Mr. REYES, Mr. WYNN, Mr. HOYER, and Mr. COOKSEY.

H.R. 3713: Mr. STUPAK.

H.R. 3717: Mr. HOLDEN, Mr. KELLER, Ms. WATSON, Mr. COMBEST, Mr. BOSWELL, Mr. BARR of Georgia, and Mr. UDALL of Colorado.

H.R. 3731: Mr. QUINN.

H.R. 3733: Mr. KUCINICH, Mr. BALDACCI, Mr. MCGOVERN, and Ms. BROWN of Florida.

H.R. 3745: Ms. JACKSON-LEE of Texas.

H.R. 3754: Mr. McNULTY.

H.R. 3770: Mr. STARK, Mr. SHIMKUS, and Ms. DUNN.

H.R. 3792: Mr. ISAKSON, Mr. JOHNSON of Illinois, Mr. TOWNS, Mr. BOEHLERT, and Mr. STUPAK.

H.R. 3794: Mr. FERGUSON, Ms. LOFGREN, Ms. VELAZQUEZ, Mr. DAVIS of Illinois, and Ms. ESHOO.

H.R. 3802: Mr. OTTER.  
 H.R. 3818: Ms. LEE and Mr. MASCARA.  
 H.R. 3833: Mr. SULLIVAN, Mr. BROWN of Ohio, and Mr. GILLMOR.  
 H.R. 3834: Mr. GORDON.  
 H.R. 3838: Mrs. THURMAN.  
 H.J. Res. 6: Mr. QUINN, Mr. GILLMOR, and Mr. FORBES.  
 H.J. Res. 40: Mr. RAHALL and Mr. JOHN.  
 H. Con. Res. 315: Mr. SHIMKUS, Mr. PICKERING, Mr. SHOWS, Mr. HOSTETTLER, Mr. SCHAFFER, and Mr. GOODE.  
 H. Con. Res. 318: Mr. TERRY and Mr. BALLENGER.  
 H. Con. Res. 341: Ms. ESHOO.  
 H. Res. 302: Mr. GRAVES, Mr. BUYER, Mr. NORWOOD, and Mr. WICKER.

#### DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1983: Mr. SIMMONS.

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#### PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

52. The SPEAKER presented a petition of the Legislature of Franklin County, relative

to Resolution No. 317 petitioning the Congress of the United States to pass without delay and for the President of the United States to sign into law "The State Budget Relief Act of 2001"; to the Committee on Energy and Commerce.

53. Also, a petition of the City Council of the City of Groves, Texas, relative to Resolution 2000-17 petitioning the Congress of the United States in expressing an collective desire to rid the world of terrorism of global reach; jointly to the Committees on International Relations and Armed Services.