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. 237

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. LOTTER).

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 provide 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.

I would like to recognize 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 minute and to revise and extend his remarks.)

Mr. ROSS. Mr. Speaker, I would like to join my colleagues in congratulating Miami Dade Community College, not only for their great work on behalf of Miami Dade County, but for the leadership that they have shown in creating innovative programs that benefit the people of Miami Dade County.

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.
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 medications.

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 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 perpetrated 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 legislation 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 marks 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 suffered 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 Imams who tried to bring 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 in the Philippines, 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 of 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 that 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.

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 and administrator at West Hoke Elementary, J.W. McLaughlin 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 his 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 teenagers, as well as his children, wife 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 leader in the fight 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, a simple 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 less than 1 percent of what we need, of these machines to get this job done. We have to do much more. We need real-world budget estimates that incorporate the effects of economic incentives on proposed policy changes. We need to hold our budget estimates, and this week, to respond 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 estimates accountable every year for the difference between what we have told Congress 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 Ways and Means, I call up House Resolution 360 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

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 incentive tax credits for economic growth, to assist more and more Americans to achieve the American dream, and to provide an economic recovery act for the purpose of debate only. The Speaker pro tempore (Mrs. EMERSON). The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Mr. KIRK. Madam Speaker, the $74 billion Bush tax relief plan is already yielding benefits in the form of accelerated economic growth. According to yesterday's estimates from the Congressional Budget Office, higher economic growth added $93 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 we have told Congress and what actually happened. With that, we can improve future budget projections and make sure this economy is rolling again.
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.

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, are 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 America's 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 the one-hour hearing 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. THOMAS of Florida asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Florida. First, Madam Speaker, let me thank the gentleman from Pennsylvania (Ms. HART) and I introduced a comprehensive measure to help the 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 them.

Now, more than 100 bipartisan cosponsors later, the House has still not acted on the Hastings-Hart bill. We are doing a little this morning. But let me say this with the certainty of a classmate who has 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.

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 due to the increased number of unemployed people who are unemployed not by their own fault but by no fault of their own.

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 States through its Medicaid program. This amendment will 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 introduce 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 considerably. 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 if the previous question is defeated, I will offer an amendment 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 of the House, and that 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 debated 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 any amendment thereto to final adoption without intervening motion except the amendment specified in section 2 if offered by Representative Range 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 debate 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:

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2001 FMAP.—Notwithstanding any other provision of law, subject to subsection (d), if the FMAP determined without regard to this section for a State for fiscal year 2001 is less than the FMAP as so determined, the Secretary of Health and Human Services shall substitute for the State’s FMAP for fiscal year 2001, before the application of this section:

(b) GENERAL 1.50 PERCENTAGE POINTS INCREASE.—Notwithstanding any other provision of law, 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) 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 if, for any 3 consecutive month period beginning on or after June 2001 and ending with...
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) ANY STATE.—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 (such as 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.—Any compensation law in effect in any State that 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 exhausted all rights to regular compensation under the law; 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 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 any individual for any week of total unemployment shall be equal to the amount of regular 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 temporary extended unemployment compensation law, which applies 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 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 in accordance with this subsection shall be equal to 13 times the individual’s weekly benefit amount.  

(2) WEEKLY BENEFIT AMOUNT.—For purposes of paragraph (1), the 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 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 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. 601(a))), the costs to be incurred, 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. 601 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(a) of the Unemployment Trust Fund Act of 1970 (26 U.S.C. 3304 note)) are hereby made available to the Secretary, without fiscal year limitation, for the purpose of reimbursing the costs of administration of agreements 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.  

(c) ADMINISTRATION.—The Secretary shall administer section 4(a) to States having agreements entered into under this Act.  

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If any 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 this Act or from any 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 the State law or from any unemployment compensation or temporary extended unemployment compensation law, and only in that manner and to that extent as the State agency may determine to be necessary for the purpose of recovering such amounts.  

(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 that 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 unemployment compensation law, and only in that manner and to that extent.
TITLE I—BUSINESS PROVISIONS


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

Sec. 103. Temporary extended unemployment compensation account.

Sec. 104. Payments to States having agreements for the payment of temporary extended unemployment compensation.

Sec. 105. Financing provisions.

Sec. 106. Fraud and overpayments.

Sec. 107. Financing provisions.

Sec. 108. Parity in the application of certain limits to mental health benefits.

Sec. 109. Availability of medical savings accounts.

Sec. 110. Incentives for Indian employment and property on Indian reservations.

Sec. 111. Part 88 Par F exemption for active financing.

Sec. 112. Requirement for approved diesel or kerosene terminals.

Sec. 113. Availability of medical savings accounts.

Sec. 114. Incentives for Indian employment and property on Indian reservations.

Sec. 115. Subpart F exemption for active financing.

Sec. 116. Requirement for approved diesel or kerosene terminals.

Sec. 117. Reauthorization of TANF supplemental grants for population stabilization grants before September 10, 2002.

Sec. 118. 1-year extension of contingency fund under the TANF program.

TITLE II—EMPLOYMENT ASSISTANCE

Sec. 201. Short title.


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.

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

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

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

Sec. 608. Qualified zone academy bonds.

Sec. 609. Coverage 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. Requirement for approved diesel or kerosene terminals.

Sec. 616. Reauthorization of TANF supplemental grants for population stabilization grants before September 10, 2002.

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

TITLE VII—BUSINESS PROVISIONS


Sec. 702. Credit for qualified electric vehicles.

Sec. 703. Credit for electricity produced from certain renewable resources.

Sec. 704. Work opportunity credit.

Sec. 705. Welfare Reform.

Sec. 706. Deduction for clean-fuel vehicles and certain refueling property.

Sec. 707. Taxable income limit on percentage oil and natural gas produced from marginal properties.

Sec. 708. Qualified zone academy bonds.

Sec. 709. Coverage of tax on distilled spirits.

Sec. 710. Parity in the application of certain limits to mental health benefits.

Sec. 711. Temporary special rules for taxation of life insurance companies.

Sec. 712. Availability of medical savings accounts.

Sec. 713. Incentives for Indian employment and property on Indian reservations.

Sec. 714. Subpart F exemption for active financing.

Sec. 715. Requirement for approved diesel or kerosene terminals.

Sec. 716. Reauthorization of TANF supplemental grants for population stabilization grants before September 10, 2002.

Sec. 717. 1-year extension of contingency fund under the TANF program.

"(a) (in General)—The term ‘qualified property’ means property—

'(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,

'(v) the original use of which commences with the taxpayer after September 10, 2001,

'(vi) which is—

'(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2004; or

'(II) acquired by the taxpayer pursuant to a written binding contract for the acquisition was in effect before September 11, 2001,

'(vii) 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), and

'(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 prior to 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 (ii) of paragraph (1) 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(2)(i), 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 earlier than the date on which such property is used under the lease-back referred to in subclause (II).

“(E) COORDINATION WITH SECTION 280F.—For purposes of determining whether property is a leasehold improvement for purposes of subsection (b),—
“(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(b)(1) 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 with regard to any adjustment under section 56.

“(G) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this section—

“(A) the term ‘qualified leasehold improvement property’ means any improvement to an interior portion of a building which is nonresidential real property in—

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

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

“(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,

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

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

“(1) 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.

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

“(I) members of an affiliated group (as defined in section 1564), 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.

“(3) 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 LIMIT ON CARRYBACK.

“(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(1) shall be applied by substituting ‘5’ for ‘2’ and subparagraph F shall not apply.”

“(b) ELECTION TO DISREGARD 5-YEAR CARRYBACK PERIOD.—In the case of subparagraph (c) relating to net operating loss deduction is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (j) the following new subsection (j):

“(1) ELECTION TO DISREGARD 5-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES.—Subparagraph (a) of section 172(h)(1) (relating to net operating loss deduction) is amended to read as follows:

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

“(i) the lessee 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.

“(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 for 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 after January 1, 2003.

“(d) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that desires to make an election for temporary extended unemployment compensation 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.

“(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that desires to make an election for temporary extended unemployment compensation 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.

“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, and 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 to individuals of temporary extended unemployment compensation to individuals who—

“(I) have exhausted all rights to regular unemployment compensation under the State law or under federal law applicable to such 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) have an initial claim for regular unemployment compensation on or after March 15, 2001.

“(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be considered to have exhausted all benefits to which such individual is entitled under unemployment compensation law of the State in which the individual resides if the individual—

“(I) after the date of the initial claim for regular unemployment compensation, has not been paid any compensation because such individual has not satisfied the requirements for such compensation under such State law;

“(II) has exhausted all rights to regular unemployment compensation under the State law during the period during which the individual received compensation under such law; or

“(III) has received less than the amount of benefits to which such individual is entitled under such State law because the application of such State law would result in a payment for any week less than $40.

“(d) CLAIM FOR TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.—In determining whether an individual has exhausted all rights to regular unemployment compensation under a State law—

“(1) in addition to payments to which such individual is entitled under any other State unemployment compensation law, payments to such individual of temporary extended unemployment compensation under a State law when—

“(I) contributions to a State unemployment compensation program are paid by employers on account of their own employees and payments of temporary extended unemployment compensation to such individual are made under such State law.

“(2) the United States has not yet entered into a Federal-State agreement under this title providing for the payment of temporary extended unemployment compensation under a State law.

“(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that desires to make an election for temporary extended unemployment compensation 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.
(b) AMOUNT IN ACCOUNT.—
(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the following:
   (A) The first 13 weeks 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 subsection (a), an individual’s weekly benefit amount for any week is the amount of regular compensation (including dependents’ allowances) under the law payable to the 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 have 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 206(h)(1) began to apply in such State before such date 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 account ceiling for such State as determined by the Secretary.

(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 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 this section 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 rule shall have an agreement under this title shall be payable, either in advance or by way of reimbursement, in accordance with such agreement (as 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 State’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 in subsection (d) and the State agency of the State involved.

SEC. 205. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 903(a)(1) of such Act (42 U.S.C. 1103(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 amount therein established in such State’s account for such extended unemployment compensation, as determined by the State agency of the State involved.

(c) AMOUNT IN ACCOUNT.—
   (1) The amount in such account (as determined under subsection (b)) shall be, by any amount by which the Secretary finds that the Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the States to accommodate such contributions by the States to the extended unemployment compensation account (as so established) to the account of each State in the Unemployment Trust Fund.
   (2) The amount in such account shall be reduced to the extent that the Secretary determines that such amount is required to be reduced for purposes of paragraph (1), a State shall be entitled to reduce such amount to the extent it so reduces such amount under such paragraph.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—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 sums as may be necessary for purposes of administering 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.

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, the individual shall be liable for repayment to the Secretary of such amount.

(b) OPPORTUNITY FOR HEARING.—The Secretary shall be required, and no deduction shall be made to repay the amounts of such 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.

(c) 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”, “temporary extended unemployment compensation”, “‘additional compensation”, “benefit year”, “base period”, “State”, “State agency”, “State law”, and “week” shall have such meanings as are given to such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3306(a)).

SEC. 208. APPLICATION.

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).
   (C) Paragraph (1) of subsection (d).
   (D) Paragraph (2) of subsection (d).

(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

“(1) The Secretary of the Treasury shall transfer (as of the date determined under paragraphs 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) Paragraph (1) shall be subject to subsection (a), the last sentence of subsection (a), and section 3306(b).
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 I is amended by adding at the end the following new subchapter:

"Subchapter Y—New York Liberty Zone Benefits

"Section 1400L. Tax benefits for New York Liberty Zone.

"SUBCHAPTER Y. 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.—For purposes of this subsection, 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.—

(1) In general.—In the case of a New York Liberty Zone business described in subsection (a) of paragraph (3), the term "New York Liberty Zone business employee" includes any employee of such business (not described in subsection (a) or (b)) if substantially all the services performed during such period by such employee for such business are performed in the City of New York or New York City.

(c) 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 (1) shall not exceed the excess of—

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

(2) 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 clause (1) 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—

(1) located in the New York Liberty Zone,

(2) 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,

(c) Credit Not Allowed for Large Businesses.—The term ‘New York Liberty Zone business’ shall not include any trade or business which, during 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 by any New York Liberty Zone business employee—

(1) section 51(a) shall be applied by substituting ‘qualified wages’ for ‘qualified first-year wages’,

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

(3) subsections (c)(4) and (c)(2) of section 51 shall not apply, and

(4) 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.

(iii) Special Allowance for Certain Property Acquired After September 10, 2001.—

(1) Additional Allowance.—In the case of any qualified New York Liberty Zone property—

(1) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall not exceed 100 percent of the adjusted basis of such property, and

(2) 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.

(iv) Qualified New York Liberty Zone Property.—For purposes of this subsection—

(A) the term ‘qualified New York Liberty Zone property’ means property—

(i) which is described in section 168(b)(2)(A)(i), or

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

(2) 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,

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

(iv) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after September 10, 2001, but before the date on which the 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, 2008, in the case of nonresidential real property and residential rental property).

"(B) ELIGIBLE REAL PROPERTY.—Nonresidential real property or residential rental property in this subsection (other than the extent it reclassifies 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 property that includes real property which is included in a continuous area which includes real property destroyed or condemned.

"(C) The Governor or the Mayor designates such bond for purposes of this section, and shall issue the bonds by the close of the 1st semiannual period beginning after the date of the repayment of the bonds which are part of such issue.

The requirement of clause (ii) shall be treated as met with respect to amounts received by the issuer 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 after the date of the repayment of such section which are part of such issue.

"(E) Section 57(a)(5) shall 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.

"(7) ADVANCE REFUNDING 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 and used for furnishing of water), one additional advance 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—

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

(B) a State or local bond (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 141(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.

"(8) AGGREGATE LIMITS.—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 $1,600,000,000.

"(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.

"(8) 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) $10,000, or

(ii) the cost of Section 179 property which is qualified New York Liberty Zone property
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 subchapter V of chapter 1 of subchapter IV 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 SHOLDERS.

(a) IN GENERAL.—Subparagraph (A) of section 108(b)(7) (relating to certain provisions to be applied at corporate level) is amended by inserting before the period "any amount included under subchapter A of subpart B of part III of subchapter A of chapter 1 of subchapter V of chapter 1 of subchapter IV of subchapter IV of chapter 1 of such Code shall be treated as an item of income of stockholders of such S corporation in the hands of such stockholders to which section 1366 does not apply with respect to such S corporation.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—This section applies to taxable years beginning after December 31, 2001.

(2) AMENDMENTS TO THE INTERNAL REVENUE CODE.—The amendments made by this section are made by adding to the table of subparts for chapter 1 is amended by adding at the end the following new item:

"Subchapter Y—New York Liberty Zone Benefits."
(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 determined using 120 percent of the specified percentage determined under subsection (i)(7)(C)(i)(II).

(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, subclause (II) shall be applied by substituting for such clause the following new subclause:

'(II) 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) 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) TECHNICAL 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), the amount of the qualified adoption expenses in connection with the adoption of a child for such taxable year is 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 as having been made or allowed to each individual filing such return.'.

(2) CONFORMING AMENDMENTS.—

(A) Subsection (d) of section 6242a 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 subsection 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 as having been made or allowed to each individual filing such return.

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

(B) Paragraph (2) of section 6242b(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;

'(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 62(10)) 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).'

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2001.
(B) by striking “or” at the end of subparagraph (B),
(C) by redesignating subparagraph (C) as subparagraph (D),
(D) by amending 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,
(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) and” and inserting “paragraph (2) or (2),” and
(B) Section 63(c)(4)(B)(i) is amended by striking “paragraph (2)” and inserting “paragraph (2), (2),”
(C) Section 63(e)(4) is amended by striking the flush sentence at the end (as added by section 301(c)(2) of Public Law 107–17).

(1) AMENDMENT RELATED TO SECTION 491 OF THE ACT.—Section 491(b)(2)(D)(ii) 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)(1)(B)(ii)”

(2) 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 2611(b) is amended by striking the last sentence.

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

(1) AMENDMENTS RELATING TO SECTION 602 OF THE ACT.—
(1) Subparagraph (A) of section 608(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 608(q)(3) is amended—
(A) by inserting “and 616 OF THE ACT.” below zero) by the aggregate distributions received by the individual during the testing period, as a type to which contributions under paragraph (1) may be made. The preceding sentence shall not apply to the portion of any distribution described in subsection (b) which in gross income by reason of a trustee-to-trustee transfer or a rollover distribution.”;

(2) AMENDMENTS RELATING TO SECTION 619 OF THE ACT.—
(1) Section 619(b)(2)(A) is amended to read as follows:
“(A) in general.—The qualified retirement income security Act of 1974 is amended—
(A) by inserting “and 5 (relating to administration and enforcement)” before the period at the end of such paragraph,
(B) by adding at the end the following new sentence: “Such provisions shall apply to such accounts and annuities in a manner similar to the application to a simplified employee retirement pension under section 403(b) of the Internal Revenue Code of 1986.”;
(3) AMENDMENTS RELATING TO SECTION 611 OF THE ACT.—
(1) Section 611(c) is amended—
(A) in paragraph (2)(C) by striking “$300” and inserting “$450,” and
(B) by striking “$300” both places it appears and inserting “$450”.
(2) Section 611(c)(1)(C)(ii) is amended—
(A) by striking “$500,000” both places it appears in the Act, and
(B) by striking “$100,000” and inserting “$160,000.”

(3) Section 611(a) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by adding at the end the following new paragraph:
“(D) SPECIAL RULE.—In the case of plan the sum of
(1) the plan ceiling established for purposes of subsection (b)(2) (without regard to subsection (b)(3), plus
(2) the applicable dollar amount for the taxable year determined under section 414(v)(17), or
(B) the amount determined under the applicable subsection (without regard to this paragraph).”;

(4) AMENDMENTS RELATING TO SECTION 632 OF THE ACT.—
(1) Section 401(a)(30) is amended by striking “402(g)(1)” and inserting “402(g)(1)(A)”.
(2) Section 401(v)(2) is amended by adding at the end the following:
“Those contributions and other additions by such employer for such annuity contract shall be included 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 equivalent annuity (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 this paragraph (other than 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 408(b) is amended by striking paragraph (6).

(3) Section 403(b)(3) is amended—

(a) In the first sentence by inserting ‘‘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) THE ALTERNATIVE CONTRIBUTION LIMITATION.—

(i) IN GENERAL.—Notwithstanding any other provision of this subsection, at the election of the administrator 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 DURING WHICH CONTRIBUTIONS ARE BENEFIT-RELATED. —For purposes of this paragraph—

(i) all years of service by—

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

(II) an employee who is 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) MINIMUM NUMBER OF YEARS OF SERVICE. —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 includable compensation determined under section 402(g)(3).

(D) ANNUAL ADDITION.—For purposes of this paragraph, the term ‘‘annual addition’’ has the meaning given such term by paragraph (7)(A)(i).

(E) CHURCH, CONVENTION OR ASSOCIATION OF CHURCHES.—For purposes of this paragraph, 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)(1).

(6) Section 402(c)(7)(B) is amended by striking ‘‘2001’’ and inserting ‘‘2001’’.

(7) Amendments Relative to Section 643 of the Act.—

(1) Section 401(a)(31)(C)(i) is amended by inserting ‘‘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 (4))’’.

(8) Amendments Relative 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 ‘‘exceed the amount that can be distributed without the participant’s consent under section 203(e).’’

(9) Amendment Relative to Section 652 of the Act.—

(1) Section 402(c)(2)(A) is amended by striking ‘‘A W I N D Y T R E N D N E W A L’’ and inserting ‘‘A W I N D Y T R E N D N E W A L’’.

(2) Section 401(a)(31)(C)(ii) is amended by inserting ‘‘A W I N D Y T R E N D N E W A L’’ and inserting ‘‘A W I N D Y T R E N D N E W A L’’.

(10) Amendments Relative to Section 657 of the Act.—

(1) Section 411(a)(11)(A) is amended by inserting ‘‘the third place it appears, and

(2) Section 4980F is amended—

(a) by striking ‘‘and insert—’’;

(b) in section 4980F(a)(2)(A), as so amended, subclause (i) by striking ‘‘and inserting ‘‘the notice described in paragraph (2).’’;

(c) by inserting ‘‘A W I N D Y T R E N D N E W A L’’ and inserting ‘‘A W I N D Y T R E N D N E W A L’’.

(11) Amendments Relative to Section 659 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 (i), 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 402(c)(9)(B) of the Employee Retirement Income Security Act of 1974 is amended—

(a) by striking ‘‘and add—’’;

(b) in section 402(c)(9)(B), as so amended, clause (i) by striking ‘‘A W I N D Y T R E N D N E W A L’’ and inserting ‘‘A W I N D Y T R E N D N E W A L’’.

(12) Amendments Relative 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 W I N D Y T R E N D N E W A L’’ and inserting ‘‘A W I N D Y T R E N D N E W A L’’.

(2) Section 402(c)(2) is amended by striking ‘‘A W I N D Y T R E N D N E W A L’’ and inserting ‘‘A W I N D Y T R E N D N E W A L’’.

(3) Section 402(c)(7)(B) is amended—

(A) by striking ‘‘A W I N D Y T R E N D N E W A L’’ and inserting ‘‘A W I N D Y T R E N D N E W A L’’;

(B) by striking ‘‘A W I N D Y T R E N D N E W A L’’ and inserting ‘‘A W I N D Y T R E N D N E W A L’’;

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

‘‘(7) FULL VESTING.—For purposes of subparagraph (A) of section 411, an applicable dividend described in clause (ii) of paragraph (2)(A) shall be subject to the requirements of section 411(a)(11).’’

(4) Section 402(c)(2) is amended by adding at the end the following new paragraph:

‘‘(6) 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 456(h)(3)(E) is amended by striking ‘‘A W I N D Y T R E N D N E W A L’’ and inserting—

‘‘(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) and (D) applies; and

(b) Amendment Related to Section 306 of the Act.—Section 151(c)(6)(C) is amended—

(A) by inserting ‘‘A W I N D Y T R E N D N E W A L’’ and inserting—

‘‘(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) and (D) applies; and

(iv) fourth to the portion of such credit to which subparagraph (B) and (D) applies; and

(b) Amendment Related to Section 306 of the Act.—Section 151(c)(6)(C) is amended—

(A) by inserting ‘‘A W I N D Y T R E N D N E W A L’’ and inserting—

‘‘(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) and (D) applies; and

(iv) fourth to the portion of such credit to which subparagraph (B) and (D) applies; and

(B) by striking ‘‘and insert—’’;
(c) AMENDMENT RELATED TO SECTION 369 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 an exchange and”.

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

(1)(A) Section 1234A is amended by inserting “shall be considered to be the closing of such short sale” at the end of the following sentence, and by striking the end of paragraph (2), and by striking paragraph (3).

(B)(i) Section 1234B is amended in subsection (b)(2) by striking “sale or exchange” the first place it appears in each subsection and inserting “sale, exchange, or termination”.

(ii) Paragraphs (1) and (2) of section 1234B are 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: “the following: (or the sale, exchange, or termination of a securities futures contract to sell)”.

(C) in paragraph (3), by inserting after “short sale of” the following: “(or securities futures contracts to sell)”, and

(D) by adding at the end the following:

“such contracts have 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) the amount of any short sale;”, and

(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 (1) of subparagraph (B), by striking “the amount of which” and inserting “the extent of 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 the provisions of the Community Renewal Tax Relief Act of 2000 to which they relate.

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 105-33; 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:

“(g) POSITION 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 (3).”

(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) AMENDMENTS 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 by striking paragraph (Q) and by adding at the end the following new subparagraph:

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

(b) EFFECTIVE DATE.—The amendment made by this subparagraph shall take effect by including 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(c)(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 SALES.

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

“(6) SPECIAL RULE RELATED TO WASH LOSSES.—

Section 1091 (relating to loss from wash sales of stock or security not subject 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 3075 of the Technical and Miscellaneous Revenue Act of 1988.

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

(1) Section 6101(1)(B) 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) LOCAL 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 6226(a)(2).

(C) Section 6221(b)(1)(C).

(D) Section 6224(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 6227(d)(6) (relating to no levy while certain offers pending or installment agreement pending in or effect) is amended to read as follows:

“(b) CERTAIN RULES TO APPLY.—Rules similar to the rules of—

“(A) paragraphs (3) and (4) of subsection (i), and

“(B) except in the case of paragraph (2)(C), paragraph (5) of subsection (i), 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. 2768A–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 253 that relates to termination is redesignated as subsection (h).

(2) The second sentence of section 42(h)(3) 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) The amendment made by section 42(m)(1)(B) is amended by striking the second “and” at the end of clause (ii) and inserting “and” at the end of clause (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)(iii) is amended by striking “2000,” and inserting “2000,”.

(8) Section 172(b)(1)(F)(ii) is amended—

(A) by striking years” and inserting “taxable years”, and

(B) by striking “2 years” and inserting “2 taxable years”.

(9) Section 351(h)(1) is amended by inserting “subsection (b)” and inserting “subsection (b)”.[79]

(10) Section 475(g)(3) is amended by striking “sections” and inserting “section”.

(11) Section 528(e)(3)(B)(i) is amended by striking “subsection (b)(7)” and inserting “subsection (b)(6)”.[80]

(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 941(e)(4) is amended by aligning the left margin of the flush language with subparagraph (A).

(15) Subparagraph (B) of section 996(b)(3) is amended by striking “International Security Assistance and Arms Export Control Act of 1976” and inserting “Arms Export Control Act of 1976”.

(16) Section 1394(c)(2) is amended by striking “subsection (A)” and inserting “paragraph (1)”.

(17) The TaxpayerReadout for section 4980E is amended to read as follows:

“Section 4980E. Failure of Employer to Make Comparable Archer MSA Contributions.”

(a) 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 paragraph 6227(d) is amended by striking “subsection (b)” and inserting “subsection (c)”.

(20) Section 6228 is amended—

(1) in subsection (a)(1), by striking “subsection (b) of section 6227” and inserting “subsection (c) of section 6227”;

(2) in subsection (a)(3), by striking “subsection (b)” of, and

(3) in subsections (b)(1) and (b)(2), by striking “subsection (c) of section 6227” and inserting “subsection (d) of section 6227”;

(21) Section 6231(b)(2)(B)(i) is amended by striking “section 6227(c)” and inserting “section 6227(d)”; and

(22) 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 "fuctions.

(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–620) shall be applied as if it were inserted by this Act.

(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 (D), by striking "$411(d)" and inserting "$411(d)";

(B) in subparagraphs (C), (D), and (E) by striking "$200(f)" and inserting "$200(f)";

(24) 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—

(1) in subparagraph (D), by striking "$341(c)(3)" and inserting "$341(d)";

(ii) in subparagraph (Q), by striking "$95(c)(1)(B)(ii)(I)" and inserting "$95(c)(1)(B)(ii)(I)".

SEC. 4. ADDITIONAL CORRECTIONS.

(a) AMENDMENTS RELATED TO SECTION 202 OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.—

(1) in subsection (b), by striking "subsection (a)(1)(B)" by striking "subsection (a)(5)", and (B) adding at the end the following new flush sentence:

"If any amount as increased under the pre-

ceding sentence is not a multiple of $10, such

amount shall be rounded to the nearest mul-

tiple 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 pre-

ceding sentence is not a multiple of $10, such

amount shall be rounded to the nearest mul-

tiple 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 subsection (a) 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 HELED HARMLESS; BUDGETARY TREATMENT OF ACT

SEC. 501. NO IMPACT ON SOCIAL SECURITY TRUST FUNDS.

(a) IN GENERAL.—Nothing in this Act (or an amendment to this Act) shall be construed to alter or amend title II of the Social Security Act (or any regulation promulgated under that Act).

(b) PURPOSE.—

(1) ESTIMATE OF SECRETARY.—The Secre-

tary of the Treasury shall annually estimate the impact that the enactment of this Act has on the income, balances 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 para-

graph (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 fre-

quently 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.

(b) SEC. 502. EMERGENCY DESIGNATION.

Congress designates as emergency require-

ments pursuant to section 252(e) of the Bal-
anced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues of the Federal Government 

are decreased during 2002 and 2003.

(2) An amount equal to the amount by which revenues of the Federal Government 

are decreased during 2002 and 2003.

(1) in subsection (a)(3)...

(c) EFFECTIVE DATE.

The amendment made by this subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 603. CREDIT FOR QUALIFIED ELECTRIC VEHCILES.

(a) IN GENERAL.—Subparagraph (H) of sec-

tion 61A(c)(6) is amended by striking "2002" and inserting "2004".

(b) EFFECTIVE DATE.—The amendment 

made by subsection (a) shall apply to prop-


SEC. 604. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of sec-

tion 51(c)(4) is amended by striking "2001" and inserting "2003".

(b) EFFECTIVE DATE.—The amendment 

made by subsection (a) shall apply to individ-

uals 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 insert-

ing "2003".

(b) EFFECTIVE DATE.—The amendment 

made by subsection (a) shall apply to individ-

uals who begin work for the employer after December 31, 2001.

SEC. 606. DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFUEILING PROPERTY.

(a) IN GENERAL.—Section 179A is amended—

(1) in subsection (b)(1)—

(A) by striking "2001", and inserting "2001";

(B) in clause (i), 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 amendment 

made by subsection (a) shall apply to prop-


SEC. 607. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION.

(a) IN GENERAL.—Subparagraph (B) of sec-

tion 61B(b)(7)(A) is amended by striking "2000" and inserting "2001", and (2) by striking "2000", "2001", and "2002".

(b) EFFECTIVE DATE.—The amendment 

made by subsection (a) shall apply to prop-


SEC. 608. QUALED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Subparagraph (e) of sec-

tion 1357B(e) is amended by striking "2000" and inserting "2001", and (2) by striking "2000", "2001", and "2002".

(b) EFFECTIVE DATE.—The amendment 

made by subsection (a) shall apply to obliga-

tions issued after the date of the enactment 

of this Act.

SEC. 609. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Subparagraph (e) of sec-

tion 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 


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, 2007, is amended to read as follows:

"(f) APPLICABILITY.—This section shall not apply to benefits for services furnished—

(1) on or after September 30, 2001, and before January 1, 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 COMPANY PREMIUMS.

(a) REDUCTION IN LIFE INSURANCE COMPANY DEDUCTIONS NOT TO APPLY TO CERTAIN DEDUCTIONS.

(b) EFFECTIVE DATE.—The amendment 

made by subsection (a) shall apply to plan years beginning after December 31, 2000.

SEC. 612. TEMPORARY SPECIAL REGULATIONS.

(a) IN GENERAL.—Subparagraph (A) of sec-

tion 809 (relating to reduc-

tion of basis of life insur-

ance companies) is amended by adding at the end the following new clause: "(iii) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001."
"(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.—(Paras (2) and (3)(B) of section 220(h) (defining cut-off year) are each amended by striking “2002” each place it appears and inserting “2003”.

(b) Conforming Amendments.—


(2) Subparagraph (A) of section 220(h)(4) is amended by striking “and 2001” and inserting “and 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 by striking “January 1, 2002” and inserting “January 1, 2007”, and

(2) Section 954(b)(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 95A(a) is amended to read as follows:

“(B) LIFE INSURANCE AND ANNUITY CONTRACTS.—

(1) 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 (1)(B).

(ii) RULING REQUEST, ETC.—The amount of the reserve under clause (I) shall be the foreign state reserve for the contract (less any claims, assessments, deductions, decisions, 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 state 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 TANKS.

(a) In General.—Subsection (e) of section 405 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(b) of the Social Security Act (42 U.S.C. 603(b)) is amended by adding at the end the following:

“(1) any State that was a qualifying State under this paragraph for fiscal year 2001 or 2002 and was 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 fiscal year 2001 in which the State was a qualifying State;”

“(i) subparagraph (G) shall be applied as if ‘2002’ were substituted for ‘2001’ and

“(ii) out of 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 “and 2001” and inserting “2002”.

The SPEAK Act of tempest. 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 Speaker 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 $100 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 cannot, 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 the Senate sent us, it was a 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 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.

The Members below show 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 the House Senate have 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 unemployment. 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 67 percent of this $38 billion 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. It is far better than the 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 an unemployed person is in 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 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 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 in this economy. 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 slide 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 the economy.

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 can 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 way is in serious error in suggesting that the Republicans in the House of Representatives have relented.

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, about 63 billion.

The gleam 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 gentleman who 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 toward very high-income people, an 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 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 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. MATSU) 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 consume. 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.

What the President 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 that 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. It was then 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 they 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. MATSU. 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. DIELAURO).

Ms. DIELAURO. 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 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. Last 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 understand that it is our flagging 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), as Chair 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 you for the gentleman and thank you to the citizens 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. Dicks. 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 opportunity 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, we are going to help the workers, we are going to help the workers. Well, finally, we are doing that.

An 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 people who have lost their jobs; compassion for people who need health care, who cannot afford 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 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.

Ms. Dunn. Madam Speaker, for their effort and their support in the House, we have seen national leadership in 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, for 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.

Mr. Matsui. Madam Speaker, I yield 2 minutes to the gentleman from Indiana (Mr. Roemer).

Mr. Roemer. Madam Speaker, I want to compliment the chairman and my colleague, the gentlewoman from Washington (Ms. Dunn), for their effort here to clarify the law. The chairman was gracious in working with us on the Trade Adjustment Assistance Act, and I want to thank them for this effort here to clarify the law.

Mr. Thomas. Once again reclaiming my time, Madam Speaker, for 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.

Mr. Roemer. Madam Speaker, if we were playing a baseball game, it would be three strikes and then out. This is 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 this 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 names. 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 beginning.

One of the points 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 plank line, I say 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 TV gamesmanship. He spoke to both business and unemployment.

Mr. WELLER. Madam Speaker, let me begin by complimenting the gentleman from California (Mr. Matsui) for his perseverance in working to get this 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 Business.” Congress today was considering the reauthorization of the Employment and Training Act (Erg) for bringing forward 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.

Mr. CARDIN. 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 have been a part of a package that has been a 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 past 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 un-
employment insurance benefits.

The other two provisions deal with our welfare system. We extend the sup-
plemental grants to those States who depend upon the supplemental grants in
order to fund their welfare pro-
grams. Maryland is not one of those
States, so the people in my State do
not benefit, but it is an important pro-
gram, and I applaud the effort that will
finally get that enacted into law.

I yield 1 minute to the gentleman from
Pennsylvania (Mr. GEKAS).

Mr. GEKAS. Madam Speaker, we are in a reces-
sion. 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 rea-
sions I compliment all that are in-
volved. These are three important pro-
visions and are worthy of the support
of this Chamber, and I thank all who
are responsible for making it possible.

Mr. GEKAS. 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. JOHNSON of Texas. Madam Speaker, it has been over 100 days since
President Bush demanded that Con-
gress pass legislation to create jobs and
spur our economy. Today, we are try-
ing to help the unemployed and we
might finally succeed.

Republicans are asking our Senate
over there to put the American people
first and their constituents 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 Mis-
souri 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. THUR-
MAN).

Mrs. THURMAN. Madam Speaker, I am usually able 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
are in this bill, as well as in other bills,
can come to agreement on some issues that are
facing many, many people in this coun-
try.

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. Ac-

cording to one estimate, about 1.6 mil-

lion people have totally exhausted
those benefits since September 11

tragedy. This 13-week extension cer-
tainly 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 put some of the Medicaid
dollars. I think that would have been a
direct right for our States. Our
States are looking to us for some lead-
ership 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 com-
mittee about the TANF grants and
issues. In fact, we were 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 exactly that means to
that, but certainly it is going to go a long
way in helping us.

I think there are also some impor-
tant issues here in 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 hap-
pen.

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. Green-
span 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 com-
mittee 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. PALLONE. 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 leadership dropped the bill yesterday which
would have complicated matters and
brought up what is essentially a clean
bill today on the unemployment com-
penation so we can get this passed and
give that extra 13 weeks to our con-
stituents. That is so important. I am
pleased at the fact that they were will-
ing 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 what aggravates 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 2 1/2 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 agreed to the bill, 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 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 providing 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 it, we have had 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 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-effort efforts again and again, we kept at it. We kept at it. Again, we should have done something else, we should have done something else, we should have done something else. 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, we know 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. I think 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 will support it because it is in 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. The answer is 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.
Mr. McCREADY, 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 put people back to work. 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."

"For the second half of 2002, only 25 percent of respondents said they expect to increase spending by more than 5 percent. And 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 America an incentive to invest; capital investment. That is what Chairman Greenspan is talking about."

"There has been much talk 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, the important one. It is 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 funding. We want to get this program to get people back to work."

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 ago. Not only did that 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 right 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. Madam 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 chair 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 hit hard 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 facing 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 sort of incentive that is going to allow them to become more competitive and also boost the economy now at a critical time when we need 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 get out of here almost unanimously, and everyone will 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 side who said he would have said, 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 Trust Fund?

Over the next 3 years, the workers in this country are going to be paying Social Security money to have 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 if it is not, we have to have a bunch of machinery for something that one cannot sell. Until the economy starts and people are back working, 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 fund a pay-as-you-go, 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, if we could 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 to workers. My colleagues may recall we had some simplification of the capital gains holding period that a lot of small businesses have been asking 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 was the first to talk 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 Texas. Nevertheless, I would like to ask the gentleman from Missouri about what he would 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 Trust Fund?

Mr. Speaker, it is critical that we finally get the full-blown stimulus 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 had an 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 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, as I just 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 would allow us to vote from 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 in the COBRA extension. 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 UI. We can vote for one or both of the bills. We have kept 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 picking 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 amassed capital in very crucial spots so that people can invest 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 UI 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. MELONE 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 that time that we give them the relief that they need. The after-shocks 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. In a metro area, 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 deprecia- tion 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 types of 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 August 3, 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 energy, and purchase more goods and services.

This Congress has had ample opportunity to enact trade policies that have sent Mississippi workers from NAFTA and I am afraid we’re going to do it again with Fast Track. Since September 2001, more than 7,200 men and women have lost their jobs in the surrounding world. And we and we can only blame ourselves for enacting trade policies that have sent Mississippi jobs 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. More people have lost their jobs during the time period in 2001 than lost their employment benefits, this is why we need to 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 in the 2000s.

And we can only blame ourselves for enacting trade policies that have sent Mississippi jobs 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 7,200 men and women have lost their jobs in the surrounding world. And we and we can only blame ourselves for enacting trade policies that have sent Mississippi jobs 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 lost their jobs in the surrounding world. And we and we can only blame ourselves for enacting trade policies that have sent Mississippi jobs across our borders. We did it with NAFTA and I am afraid we’re going to do it again with Fast Track.

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 the leadership—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 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 “ecometrically sound” bill in our Nation’s time of need, and I urge support for the resolution and the bill. Mr. ERATHER. 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 11th, 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 vote was taken by electronic device, and there were—yeas 417, nays 3, not voting 15, as follows:

[Roll No. 52]

Yea—417

Abercrombie (HI)  Berman (CA)
Ackerman (NY)  Berry (KY)
Aderholt (AL)  Bereuter (NE)
Altmire (PA)  Becerra (CA)
Allen (TX)  Belcher (WA)
Andrews (MD)  Berman (CA)
Armey (TX)  Boucher (WY)
Baca (CA)  Boehner (OH)
Bachus (ID)  Bono (CA)
Balducci (MN)  Bonifant (CA)
Barcilon (OR)  Bonzki (NE)
Ballenger (NC)  Boswell (IN)
Barco (NC)  Boucher (NV)
Barzówka (PA)  Brady (PA)
Barrett (GA)  Brady (TX)
Bartlett (NY)  Brown (FL)
Bass (GA)  Brown (OH)
Becker (IA)  Brown (SC)
Becker (NY)  Bryant (CA)
Berkley (MO)  Burr (NC)
Berman (CA)  Burton (IL)
Boren (OK)  Bush (FL)
Bowen (CA)  Buxton (ND)
Bowdler (CA)  Capito (WV)
Boehner (OH)  Capuano (MA)
Bono (CA)  Cantor (VA)
Booher (WY)  Carter (TN)
Boozman (AR)  Carnahan (MO)
Borinski (WY)  Carson (IA)
Boswell (IN)  Castle (IN)
Brandenburg (KY)  Chabot (OH)
Branley (CT)  Chambliss (GA)
Braun (IN)  Cheney (WY)
Brett (KY)  Clay (KY)
Brady (NJ)  Claypool (IL)
Brady (PA)  Clement (AL)
Bartlet (MD)  Clyburn (SC)
Barrett (CA)  Coble (NC)
Becerra (CA)  Collins (NY)
Becerra (CA)  Corker (TN)
Berenstein (CA)  Costello (MI)
Berman (CA)  Crenshaw (TX)
Berman (CA)  Crenshaw (TX)
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Berman (CA)  Crenshaw (TX)
Berman (CA)  Crenshaw (TX)

March 7, 2002

CONGRESSIONAL RECORD — HOUSE

H767

Mrs. PELOSI. Mr. Speaker, I rise to address the House for 1 minute.

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. LAHOOD). 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 to me?

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, rollcall 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, I expect that the bill to be on the schedule on 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 Com-
mittee 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 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 settlements, to assure prompt consideration of
interstate class actions, to amend title 28, United States Code, to allow the applica-
tion 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 AMEND-
MENTS TO H.R. 2341, CLASS AC-
TION FAIRNESS ACT OF 2001

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

Mr. DREIER. Mr. Speaker, the Com-
mittee 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 in-
tends 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 consult with the Office of the
Parliamentarian to make sure their
amendments comply with the rules of
the House.

PROVIDING AMOUNTS FOR FUR-
THER EXPENSES OF PERMANENT
SELECT COMMITTEE ON INTEL-
LIGENCE IN SECOND SESSION OF
107TH CONGRESS

Mr. NEY. Mr. Speaker, I seek unani-
mous consent that the Committee on
House Administration be discharged
from further consideration of the reso-

dition (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 im-
mediate consideration in the House.

The Clerk read the title of the resolu-
tion.

The SPEAKER pro tempore. Is there objection to the request of the gen-
tleman 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 gen-
tleman yield?

Mr. HOYER. I yield to the gentleman
from Ohio.

Mr. NEY. Mr. Speaker, House Resolu-
tion 359 is supplemental funding reso-

The Speaker read the title of the resolu-
tion.

The SPEAKER pro tempore. Is there objection to the request of the gen-
tleman from Ohio?

Mr. HOYER. I yield to the gentleman
from Ohio.

Mr. NEY. Mr. Speaker, House Resolu-
tion 359 is supplemental funding reso-

The process normally occurs at the
beginning of each Congress. The com-
mittee funding process for the 107th
Congress was completed in March of
2001 with the overwhelming passage
and overwhelming bipartisan agree-
ment of House Resolution 84, a bi-
 partisan initiative which not only pro-
vided 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 it 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 more than adequately provid-
ed for committees to do the nec-

The increased spending authority
for this Congress.

ANNUAL APPROPRIATIONS FOR
THE SELECT COMMITTEE ON IN-
TELLIGENCE IN THE 107TH CON-
GRESS

The Speaker read the title of the resolu-
tion.

Mr. DREIER. Mr. Speaker, as my col-
leagues know, each Congress passes a
committee spending resolution, which
grants the Committee on Rules the
authority for the House Permanent
Select Committee on Intelligence.

Mr. Speaker, by the elected representa-
tives of the American people the exp-

And, finally, the unprecedented na-
ture of the terrorist attacks demands an
unprecedented response. An inquiry
by the elected representatives of the
people will ensure the American people
the explanation they deserve regarding the events of that in-
famous day.

The inquiry will consist of joint hear-
ings, both open and closed, and will be
conducted once the initial data gath-
ering and interviews are completed.

The inquiry is expected to last through
the 107th Congress and could quite pos-
sibly extend into the next Congress,
though this resolution only authorizes
funds for the 107th Congress.

Should the work continue into the
108th Congress, the House rules regard-
ing interim committee funding will be

The increased spending authority
for this Congress.
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 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 on a comprehensive完善 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. As we consider the need for an increase in the committee’s budget, we need to understand what happened on the day of September 11 and 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 already been approved. 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 be working with the agencies 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 the components of the September 11 disaster. Our purpose in undertaking this joint inquiry is to seek answers 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. 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 in 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 for 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, 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.

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. GANSEK) is recognized for 5 minutes.

(Mr. GANSEK 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 with the Members.

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

Mr. STRICKLAND. Mr. Speaker, I rise today to urge my colleagues in the 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. I have introduced H.R. 2820. I have over 75 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 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 receive 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 in our VA 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.

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 commend 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 needed. 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 when we fell short and when I fall short 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 a 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.

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.
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 dedicated 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 position that the purpose of 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 same agency, the INS. The inefficiency, the fact that 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 of it, 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 the inability of the INS to actually know who is in the United States, know for what purpose they are here and know when they have overstayed their visas, for instance, so that they can in fact be deported. But the Democrats, if any attention; and I think God help us, to pay to 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 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 to 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 20 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 frustration 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, 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 something, 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 people, they have robbed stores. 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. The slightest area 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 police- man, you pick somebody up 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. The slightest area 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.

The issue is, how much, how many, 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, you pack up, it goes 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 transported throughout 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 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 chance 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 Perman- ent 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 will be experiencing other acts of violence of this nature, of terrorism. Once again we hear 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.


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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 im- portant responsibility we have. I know it is hard to believe, but I cer- tainly 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 these agencies through my vote.

But what is amazing is that we have taken very specific and very direct ac- tion in beefing up the military, and they still say they have many ways in which 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 the 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 is not. Mr. Speaker, 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.

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 thou- sands 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 Republican 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 there is no one else to 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 guess, the President is not anti-immigration; 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 believe that the foreign 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 that we would not have borders, that we shouldmeld 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 be eliminated, the borders should 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 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 true, 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 via a via 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, 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 there 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 of our 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 arrival of people from 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 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 do this in a way 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, of course, the immigrants of the late 1800s, early 1900s.

They would get into arguments. 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 one generation. I am a one generation immigrant in this 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 their parents. Other than I knew where it was. We had the dishes and the clothes and the culture 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, wild, mental, ideological, 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 for this 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 12 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 be American 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, just a few years ago, and the numbers shot up to 6 million people.

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 seeking 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, to take a breath 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 non-desirous 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, much as much as many, they count winners 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 really good at. 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, her words were: "We want to help, in every way, any way, all ways, any kind of 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 extremely serious, high-impact, and often serious, high-impact, high-impact, high-impact, high-impact, high-impact losses from legal 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 chair 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 should find 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) continued, "This report is 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.”

Was 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 of what we are facing. It is very 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 that is acting, we are all aware of it. 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 about 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 relatively high priority within the INS, we just appointed a guy to the head of the INS, we must think about it. "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 gang and gang violence, human 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, they say, 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 indicate that the immigration benefit fraud problem will increase as smugglers and criminals enter the United States using 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 responsibilities of 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.

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"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 criminals enter the United States using 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.

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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 that are 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 not defend 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 any that would be improved 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, like the specific one, Extortion 215(1). 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 dis uniting of America, as Arthur Schlesinger, Jr., puts it in his brilliant essay, “The Disuniting of America.”

That is 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 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. NUSSELE, SUNUNU, and SPARRT.

From the Committee on the Environment and the Workforce, for consideration of sections 345-9, 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 the 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 909, 1029-9, 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, 1068, 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:

Messers. 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 141, 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 if it is true 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.

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.
Ms. MEek of Florida (at the request of Mr. GEHRARDT) for today after 11:30 a.m. on account of personal reasons.
Ms. SOLIS (at the request of Mr. GARHARDT) 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; according (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 Agen-
cy's final rule—Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision; Interim Final Determination that State has Cor-
corrected the Deficiencies (CA 038-0293c; FRL 7149-7) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Commit-
tee on Energy and Commerce.

5776. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agen-
cy's final rule—Approval and Promulgation of Implementation Plans; State of Iowa (lowa 0127-1127a; FRL 7151-7) received Feb-
uary 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 Agen-
cy's final rule—North Carolina: Final Au-
thorization of State Hazardous Waste Man-
gement Program Revision (FRL 7150-6) re-
cieved 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 Agen-
cy's final rule—Revisions to the California State Implementation Plan, El Dorado Aire Pollution Control District (CA 159-0323; FRL 7148-8) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5779. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agen-
cy's final rule—California State Implemen-
tation Plan Revision; Interim Final Determination that State has Cor-
corrected the Deficiencies and Stay of Sanctions, San Joa-
in Valley Unified Air Pollution Control District (CA 169-0317c; FRL 7148-8) 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 Agen-
cy's final rule—Revisions to the California State Implementation Plan, San Joaquin Air Quality Management Program; State of Iowa (lowa 0126-1126a; FRL 7151-8) 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 Agen-
cy's final rule—Revisions to the California State Implementation Plan, San Joaquin Valley Unified Air Pollution Control District (CA 248-0323; FRL 7149-7) 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 Agen-
cy's final rule—Revisions to the California State Implementation Plan, San Joaquin Air Quality Management Program; State of California (CA 248-0323; FRL 7149-7) received February 26, 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 Agen-
cy's final rule—Revisions to the California State Implementation Plan, San Joaquin Valley Unified Air Pollution Control District (CA 248-0323; FRL 7149-7) received February 26, 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 Agen-
cy's final rule—Revisions to the California State Implementation Plan, San Joaquin Air Quality Management Program; State of California (CA 248-0323; FRL 7149-7) received February 26, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.
immigration law, and for other purposes; to the Committee on the Judiciary.

By Mr. ADERHOLT (for himself, Mr. PETTS, Mr. BRYANT, Mr. SAM JOHNSON of Texas (for himself, Mr. RYAN of Kansas) Mr. WICKER, Mr. SHOWS, Mr. HILLEARY, Mr. SESSIONS, Mr. SCHAPFER, Mr. GOODE, Mr. TERRY, Mr. DEMINT, Mr. SMITH of Mississippi, Mr. CRANE, Mr. HEROGER, Mr. BARTLETT of Maryland, Mr. TIBERI, Mr. SOUDER, Mr. Brown of South Carolina, Mr. BUIYER, Mr. ARMS, Mr. GREEN of Texas, Mr. DELAY, Mr. CANTOR, Mr. PICKERING, Mrs. MYRICK, Mr. BACHUS, Mr. GRAVES, Mr. KRINCH, Mr. LEWIS of Kentucky, Mr. CALIFANO, Mr. WHITFIELD, Ms. HART, Mr. TAYLOR of North Carolina, Mr. WAMP, Mr. HAYES, Mr. HAYTROW, Mr. BRADY of Texas, Mr. GLEASON, Mr. PAUL, Mr. SMITH of New Jersey, Mr. ISTook, Mr. LUCAS of Oklahoma, Mr. TIAHRT, Mr. VITTER, Mr. OXLEY, Mr. BARR of Virginia, Mr. JONES of North Carolina, Mr. HOEKSTRA, Mr. DOOLITTLE, Mr. PENCE, Mr. WELDON of Florida, Mr. SHUSTER, and Mr. SHADIDO):

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 ceding lands to the State of Louisiana, were conveyed by Public Law 102–562; to the Committee on Resources.

By Mr. BARR of Georgia (for himself, Mr. CROWDER, Mr. NEWWOOD, Mr. HOEPPFL, Mr. GANSKE, Mr. NADLER, and Mr. WELDON of Florida):

H.R. 3900. A bill to continue patient safety and quality of care by clarifying the application of the antitrust laws to negotiations between groups of health care professionals and health plans; to the Committee on the Judiciary.

By Mrs. CAPPS (for herself, Ms. KOCH, Mr. OSE, 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 the enactment of the Wartime Service and Loan Service for the roll-over 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 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. REAGULA, Mr. OLVER, Mr. PASTOR, Mr. WOLF, Ms. KIFLAN, Mr. CALLAHAN, Mr. SERRANO, Mr. TIBERI, Mr. ADERHOLT, Ms. GRANGER, Mrs. EMERSON, Mr. SWINNEY, Mr. CLYBURN, Ms. FELOSI, Ms. KING of California, Mr. SKEE, Mr. RONALD, Mr. BONILLA, Mr. KENNEDY of Rhode Island, Mr. MORAN of Virginia, Ms. DELAERO, Ms. KAPTUR, Mr. DICKS, Mr. JACKSON of Illinois, Mr. FARR of California, Mrs. MEKK of Florida, Mr. HINCHEN, Mrs. LOWEY, Mr. PRICE of North Carolina, Mr. PATTISHALL, Mr. BOYD, Mr. CRAMIR, Mr. MOLLOHAN, Ms. ROYAL-ALLARD, Mr. HOYER, Mr. MURTHA, Mr. WALSH, Mr. KNOLLenberg, Mr. DAY of Florida, Mr. KINGSTON, Mr. WICKER, Mr. NETHERCUTT, Mr. CUNNINGHAM, Mr. WAMP, Mr. PETERSON of Pennsylvania, Mr. VITTER, Mr. TAYLOR of North Carolina, Mr. VISCLOSKY, Mr. ROTHAM, Mr. GOODE, Mr. EDWARDS, Mr. SHERWOOD, Mr. DOOLITTLE, Mr. BUCYRUS, Mr. KLEIZCA, Mrs. THURMAN, Mr. THOMPSON of Mississippi, Mr. MARKET, Mr. MERRIN, Mr. HOBSON, Mr. HOEPPFL, Mr. HILLARD, 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 Ways and Means; to the Committee on the Judiciary.

By Mr. CASTLE:

H.R. 3901. A bill to suspend temporarily the duty on trifluusulfuron 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 carabazate; 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 Avant and Steward; to the Committee on Ways and Means.

By Mr. CASTLE:

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 the excise tax on integrated offers of benefits under the Federal Employees Health Benefits Program (FEHBP); 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. KUCINICH (for himself, Mr. OWENS, Mr. ANDREWS, Ms. SOLIS, Mr. LEE, Mr. MCCGOVERN, Mr. CONYERS, Mr. KAPTUR, Mr. LEE, Mr. FALEOMAVAEGA, 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, year-round education; to the Committee on Education and the Workforce.

By Mrs. LOWEY (for herself, Mr. DEFAZIO, Mr. BERRY, Mr. MCNULTY, Mr. PALLONE, and Mr. BLAOGOJEVICI):

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, Medigap 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 Committee on Ways and Means, 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 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 Ms. MALONEY of New York (for herself, Mr. DAVIS of Virginia, Mr. HOYER, Mr. FRANK, Mr. AHERSCHERMBIE, Mr. FROST, Ms. MILLENDER-McDONALD, Ms. DELAERO, Mr. BALDWIN, Ms. CARSON of Indiana, Mr. KILPATRICK, Mr. OWENS, and Ms. NORTON):

H.R. 3917. 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 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. OSI):

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.
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. MURPHY.

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 the planned attack on our Nation’s Capital, and for other purposes; to the Committee on Education and the Workforce.

By Mr. PORTMAN (for himself, Mr. CARDIN, Mr. BOEHNER, and Mr. POMEROY); and Mr. SAM JOHNSON of Texas:

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 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. ORRIN H. HANSEN (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 to increase the permissible range for the interest rate used in determining the additional funding requirements for defined benefit plans which are not multimember 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 re-

2001, courageously gave their lives thereby

2002 Olympic Winter Games; to the Committee on International Relations.

MEMORIALS

Under clause 3 of rule XII.

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 Minnesota, and Mr. CLAY.

H. R. 219: Mr. BONIOR and 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. BOND.

H. R. 902: Mr. KOHRABACHER, Mr. SABO, and Mr. BREMER.

H. R. 951: Mr. MICA, Mr. ROYBAL-ALLARD, and Mr. GOSS.

H. R. 1051: Mr. DELAHUNT and Mr. BRADY of Pennsylvania.

H. R. 1053: Mr. BOND.

H. R. 1055: Mr. BOND.

H. R. 1070: Mr. SMITH of Michigan.

H. R. 1073: Mr. HAYES.

H. R. 1076: Mr. GUCCI.

H. R. 1109: Mr. MICA and Mr. OXLEY.

H. R. 1158: Mr. BURBANK.

H. R. 1167: Mr. SNYDER and Mr. MOORE.

H. R. 1168: Mr. SNYDER, Mr. WILSON of South Carolina, and Ms. DUNN.

H. R. 1202: Mr. WATERS.

H. R. 1218: Mr. MASCARA, Mr. GEKAS, and Mr. PALLONE.

H. R. 1214: Mr. GEKAS.

H. R. 1265: Mr. CLAY and Mrs. CAPP.

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. TAHIR.

H. R. 1522: Mr. LIPINSKI.

H. R. 1699: Mr. SPRATT, Mr. KUCINICH, and Mr. UDALL of Colorado.

H. R. 1626: Mr. HOLDEN.

H. R. 1723: Mr. LYNCH.

H. R. 1699: Mr. LAMPSON.

H. R. 1704: Mr. JONES of Ohio, Mr. BLAGOJEVICH, Ms. WOOLSEY, and Ms. RIVERS.

H. R. 1919: Mr. HOSTETTLER.

H. R. 1987: Mr. REYNOLDS.

H. R. 2139: Mr. HENGER.

H. R. 2219: Ms. LOFGREN.

H. R. 2230: Mr. FILNER.

H. R. 2254: Mr. MCGOVERN.

H. R. 2335: Mr. GEORGE MILLER of California.

H. R. 2570: Mr. BLAGOJEVICH and Mr. CUMMINGS.

H. R. 2610: Mr. GILLMOR, Ms. HARMAN, and Mr. GANSKE.

H. R. 2628: Ms. CAPITO, Ms. BALDWIN, and Mr. MEHAN.

H. R. 2649: Mr. GEKAS, Mr. TANCHEDO, Ms. MCKINNEY, Mr. PICKERING, Mr. TOM DAVIS of Virginia, and Mr. WATKINS.

H. R. 2695: Mr. MATSU and Mr. BALLINGER.

H. R. 2740: Mrs. CLAYTON and Mr. WATT of North Carolina.

H. R. 2815: Mr. OLVER.

H. R. 3080: Ms. NORTON and Ms. CARSON of Indiana.

H. R. 3138: Mr. GOODE.

H. R. 3278: Mr. SCHIFF, Ms. WOOLSEY, and Mr. THOMPSON of California.

H. R. 3338: Mr. TAUSCHER and Mr. TURNER.

H. R. 3363: Mr. LANGEVIN, Mr. MCNEIL, Mr. LIPIN, and Mr. PRICE of North Carolina, and Mr. MCGOVERN.

H. R. 3734: Mr. OWENS, Mr. FORD, Mr. FROST, Mr. CONVERSE, 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. DIAM-BALANT, Ms. MCCOLLUM, Mr. HASTINGS of Florida, and Ms. HOOLEY of Oregon.

H. R. 3902: Mr. PHELPS and Mr. WATT of North Carolina.

H. R. 3930: Mr. FRANK.

H. R. 3946: Mr. GOODE.

H. R. 3948: Mr. TOWNS and Mrs. THURMAN.

H. R. 3952: Mr. PASTOR, Ms. VELAZQUEZ, and Mr. LAFOURCHE.

H. R. 3951: Mr. GEKAS.

H. R. 3937: Mr. THURMAN.

H. R. 3951: Mr. PASTOR, Ms. VELAZQUEZ, and Mr. LAFOURCHE.

H. R. 3951: Ms. TIOBEK, Mr. COBB, Mr. BOEMFELDT, Mr. MANGANO, Mr. PERDUE, Mr. MILLER of North Carolina, Mr. TSANG, Mr. SANTORO, Mr. DAVIS of California, and Mr.鱽WILLIAMS.

H. R. 3951: Mr. GEKAS.

H. R. 3951: Mr. MCCARTHY of Missouri.

H. R. 3951: Mr. BALLINGER, Mr. MOORE, Mr. PUTNAM, Mr. RAMSTAD, Mr. TANCHEDO, Mr. MILLER of South Carolina, Mr. CHRISTENSEN, Mr. SHERMAN, Mr. DAVIS of Florida, Ms. DEGETTE, Mr. CLAYTON, Mr. HILLIARD, Mr. CLAY, Ms. JACKSON-LEE of Texas, Mr. MCCARTHY of Missouri, Ms. MEEK of Florida, Mr. SCOTT, Mr. ALLEN, Mr. EVANS, Mr. WYNN, Mr. HOTY, and Mr. COOKsey.

H. R. 3718: Mr. STUPAK.

H. R. 3717: Mr. HOLDEN, Mr. KELLER, Ms. WATSON, Mr. COMBEST, Mr. BOWSELL, Mr. BARK of Georgia, and Mr. UDALL of Colorado.

H. R. 3731: Mr. QUINN.

H. R. 3738: Mr. KUCINICH, Mr. BALKDCCI, Mr. MCGOVERN, and Ms. MCKINNEY of Florida.

H. R. 3745: Ms. JACKSON-LEE of Texas.

H. R. 3754: Mr. MCNEIL.

H. R. 3770: Mr. STARK, Mr. SHIMKUS, and Ms. DUNN.

H. R. 3792: Ms. ISAKSON, Mr. JOHNSON of Illinois, Mr. TOWNS, Mr. BOEHRLAND, and Mr. STUPAK.

H. R. 3794: Mr. FERGUSON, Ms. LOFUREN, Mrs. VELAZQUEZ, Mr. Davis of Illinois, and Ms. ESHOO.
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.

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 a collective desire to rid the world of terrorism of global reach; jointly to the Committees on International Relations and Armed Services.
The Senate met at 10 a.m. and was called to order by the Honorable Harry Reid, a Senator from the State of Nevada.

The PRESIDING OFFICER. Today’s prayer will be by Rev. Leonard B. Jackson, Associate Minister of the First African Methodist Episcopal Church, Los Angeles, CA.

PRAYER

The guest Chaplain offered the following prayer:

Eternal Father, from differing ways we come to this Senate Chamber in manifold thoughts, hopes, and fears, but together we join our hearts as one to ask that You hear our humble prayers:

God of our weary years, God of our silent tears, You have brought us thus far on our way; cast Your shadow of love upon this Senate. Lord, grant us guidance that we may not betray our stewardship, neither mistaking the nature of our obligations nor taking for granted our charge. As we perform our sworn duty, may we stand with You, work for You, and bear with You the heavy yoke of righteousness and truth.

Father, our petition today is that You will bless the trailblazers who have paved the way and laid the foundation of our great Nation. Lord, alone we are not worthy but we can do all things through Him who strengthens us. Lord, we don’t know what tomorrow holds, but we know the hand that holds tomorrow. Please keep us forever in the path we pray, so all people may share the reality of one nation under God, with liberty and justice for all.

God bless America.

Amen.

PLEDGE OF ALLEGIANCE

The Honorable Harry Reid 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.

Welcome, Reverend Jackson.

Thank you, Madam President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. Reid. Madam President, this morning the Senate will again resume consideration of the energy bill. There will be rollcall votes on amendments throughout the day. We understand that the first amendment will be offered by Senator Voinovich dealing with Price-Anderson. That should not take too long. We hope we can complete that early on. Senator Bingaman will then offer the next amendment.

We hope to make significant progress on this bill today and tomorrow and complete the legislation next week.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

NATIONAL LABORATORIES PARTNERSHIP IMPROVEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 517, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 517) to authorize funding the Department of Energy to enhance the mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes.

Pending:

Daschle/Bingaman further modified amendment No. 207, in the nature of a substitute.

Mr. Reid. Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.
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The assistant legislative clerk proceeded to call the roll.

Mr. SMITH of Oregon. Madam President, I ask unanimous consent the order for the quorum call be rescinded. The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SMITH of Oregon. Madam President, I ask unanimous consent to speak for 2, maybe 3 minutes as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. SMITH of Oregon are printed in today’s RECORD under “Morning Business.”)

Mr. SMITH of Oregon. Madam President, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. VOINOVICH. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. VOINOVICH. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT NO. 298 TO AMENDMENT NO. 297, AS FURTHER MODIFIED

Mr. VOINOVICH. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. VOINOVICH], for himself, Mr. BINGAMAN, Mr. SMITH of New Hampshire, Mr. DOMENICI, Ms. LANDREU, Mr. MURkowski, Mr. HAGEL, Mr. CRAPO, Mr. THOMAS, Mr. INHOFE, Mr. THOMPSON, Mr. BOND, Mr. CAMPBELL, Mr. PRINTZ, Mr. KYL, and Mr. SMITH of Oregon proposes an amendment numbered 2983 to amendment No. 2917.

Mr. VOINOVICH. Madam President, I ask unanimous consent reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To reauthorize the Price-Anderson Act)

On page 115, strike line 5 and all that follows through page 119, line 10 and insert the following:

Subtitle A—Price-Anderson Act

Reauthorization

SEC. 501. SHORT TITLE.

This subtitle may be cited as the “Price-Anderson Amendments Act of 2002.”

SEC. 502. EXTENSION OF INDENMIFICATION AUTHORITY.

(a) INDENMIFICATION OF NUCLEAR REGULATORY COMMISSION LICENSEES.—Section 170 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended—

(1) in the subsection heading, by striking “LICENSEES” and inserting “LICENSEEES”; and

(2) by striking “August 1, 2002” each place it appears and inserting “August 1, 2012”;

(b) by inserting after “of the Department of Energy Contractors—Section 170 d. (1)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)(1)(A) is amended by striking “, until August 1, 2002.”;

(c) INDENMIFICATION OF NONPROFIT EDUCATIONAL INSTITUTIONS.—Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by striking “August 1, 2002” each place it appears and inserting “August 1, 2012.”

SEC. 503. DEPARTMENT OF ENERGY LIABILITY LIMIT.

(a) INDENMIFICATION OF DEPARTMENT OF ENERGY CONTRACTORS.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended by striking paragraph (2) and inserting the following:

“(2) In agreements of indemnification entered into under paragraph (1), the Secretary—

(A) may require the contractor to provide and maintain financial protection in connection with the contractual activity; and

(B) shall indemnify the persons indemnified against such liability above the amount of the financial protection required in such agreements by—

(I) the Secretary (or its predecessor agencies) may be required to adjust such coverage for inflation under subsection t., in the aggregate, for all persons indemnified in connection with such contract and for each nuclear facility, including such legal costs of the contractor as are approved by the Secretary.”;

(b) CONTRACT AMENDMENTS.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is further amended by striking paragraph (3) and inserting the following:

“(3) All agreements of indemnification under which the Department of Energy (or its predecessor agencies) may be required to indemnify any person under this section shall be deemed to be amended, on the date of enactment of the Price-Anderson Amendments Act of 2002, to reflect the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection.”;

(c) LIABILITY LIMIT.—Section 170 e.(1)(B) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e)(1)(B)) is amended by adding paragraph (4) as follows:

“(4) Notwithstanding subsection a., in the case of any not-for-profit contractor, subcontractor, or supplier, the total amount of civil penalties assessed under subsection d. may not exceed the total amount of fees paid within any one-year period (as determined by the Secretary) under the contract under which the violation occurs.

“(2) For purposes of this section, the term ‘not-for-profit’ means that no part of the net earnings of the contractor, subcontractor, or supplier inures, or may lawfully inure, to the benefit of any natural person or for-profit artificial person.”

(c) EFFECTIVE DATE.—The amendments made by this section shall not apply to any violation of the Atomic Energy Act of 1954 occurring under a contract entered into before the date of enactment of this section.

SEC. 508. TREATMENT OF MODULAR REACTORS.

Section 170 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by adding at the end the following:

“(c) LIABILITY LIMIT.—Section 234A b. of the Atomic Energy Act of 1954 (42 U.S.C. 2282a (b)(2)) is amended by striking paragraph (2) and inserting the following:

“(2) A combination of facilities referred to in subparagraph (A) is 2 or more facilities located at a single site, each of which has a rated capacity of 100,000 electrical kilowatts or more.

“(B) A combination of facilities referred to in subparagraph (A) is 2 or more facilities located at a single site, each of which has a rated capacity of 100,000 electrical kilowatts or more but not more than 300,000 electrical kilowatts, with a combined rated capacity of not more than 1,300,000 electrical kilowatts.”

SEC. 509. EFFECTIVE DATE.

The amendments made by sections 503(a) and 504 do not apply to any nuclear incident that occurs before the date of the enactment of this subtitle.

Mr. VOINOVICH. Madam President, I rise today to offer the Price-Anderson reauthorization bill to the Energy Policy Act. Last year, as the former chairman of the Nuclear Safety Subcommittee, I introduced the Price-Anderson reauthorization bill, S. 1360, that reauthorizes the insurance program for commercial nuclear reactors.

The Price-Anderson Act was first passed back in 1957 and has been renewed three times since then. The current authorization expires on August 1 of this year.

This amendment provides the insurance program for commercial nuclear powerplants and Department of Energy contractor employees. In my State of Ohio, this is very important for the contractor employees who are currently working at the Mound and Fernald facilities, former sites of nuclear facilities of the Department of Energy.

This is the type of must-pass legislation that keeps the trains of Government running on time.

I think it is important to note that during the previous administration, both the Department of Energy and the
Nuclear power is a safe and reliable energy source. It is also a zero-emission source of energy.

As I discussed in the Senate on Tuesday, just since the nuclear energy has prevented 62 million tons of sulfur dioxide, a component of acid rain, and 32 million tons of nitrogen oxide, a precursor to ozone, from being released into the atmosphere. It has probably contributed more to a reduction in emissions than any other source of energy but for solar and wind and hydroelectric.

This has had a tremendous positive effect on the environment and public health. In my view and in the view of many, coal and nuclear power have been inappropriately demonized over the last few years. These characterizations are patently unfair if we look at the record.

Both are efficient and cost-effective sources of energy, and given our current energy consumption rates, we are going to have to be dependent upon them for the foreseeable future.

The truth is, we are not meeting our energy needs currently domestically. And if we look at 20-year projections, we are going to need another 30 percent production of energy if we are going to be competitive.

We are taking steps to make coal a cleaner burning fuel. We should also do whatever we can to promote a safe and efficient nuclear energy industry for our Nation and encourage the development of new nuclear reactors such as modular reactors which we have been discussing of late. Reauthorizing the Price-Anderson Act is a major step in that direction.

I thank my colleagues for cosponsoring this amendment: Senators Bingaman, Bob Smith, Inhofe, Murkowski, Domenici, Landrieu, Hagel, Craig, Thomas, Bond, Campbell, and Frist. I urge all of my colleagues to support the amendment. This should not be something that is extremely controversial. It is long overdue. It is something we have had since 1957. We should get on with it and make it part of the legislation.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico, Mr. Bingaman, Madam President, I commend the Senator for offering this amendment. It is cosponsoring the amendment. Title V of the underlying bill we are debating renews the provisions of the Price-Anderson Act that relate to Department of Energy contractors, but it does not renew those that relate to NRC licensees.

The reason that jurisdiction over the contractor provisions was in the Energy Committee, which was where we were largely developing this bill. The jurisdiction over the NRC license provisions is in the Environment Committe that Senator Voinovich chaired. Some members of the Environment Committee asked us not to include provisions that were under its jurisdiction in this substitute. The pending amendment Senator Voinovich has offered now provides a substitute for the Price-Anderson provisions in the underlying bill.

It repeates the provisions that renew DOE contractor provisions of the Price-Anderson that are already there and in addition adds the new provisions related to the NRC licensee part of the act.

Let me give a short summary of what the pending amendment that DOE contractors and NRC licensees. Section 902 of the amendment extends the NRC’s indemnification authority for another 10 years. That has been recommended by the Nuclear Regulatory Commission, and it is part of what Senator Voinovich is proposing. It extends the indemnification authority of the Department of Energy indefinitely. That is also consistent with the 1998 report of the Department of Energy.

Section 503 of the amendment raises the liability limit for DOE contractors and NRC licensees. Under current law, the indemnification authority for accidents involving government-owned nuclear facilities or devices located outside the United States from the $100 million, which is currently $500 million. This increase was also recommended by the Department of Energy. It is consistent with international nuclear liability standards.

Section 505 requires both the Department of Energy and the Nuclear Regulatory Commission to submit new reports on the need to continue or modify the act in 2008. Section 506 requires the Secretary of Energy to adjust the $10 billion liability limit every five years for inflation. This is consistent also with the provisions in existing law that requires the Nuclear Regulatory Commission to adjust the limit for Nuclear Regulatory Commission licensees.

Section 507 repeals two provisions in current law that exempt nonprofit Department of Energy contractors from civil penalties for nuclear safety violations.

Section 508 subjects nonprofit contractors to civil penalties. It limits the total amount of those penalties to the fee the contractor receives in any year under the contract.

Finally, section 508 provides two or more so-called ‘‘modular’’ reactors that are located at one site should be treated as a single nuclear power plant for purposes of assessing premiums under the Price-Anderson Act. This provision has been added to allow for the development of advanced technology reactor designs that make use of several small reactor modules to do the work of a single large nuclear
reactor. The provision will permit the NRC to treat a collection of these modules at a single site as a single reactor for Price-Anderson purposes.

In summary, the Price-Anderson Act has served this nation well for 45 years, by ensuring the generation of approximately 70 percent of our Nation’s electricity with nuclear power, universities to conduct important nuclear research, and corporations to build nuclear weapons for our national defense without the threat of unlimited liability.

At the same time, the act has ensured that the public will be compensated in the event of a nuclear accident, that adequate funds will be available to pay claims, and that victims will be able to recover through an efficient, no-fault liability system, which waives many of the legal obstacles that would confront victims in the absence of the act.

The important pending amendment renews this important law with a minimum of changes, and in ways consistent with the strong recommendations we have received from the two agencies charged with administering it. I urge its adoption.

The Acting President pro tempore, Senator from New Hampshire, is recognized.

Mr. SMITH of New Hampshire. Madam President, I rise in very strong support of the Voinovich-Bingaman Price-Anderson amendment.

Senator Voinovich has long been a leader at the EPW Committee on nuclear issues. I am proud to join him as a cosponsor of this amendment. Last year, Senator Voinovich introduced S. 1360 to reauthorize Price-Anderson for NRC licensees—a bill of which I was an original cosponsor, as the ranking member of the Environment and Public Works Committee. I am also pleased to be joining my colleagues on both the Energy Committee and on my own committee in cosponsoring this amendment. I especially thank Senator Bingaman for his cooperation with us on this issue.

Price-Anderson addresses two classes of nuclear facilities: commercial nuclear reactors and Federal nuclear facilities operated by “DOE contractors.” It combines both NRC license and DOE contractor provisions of Price-Anderson.

I want to speak for a couple of minutes on the revisions of the amendment that deal with NRC licensees, as that is where the EPW Committee has focused its efforts. It does two very simple things. No. 1, it reauthorizes Price-Anderson for NRC licensees for an additional 10 years—consistent with NRC recommendations. Secondly, the amendment recognizes that new nuclear technologies—technologies that provide smaller, modular, cost-effective, and even safer reactors—are on the horizon. That is the future. This amendment allows for that new technology to come forth and to be used.

For the purposes of secondary protection requirements, this amendment treats modular reactor facilities containing modules of 100 to 300 megawatts, up to a total of 1,300 megawatts, as a single facility.

These modular units—now being developed—are the future of nuclear power. Price-Anderson recognizes the difference between these smaller modular units and the current larger facilities. Again, this legislation—this amendment—will allow for this modular concept to take hold and bring us into the future with nuclear power.

The background has been stated on Price-Anderson by my colleagues, but I will briefly summarize. It was a law passed in 1957 in order to provide immediate compensation in the event of a nuclear accident.

Price-Anderson is the best mechanism for providing the highest level of compensation in the shortest period of time, without having to put victims through an arduous and protracted legal process.

Equally important, it is the best deal for the taxpayer. With Price-Anderson, if there were a nuclear accident or incident, up to $9.5 billion would be available to compensate any victims. Not one dime comes from taxpayers. It comes from a combination of insurance coverage and the industry itself—the entire nuclear industry pooling their collective resources. It is compensation without having a lengthy judicial process to determine liability or culpability. So the law requires the insured and the insurers to waive most standard legal defenses. Fault does not need to be established. That is very important. Absent Price-Anderson, victims would have to rely on the court system, and damages would effectively be limited by the assets of a single company.

It is unlikely that any one company, on its own, would ever be capable of paying out $9.5 billion in damages in the case of an accident. So the bottom line is that without Price-Anderson there would be less money available and it would take years for the dollars to work their way through the courts and then to those who need immediate assistance. That assumes there would be something left after the lawyers have taken their share. We don’t know whether that would be the case or not. It is likely that the taxpayer, via Congress, would be completely killed in and provided whatever financial assistance was needed. The events of September 11 showed how quickly Congress can act in a disaster situation.

Price-Anderson is a good deal for the taxpayers, for the industry, and for victims seeking damages. I understand there are those who don’t like nuclear energy and will see the Price-Anderson debate as a means to stop nuclear power. I respect the right of those who hold this view. I don’t think they are right. We will have a lot of energy needs in the coming decades, and nuclear power can provide them cleanly and efficiently.

There are enormous benefits to nuclear power. The majority of energy generated in New Hampshire is from nuclear power from the Seabrook nuclear power plant. The entire nuclear in-
VOINOVICH and INHOFE—for the work they have done. I particularly thank my friends on the Energy Committee for their collective effort in bringing this bipartisan amendment to the floor—in particular, Senators MURKOWSKI, DOMENICI and, again, Senator INGHAM.

Madam President, I urge my colleagues to support this bipartisan amendment to reauthorize the Price-Anderson Act. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Idaho.

Mr. CRAIG. Madam President, I join my colleague from New Hampshire in thanking Senator VOINOVICH, Senator INHOFE, a good number of folks on our side of the aisle, and certainly a good number on the Democratic side of the aisle for crafting what I think is truly a bipartisan amendment to a necessary and important mix of our energy portfolio in this country.

As you know, the Price-Anderson Act provides a substantial amount of the necessary insurance protection for the commercial sector to deal with nuclear energy in our country.

The Price-Anderson Act removed the deterrent to private sector participation in nuclear activities which was a substantial threat of liability.

As we know, the historic management of our nuclear facilities on the private side, the commercial side of the equation has proven to be very successful and very safe throughout their operation.

The kind of protection we have offered in no way has ever deterred or lessened the desire or the responsibility of good management. In fact, the Nuclear Regulatory Commission has not only ensured that by its constant and vigilant oversight—and certainly the private sector in operating these reactors for the benefit of the country has known that—but has demonstrated that it is truly one of the great success stories of energy generation in our country that is not often told.

Why? Because when we talk nuclear, there are automatic reactions and some risks are argued even though those risks have never effectively played out in an area of effective regulation, quality management of the kind that we have seen historically within the nuclear industry of this country.

Price-Anderson is an act that has been working well since its origination in 1957. We will need nuclear energy as we meet the growing energy needs of our country. My colleague from New Hampshire was just talking about clean energy and its importance. There is no cleaner energy than that which is produced by a nuclear reactor and electrical generator. That has clearly demonstrated itself historically.

All I can say today is, thank goodness 20 percent of our energy basket in this country is nuclear. I wish it were more. If it were more, I think we would have less concern today about the climate change issue and other issues such as greenhouse gases released into the environment. That is going to push us, as it should, toward ever-increasing higher levels of technology and the application of that technology to make cleaner fuels.

While none of us in this body and the other body have recognized the value of advancing nuclear reactor design. Over the last several years, Senator DOMENICI from New Mexico, chairing the Appropriations Energy and Environment Subcommittee, has worked to increase budgets to allow for that kind of experimentation and development.

The administration in its new budget has come forth with a proposal called THOM to invest money in the new technologies of nuclear reactors, to get that technology to the marketplace and to the private sector and to allow an ever-increasing amount of our energy portfolio to become nuclear generated.

As a result, reauthorization of the Price-Anderson Act is absolutely critical because without it, and without that kind of protection, the reality of expanding that energy base simply would not happen.

As we know, just in the last 3 weeks the President has proposed a new and dramatic direction for climate change in our country with the bringing together of science, the application of new computer models, and the idea of not picking winners and losers but allowing the great technology and the human mind in this country to lead the world to a cleaner environment.

We cannot get there and have an abundance of energy that will drive this wonderful economy of ours and create the jobs that it can and has created without nuclear energy as a part of it. There is no technology today that builds at those levels of commercial power production without nuclear energy being a part of it and an increasing part of that overall energy basket. That is why we are here today. I think that is why we have arrived at a bipartisan approach to this issue. Some of my colleagues on the other side of the aisle who a decade ago were archcritics of nuclear energy are quietly saying today: We recognize that new technology in this area, new reactor design, has to come about if we are going to lead the world and have safer and more abundant forms of energy. That is why this overall energy bill is critical. So I have been encouraged by the new approaches that we bring, along with assuring current levels of hydrocarbon production and new levels of hydrocarbon production and, at the same time, clearly technology and the application of that brings us to a cleaner environment that can be and must be abundant in energy.

I do appreciate the opportunity to speak briefly on the reauthorization of the Price-Anderson Act. It is an important part of any national energy policy for our country. I am confident it can pass because it has been brought before this body in a bipartisan effort.

Madam President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nevada. Mr. REID. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent to continue the order for the quorum call to be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I want to express my concern about the provisions of this amendment, and state my reasons for opposing it.

As Chairman of the Committee on Environment and Public Works, which has jurisdiction over the licensing and regulation by the Nuclear Regulatory Commission of the Nation’s commercial nuclear power plants, I have a very strong interest in the application of the provisions of Price-Anderson.

Under the Atomic Energy Act of 1954, the Nuclear Regulatory Commission has the obligation to assure the safety and security of our Nation’s nuclear power plants, and to oversee compensation to the public in the event of a catastrophic accident. This is the most serious of responsibilities.

My State of Vermont receives much of its power from the Vermont Yankee Nuclear Power Plant. While I am supportive of nuclear power and the many benefits it brings, I am deeply and personally aware of the potential dangers to the public that a nuclear power plant could pose, should something go wrong.

Assume the events of September 11, of course, intense scrutiny has been given to security at nuclear plants, and chairman of the EPW Committee, I am committed to ensuring that our obligations to protect the public are fully met.

Because this amendment fails to satisfy that responsibility, I must oppose it.

The Price-Anderson Act establishes a system of liability, and compensation to the general public for damages in the event of a nuclear accident, an “extraordinary nuclear occurrence” in the language of the Atomic Energy Act. The current language provides that every commercial reactor having a rated capacity of 100,000 electrical kilowatts must obtain insurance as provided in the act.

Section 508 of the amendment would make an exception for modular reactors, which are small reactors in the 100 to 110 kilowatt range, that must be clustered together in order to be economically viable. The amendment would treat them as a group of units comprising a single nuclear reactor. This would prevent each module from being treated, for purposes of liability coverage under Price-Anderson, as an independent reactor. Without the protection, construction of these modular reactors would not in all likelihood be economically viable.
The safety and performance of these reactors is still a matter of considerable speculation. I am not satisfied that these issues have been sufficiently reviewed within my committee or elsewhere to justify encouraging their continued development at this time. Particularly the events of September 11 heavy in our hearts and in our minds, I believe we must act with due caution in authorizing activities which we are not fully satisfied meet our obligations for protection of the public health and safety.

Along those same lines, there are a number of issues relating to the adequacy of Price-Anderson that should be given greater scrutiny following the events of September 11. We must determine whether liability limits established under the Act are sufficient, given the potential for terrorist attack as we now perceive it. In so doing, we must carefully examine what are likely to be the full-scale impacts to the public from a terrorist attack resulting in an “extraordinary nuclear occurrence.”

We have requested this information from the Nuclear Regulatory Commission, but have not yet received a full response. I intend to work with my colleagues to develop language to address some of these concerns. I do not believe the amendment adequately addresses these issues, and for that reason, I will oppose it.

AMENDMENT NO. 2981 TO AMENDMENT NO. 2983
Mr. REID. Madam President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. Reid] proposes an amendment numbered 2981 to amendment No. 2983.

Mr. REID. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter to be inserted, insert the following:

SEC. 5. FINANCIAL PROTECTION FOR LICENSEES.

(a) STANDARD DEFERRED PREMIUM. Section 170b.(1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(1)) is amended in the second sentence by striking “$363,000,000” and inserting “$1,000,000”;

(b) ADDITIONAL REQUIREMENTS. Section 170b.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(2)) is amended by striking “$88,000,000” and inserting “$200,000,000”.

(c) NEW LICENSES. Section 170c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended by striking “The Commission” and inserting the following:

“(1) Licenses issued on or before August 1, 2002.-(The Commission); and

(2) by adding at the end the following:

“(2) Licenses issued after August 1, 2002.

After August 1, 2002, as a condition for receiving a license for a utilization facility under this Act, the applicant, before receiving the license, shall obtain insurance coverage from the private insurance market for the full potential liability (including the public liability and any other liability) of the person that might arise as a result of a nuclear incident at the utility facility.

SEC. 5. GUARANTEE OF DEFERRED PREMIUM; FINANCIAL QUALIFICATIONS.

Section 170b.(2)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(2)(A)) is amended by striking “(A) a condition of indemnification” and inserting “(B) by adding at the end the following:

“(1) Guarantor of deferred premium.-(A) by adding the following:

“(1) the public health and safety; and

“(2) the economic costs attributable to public health effects, property damage, environmental damage, and resettlement of affected populations;

of a worst-case nuclear incident; and

“(iii) the ability of the licensee of each existing or proposed facility to pay the standard deferred premium for a potential occurrence at each covered facility of the licensee and at a facility that is not covered by the licensee.

“(C) SENSITIVITY ANALYSIS.—

“(1) in general.—In studying the matters under subparagraph (B)(i), the study commission shall consider the actuarial analysis based on various modeling input assumptions to determine the maximum potential consequences of a worst-case nuclear incident.

“(ii) The assumptions on which the sensitivity analysis is based shall include assumptions regarding—

“A nuclear incident scenarios;

“II weather patterns; and

“(IV) human behavior that may have an effect on evacuation or persons threatened by a nuclear incident.”.

SEC. 5. ACTS OF TERRORISM.

Section I1. of the Atomic Energy Act of 1954 (42 U.S.C. 2134(q)) is amended—

“(1) by striking “(a) the term” and inserting the following:

“q. Nuclear Incident.—

“(b) in general.—In paragraph (1), the term ‘nuclear incident’ includes an act that the President determines to have been an act of domestic terrorism or international terrorism (as those terms are defined in section 2331 of title 18, United States Code).

“(c) in paragraph (2), by adding at the end the following:

“(2) OCCURRENCES.—

“(A) in general.—In paragraph (1), the term ‘nuclear occurrence’ includes an act that the President determines to have been an act of domestic terrorism or international terrorism (as those terms are defined in section 2331 of title 18, United States Code).

“(B) NO JUDICIAL REVIEW.—A determination of the President under subparagraph (A) shall not be subject to judicial review.”

SEC. 5. TREATMENT OF A CLEAR REACTOR FINANCIAL OBLIGATIONS.

Section 523 of title 11, United States Code, is amended by adding at the end the following:

“(d) TREATMENT OF NUCLEAR REACTOR FINANCIAL OBLIGATIONS.—Notwithstanding any other provision of this title—

“(1) in general.—The nuclear reactor financial obligations held by a li- censee or former licensee of the Nuclear Regulatory Commission, or any other person, to satisfy the responsibility of the licensee, former licensee, or any other person to comply with a regulation or order of the Nuclear Regulatory Commission governing the de-certification and de-registration of a nuclear power reactor licensed under section 103 or 104b. of the Atomic Energy Act of 1954 (42 U.S.C. 2133, 2134(b)) shall not be used to satisfy the claim of any creditor in any proceeding other than a claim resulting from an activity undertaken to satisfy that responsibility, until the de-certification and de-registration of the nuclear power reactor is approved by the satisfaction of the Nuclear Regulatory Commission;
and would require new reactors to ob-
denderson coverage for existing reactors
ent never occurs. We must acknowl-
ly insolvency proceeding under Federal or State law; and
and standard deferred premiums held and maintained
section 1760 of the Atomic
mea to satisfy the claim of any cred-
any proceeding under this title, until the indemnification agreement executed
section 1760 of that Act (42 U.S.C. 2210(b)).
Mr. REID. Madam President, the
created nearly 50 years ago to stimulate the fledgling nuclear power industry by shielding owners from the full cost of an acci-
thor industry is now a mature electric industry and is no longer in need of liability protection.
The Price-Anderson Act has actually led to a decrease in the amount of pri-
crease in any proceeding under this
insurance industry was willing to insure
an accident for $50 million despite lim-
ology. Today, the private insurance industry only provides $200 million in insurance.
several measures. The private insur-
think about that. One accident, think what it would do.
On public radio today, there was a segment that dealt with your State, New York. What would happen if a dirty bomb were dropped on New York? What is a dirty bomb? A dirty bomb could be TNT surrounded by the same

Madam President. $200 million sounds like a lot of money, but it is not very much money when we talk about the damage nuclear power can cause.

The amendment I have submitted would require real financial safeguards such as a bond, a letter of credit, or a loan. Escrow funds, or even insurance, would be the only measure of a nuclear operator’s ability to meet its financial obligations to the public.

Under the present legislation, I repeat, all that is needed is an annual certified financial statement showing there is a cashflow or something can be generated, not then but within 3 months. All operators who propose to build new plants to produce electricity from nuclear power, particularly in the context of deregulated wholesale elec-

This amendment establishes minimal financial qualifications to ensure operators can meet their monetary obliga-
tions to the public in the event of an accident or terrorist attack. This amendment is supported by the U.S. Public Interest Research Group, Public Interest Research Groups, Union of Concerned Scientists, Alternatives Energy Fund, Union of Concerned Scientists, National Citizens Critical Mass, STAR, Safe Energy Communications Council, and Greenpeace.

There would be financial qualifica-
sions. We would have a Presidential

Of course, the section clarifies acts of terrorism involving nuclear licenses would be covered under Price-Anderson, but this section directs the Presi-
dent to determine if an intentional act against a nuclear pow-

Finally, my amendment would re-
require the President to determine if an

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A 1992 analysis of energy subsidies by the U.S. Department of Energy indicates a Federal regulation that continues to have a cost-reducing effect on the nuclear power industry is simply unfair. These liability limits provide a subsidy to the nuclear industry to the degree private insurance premiums paid by operators of individual plants are reduced.

In 1983—almost 20 years ago—the NRC concluded the liability limits were sufficiently significant to constitute a subsidy and it has really magnified during the last 19 years. However, a quantification of the amount of subsidy was not attempted at that time.

One of the questions raised is: Are acts of terrorism covered by Price-Anderson? The Nuclear Regulatory Commission indicated, in response to questions from the same hearing I have talked about earlier, on January 23, courts would likely have to settle the question. Leading scholars present from the legal academic world, and they said it would lead to significant delay or even termination of victim compensation.

Are victims guaranteed to receive payments from reactors that file chapter XI bankruptcy? In the same hearing we had in January, the Nuclear Regulatory Commission stated that the NRC could potentially face a conflict with other claims in a bankruptcy proceeding if there were an accident sufficient to trigger these industry payments. The NRC would presumably require a licensee to pay the assessment, but the bankruptcy court could order the licensee to pay it. The NRC also indicated it would support legislation to address this concern.

In the Economist magazine, they have a very in-depth article about nuclear power generally. Among other things, they state the Congress has not needed such subsidized protection. Are we being asked to subsidize nuclear power, it is essential to remember the scope, scale, and subtlety of the subsidy it receives. Liability insurance is a good example of this subsidy. The American industry’s official position is there is no subsidy involved in Price-Anderson. To do that, you would have to be without any common sense, let alone academic prowess.

Since there is no subsidy involved, why not let the act lapse when it comes up for renewal next year? What we were told by our Vice President, is that it needs to be renewed; if not, nobody will invest in nuclear power plants.

That answers the question.

In the end, the article continues, nuclear energy is a safe, modern, clean energy source. It may be skewed by the same sword that is making it fashionable today, the deregulation of electricity markets.

Why is that? Because, Madam President, right now nuclear power is the most expensive, even with the subsidies. Yet the article continues: Liberalization is also exposing the true economics of new plants and is aiming a fierce spotlight at the hefty subsidies that nuclear power has long enjoyed. As these fade, the industry once again will be brought down to earth.

Now, this is not me speaking. This is from the Economist magazine. They say these subsidies are a real subsidy and once they are attached, nuclear power will no longer be in vogue.

The New York Times published an article entitled “Hard Questions On Nuclear Power,” written last year. Among other things, the article states the industry will need to take a close look at whether it should renew one of the industry’s economic underpinnings, the so-called Price-Anderson Act, that limits companies’ liability in the event of an accident. If the industry is safe, they may not need such subsidized protection.

A lot of this has come to light following September 11, and whether we have to be more concerned about acts of terrorism. I know the President and the Vice President, the Senator from Connecticut, Mr. Lieberman, have looked closely at the safety of nuclear power plants. He is right. They have different standards at different plants, different companies, different private contractors. If someone going through a bankruptcy is examined by someone who works for the Federal Government, should we have a system whereby nuclear power plants have Federal employees? The answer is yes. They should not have proceeded in determining the safety of those facilities.

Today, thinly capitalized, limited liability corporations operate nearly half of the Nation’s nuclear reactors. Taxpayers, I suggest, by default, should secondary insurance costs whenever it is determined insurance claims would constitute undue hardship. It is reported the NRC did not require the company purchasing the single largest fleet of 16 reactors to provide adequate financial stability as a condition of granting a license. Some advocates of Price-Anderson argue that because the Government indemnity has never been used, we don’t need to worry about it. Price-Anderson is not a subsidy, they say. However, every legal scholar has said it is. Price-Anderson allows utilities to commit less capital to insuring nuclear plants so that the act results in a reallocation of resources away from more highly valued uses, the so-called secondment of insurance to take care of their family if something went wrong.

I hope Senators vote against this amendment. I know there will be people wanting to vote for this simply because the two managers of the legislation support this legislation. I have the greatest respect for my friend from New Mexico. He has been somebody I have looked up to the entire time I have been in the Senate. I will continue to look up to him even though he is wrong on this issue. He is simply wrong. Price-Anderson needs to be changed.

I hope Senators vote against this amendment. It is not good for the country. It is not good for the country for so many reasons, the least of which is the liability aspect of it, not the least of which the Federal Government should get out of subsidizing nuclear power. But also, if we got rid of this amendment, people living near nuclear power plants would know there is sufficient insurance to take care of their family if something went wrong.

I ask unanimous consent to withdraw my amendment.

The amendment (No. 2984) was withdrawn.

There does not appear to be a sufficient second. There is no sufficient amendment. Mr. Voinovich, I ask for the yeas and nays on the Voinovich amendment.

The amendment is withdrawn. Mr. REID. I ask for the yeas and nays on the Voinovich amendment.

The amendment is withdrawn.

Mr. CARPER. I will withdraw my amendment.

The PRESIDING OFFICER. (Mr. CARR, in the Chair.) The amendment is withdrawn.

The amendment (No. 2984) was withdrawn.

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Mr. REID. Could I ask my friend to yield for a brief second?
I will ask for the yeas and nays on the Senator’s amendment. It is my understanding everyone wants to vote on it. We did not get a second from the Rear. We have no objection to speaking on the fracturing.

Mr. REID. If the Senator will yield, I don’t think it matters if they come now or later. The agreement will be that during this next period of time they can speak on either amendment.

Mr. MURKOWSKI. Either amendment; that is certainly fair enough.
I am going to make a short statement on Price-Anderson. Since the second degree has been withdrawn, I will not belabor that other than to say I am very pleased the Senator from Nevada saw fit to withdraw it because had his amendment prevailed, clearly it would have basically amounted to the demise of the nuclear industry from the standpoint of any future facilities being built, because that is the whole justification of Price-Anderson. I will put my support behind it.

Mr. BINGAMAN. In response to my friend from Alaska, once the debate is concluded on the Price-Anderson amendment Senator Voinovich has offered, it is our intent to set that aside and go to an amendment on hydraulic fracturing, which I would offer. I think Senator Inhofe and various other Senators are cosponsoring that.

Then I believe it is the whip’s intent to have us stack a couple of votes on those two issues right after lunch.

Mr. REID. If the Senator will yield for a minute, we are now showing to the minority the proposal. We have two votes at 2 o’clock, with the time between now and 2 o’clock to be divided to speak on both amendments, Price-Anderson and also the hydraulic fracturing. We would have a vote on both those amendments. We are not in a position to offer that as an unanimous consent agreement because we have to clear it with the two leaders, but that is the intention.

Mr. BINGAMAN. Mr. President, in response to my friend from Alaska, once the debate is concluded on the Price-Anderson amendment Senator Voinovich has offered, it is our intent to set that aside and go to an amendment on hydraulic fracturing, which I would offer. I think Senator Inhofe and various other Senators are cosponsoring that.

Mr. REID. If the Senator will yield, I think we are about through with Price-Anderson.

Mr. MURKOWSKI. If the Senator from Alaska wants to speak on the fracturing amendment. Unless there is any extended debate, I am certainly willing to agree to a vote at 2 o’clock. Obviously, we are about through with Price-Anderson.

Mr. BINGAMAN. Mr. President, what I am concerned about is the whip indicated 2 o’clock. Will we break for lunch or is it the intention to go right through?
I have been alerted there are a couple of our Members who are going to want to speak on the fracturing amendment. Unless there is any extended debate, I am certainly willing to agree to a vote at 2 o’clock. Obviously, we are about through with Price-Anderson.

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supplies about 16 percent of the energy. Without it, last summer the California energy situation would have faced a collapse. High natural gas prices and low uranium prices help to make electricity produced by nuclear some of the cheapest in the country. Perhaps someday we can achieve the "abundant, cheap to meter" goal. I am not sure that is going to happen, but nevertheless it is a reasonable objective.

We have had, as I have indicated, safe and efficient operation of U.S. plants. They have achieved close to 90 percent efficiency. The total efficiency increase during the nineties over the existing plants was the equivalent to approximately 23,000-megawatt powerplants. I think that is pretty significant. During the 1990s, a 10-year period of existing plants, the equivalent efficiency was 23,000-megawatt powerplants. I think that more or less speaks for itself relative to the advantages and attractiveness of nuclear power. Keep in mind that this is clean, it is non-emitting generation.

With that efficiency, the industry is on an upswing. Four or five years ago, you wouldn't have thought you would hear talk about buying and selling plants, or even building new plants. Today the discussion is occurring.

By the end of the 2002, the Chicago-based Exxon corporation will have invested a total of $25 million in a South African venture to build a pebble bed modular reactor.

I see my friend from New Mexico, the senior senator, in the Chamber. He is very familiar with this particular technology, which I think provides greater attractiveness for the nuclear industry.

If we ever hope to achieve energy security and energy independence in this country, we cannot abandon the nuclear option which is an important and integral part of our energy mix. Our economy depends on nuclear energy. Our national security depends on nuclear energy. Our environment depends on nuclear energy. And our future, to a large degree, depends on nuclear energy.

Critical to the future continuation of this industry is Price-Anderson. I have been a strong advocate of reauthorization of Price-Anderson. Senator Bingaman and I have worked together with our staff to agree on language in the last Congress to renew the Price-Anderson Act. Both of our comprehensive energy bills introduced in the first session of this Congress contain the same language based on recommendations from the Department of Energy and the Nuclear Regulatory Commission. Renewal of the act was supported by the last administration. Renewal of the act was also one of President Bush's 105 recommendations in the national energy policy. For over 40 years, the act has ensured ample insurance for the industry, and it will provide a mechanism for the prompt payment to victims in the unlikely event of a nuclear exposure of some kind. Renewal of this act is necessary if we are to continue nuclear energy, new plants, and ensure the relicensing of our existing plants.

I don't understand really why the majority leader excluded the NRC licensees from the substitute. But this amendment is going to rectify that oversight.

I am very pleased to see the level of support on the floor of the Senate. I thank the Senator from Ohio, Mr. Voinovich, for his leadership in this area, and Senator Domenici and Senator Bingaman, chairman of the Energy Committee.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am very pleased that early in the discussion of the energy bill an amendment on Price-Anderson extension is before the Senate. I am a cosponsor of the Voinovich amendment. I also have a number of other Senators as cosponsors, all of whom from time to time have expressed great interest in nuclear energy.

I also would like to commend the management of this bill, even though we didn't mark up all the way through the committee. Senator Bingaman's staff, the majority staff, are fully aware of the nuclear power issues that confront our country.

If there are Senators who wonder why there are not a series of amendments on nuclear power and its future that are going to be offered—there will be two or three—it is because this bill contains general type language that makes it difficult for us to get nuclear power to be a player in the future. If, in fact, there are utility companies here and elsewhere in the world privately and publicly owned that want to produce nuclear power because of its efficiency and, equally important, because clean electricity is produced, and if we are worried about underdeveloped countries developing and using a lot of energy, and because America needs more energy over the next 20 or 30 years, it is good that we have not locked out the option of nuclear energy.

There are some things that could be said about nuclear power in terms of the shortage we have found ourselves in. Just the past year, we found that of all the power sources in the country, the cheapest after hydropower is, and has been for some time, nuclear power. Per unit of electricity, the cheapest power generation of any major size in America has been nuclear.

Nuclear powerplants have gone without incident or accident for years. As a matter of fact, they have increased productive capacity in the neighborhood of from 70 to 75 percent of capacity to the low 90s for this entire period of years because we were in the position as a nation of being sort of ambivalent about our energy supply. We weren't quite sure where we were going.

There are also some exciting occurrences in terms of the next generation of nuclear powerplants. Perhaps before we finish we will have time to discuss events that are occurring around the world. Even American companies are thinking about nuclear plants in terms of our own energy supply of energy.

The future is very bright. New technology will make nuclear power safer, if that can be. It will make it cheaper. It will permit us to locate nuclear powerplants more easily. They won't have to be feathered in the midst of large tracts of land. They can be small and rather mobile plants built much more easily than in the past, and with far less permit time with the kind of work we have to do in that regard.

With the United States is ahead of the crisis. We have begun to build back into our Department of Energy some significant nuclear activities. We have had an Energy Department during the last 25 years when the Department was acting as if it were embarrassed about nuclear power and didn't even want it to be part of the Department of Energy. It is back, and we are now spending some money every year to help generate enthusiasm among engineers who would go on to do what other countries do.

In producing this bill, Senator Bingaman took many of the things we had appropriated and made them permanent law with reference to the future of nuclear power.

I will insert in the Record at a later time, rather than itemize them now, the numerous areas where the bill allows into consideration the need for us to put nuclear power on a neutral footing with other kinds of power and to see if we can't come out winners both as to energy and as to the environment.

So I want to state my very strong support for the renewal of Price-Anderson, which is going to expire later this year—I think in August. It has been extended by Congress three times since becoming law in 1957. Price-Anderson provides a framework for payment of public liability claims for any accident at a commercial nuclear powerplant. This law is vital to ensure that our taxpayers continue to receive the benefits
of nuclear energy and allows the industry to consider the construction of new plants.

The Price-Anderson amendment, as it is structured—the one that is pending—takes care of and provides coverage for new plants. Some have wanted to cover the past but not the future. I am very pleased, and am certain that those who think there is a new day for the production of energy in the United States ahead, and that it might be nuclear power, are strongly supportive and delighted that this amendment is the broad amendment that also covers the future, not just the past.

Most bills pending before the Senate incorporate renewal of Price-Anderson. As I indicated, I have introduced a bill, S. 472, which contained renewal provisions. I was very pleased that 18 co-sponsors joined me in that bill. Earlier bills nuclear senators BINGMAN and Senator MUKKOWSKI had also incorporated renewal.

This renewal amendment should enjoy strong bipartisan support in the Senate. I am very pleased that it will receive that support because the idea and of itself sends a signal that was not around 10 or 15 years ago when we thought we had an abundance of energy and the supply was not a problem. There was a small cadre of those who did not think that we were involved in nuclear power. They prevailed. It would appear that we are moving in the direction of a neutral approach and that nuclear power will have to prove itself alongside all the other energy sources as being efficient and safe and the kind of power that we would truly like to have in our country, and it would be good for the world.

In addition to coverage of commercial nuclear plants, Price-Anderson enables companies to accept the challenges that are involved in the cleanup of past nuclear weapons activities without charging the Government for insurance for coverage of very large possibly highly unlikely, claims. It assures the availability of funds to provide prompt compensation to any member of the public who is harmed by nuclear activities. Without renewal, no new nuclear powerplants would be covered and progress on the cleanup of weapons activities could indeed be seriously jeopardized.

That will not be the case once we have reported out a bill. Hopefully, before this year ends, the Senate and the House will find a way to do that.

Since taxpayer funds are not used to pay claims resulting from a nuclear incident, there is no “subsidy” to industry, as some claim. Over the last 43 years, nuclear power has been protected under the insurance pools, even the Federal Government, have paid claims totaling $180 million. Price-Anderson, with its risk-pooling among all nuclear companies, provides a far greater measure of certainty to the public for any liabilities that any one company could provide.

Again, I appreciate Senator BINGMAN’s work on the basic bill, the underlying bill, as it pertains to nuclear power and various activities that will bring it into the future and line itself up along with other major energy sources not only for America but for the world.

One area involves the appropriate treatment for nonprofit contractors. We have agreed that these contractors should have some degree of liability, but we have carefully limited their liability to the fee they are receiving at the time of any penalty. Without such a limitation, the contractors would have to under-take a contracting role with the Department, but they would have to charge excessive fees to the Government and, obviously, would not be awarded any kind of work.

There is a second provision for the treatment of modular reactors. When Price-Anderson was first drafted, it was assumed that all commercial reactors would be very large, maybe 1,000 megawatts or even more. But lately, there is great interest in very small powerplants that might utilize modular construction and deliver much less power, perhaps only 100 megawatts per module.

These small plants have some very interesting features, of which the most important is the ability to make them absolutely safe against meltdown incidents. Yes, that is a reality. That is what those who are inventing and putting together these new modular construction powerplants, with new technology, will be able to do. They will not, by their own physics, be able to have a meltdown.

I appreciate that this version of an extended Price-Anderson law provides equitable treatment for modular reactors to ensure that the act becomes viable in the future and is not a disincentive to considering new technology of the kind that is exciting many people.

The renewal of Price-Anderson is one of the key actions needed to ensure that nuclear energy continues to provide clean, safe power for our Nation. Again, I am grateful for the leadership shown by the chairman of the committee. I am hoping that before this year is out, we will come out of conference with a Price-Anderson that is intact and that contains the language that is before the Senate today. We will have done something worthwhile.

For those who wonder if anything is happening on this energy bill that is good and healthy and salutary and futuristic, I hope they will join us in saying that we did one thing, and it became less and less controversial, that is to extend the underpinnings in terms of liability coverage, the underpinnings of nuclear power for today and nuclear power for the future. I yield the floor and thank the Chair for recognition.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. VOINOVICH. Mr. President, I ask unanimous consent that Senator LIN-
to prove fault, requires waivers of other significant defenses, makes prompt settlements possible, and if litigation is needed, establishes the legal management process to assure fairness and equity and distribution of damages.

That lays it out in a nutshell in terms of why it is that we need to reauthorize Price-Anderson.

It is my understanding the Senator from New Mexico will be introducing another amendment. For the Members of the Senate, those who still would like to speak on Price-Anderson will be able to continue to do that, as well as those who will be supporting Senator BINGAMAN’s amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, just a couple of other words about the Price-Anderson amendment: First, I thank my colleague from New Mexico for his kind words about provisions that are included in this bill. He has authored many of those provisions, particularly the ones related to nuclear power, and he has been a tireless advocate for peaceful use of nuclear power in this country for many years. We are all aware of that.

We have included in the bill those provisions he suggested which clearly do contemplate and envision continued contributions by the nuclear power industry to our energy needs. That is certainly my purpose and, I know, the purpose of Senator VOINOVICH as well. We were talking in one of the asides about the fact that the Price-Anderson Act was originally proposed by Representative Price from Illinois, Mel Price, and also by Senator Clinton Anderson from New Mexico. It has served the country well for 45 years, as we have indicated before. We think it is important that it continue to do so.

Mr. President, I ask unanimous consent to have the amendment be set aside and be in order for me to send another amendment to the desk for consideration.

The PRESIDING OFFICER. Is there objection?

Mr. INHOFE. Reserving the right to object, I would like to ask the Senator from New Mexico, could I have maybe 2 minutes to say something about Price-Anderson? I am anxious to get to the next amendment.

Mr. BINGAMAN. I withdraw my request. Mr. President.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, we have been talking about a complete energy policy for America. This is a bipartisan effort. I tried to get the Reagan administration to do it, then the Bush administration, the Clinton administration. None of them had done it. Now we have an opportunity to do it. An essential part of that is going to be nuclear energy. Maybe it has been said before, but I put it into the Record that after going through this long arduous thing on ambient air and the problems of other forms of energy, each year the U.S. nuclear powerplants prevent 5.1 million tons of sulphur dioxide, 2.4 million tons of nitrogen oxide, and 164 million metric tons of carbon from entering the earth’s surface.

Consequently, there are many people who were concerned against nuclear energy just 20 years ago who now realize this is an abundant and safe and cheap form of energy. That is necessary in order to do that to have the Price-Anderson Act reauthorized.

I yield the floor.

AMENDMENT NO. 297 TO AMENDMENT NO. 297
Mr. BINGAMAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside. The clerk will report.

The bill clerk reads as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself, Mr. BAUCUS, Mr. BOND, Mr. BRADY, Mr. CAMPBELL, Mr. NADLER, Mr. DORGAN, Mr. INHOFE, Ms. LANDRIEU, Mrs. MILLS, LINCOLN, and Mr. THOMAS, proposes an amendment numbered 286 to amendment No. 297.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment as follows:

(Purpose: To study whether there is a need to regulate hydraulic fracturing)

At the end of title VI, add the following new section:

SEC. 610. HYDRAULIC FRACTURING.

‘‘Section 1421 of the Safe Drinking Water Act (42 U.S.C. Sec. 300h) is amended by adding at the end of the following:

(A) HYDRAULIC FRACTURING FOR OIL AND GAS PRODUCTION.

(i) STUDY OF THE EFFECTS OF HYDRAULIC FRACTURING.

(A) IN GENERAL.—As soon as practicable, but in no event later than 24 months after the date of enactment of this subsection, the Administrator shall complete a study of the known and potential effects on underground drinking water sources of hydraulic fracturing, including the effects of hydraulic fracturing on drinking water sources on a nationwide basis, and within specific regions, States, or portions of States.

(B) CONSULTATION.—In planning and conducting the study, the Administrator shall consult with the Secretary of the Interior, the Secretary of Energy, the Ground Water Protection Council, affected States, and, as appropriate, representatives of environmental, industry, academic, scientific, public health, and other relevant organizations. Such study may be accomplished in connection with other ongoing studies related to the effects of oil and gas production on groundwater resources.

(C) STUDY ELEMENTS.—The study conducted under subparagraph (A) shall, at a minimum, examine and make findings as to whether:

(i) such hydraulic fracturing has endangered or will endanger (as defined under subsection (d)(2)) underground drinking water sources, including those sources within specific regions, states or portions of States;

(ii) there are specific methods, practices, or hydrogeologic circumstances in which hydraulic fracturing may, or may not, endanger underground drinking water sources; and

(ii) such hydraulic fracturing has endangered or will endanger (as defined under subsection (d)(2)) underground drinking water sources, including those sources within specific regions, states or portions of States;

(iii) there are precautionary actions that may reduce or eliminate any such endangerment.

(D) STUDY OF HYDRAULIC FRACTURING IN A PARTICULAR TYPE OF GEOLOGIC FORMATION.—The Administrator may also complete a separate study on the known and potential effects on underground drinking water sources of hydraulic fracturing in a particular type of geologic formation.

(i) If such a study is undertaken, the Administrator shall follow the procedures for study preparation and independent scientific review set forth in subparagraphs (1)(B) and (C) of this subsection. The Administrator may complete this separate study prior to the completion of any study of hydraulic fracturing required pursuant to subparagraph (A) of this subsection.

(ii) At the conclusion of independent scientific review for any separate study, the Administrator shall determine, pursuant to paragraph (3), whether regulation of hydraulic fracturing in the particular type of geologic formation addressed in the separate study is necessary under this part to ensure that underground sources of drinking water will not be endangered on a nationwide basis, or within a specific region, State or portions of a State. Subparagraph (4) of this subsection shall apply to any such determination by the Administrator.

(iii) If the Administrator completes a separate study, the Administrator may use the information gathered in the course of such a study in undertaking, or to the extent appropriate. The broader study need not include a reexamination of the conclusions reached by the Administrator in any separate study.

(E) IN GENERAL.—Prior to the time the study under paragraph (1) is completed, the Administrator shall enter into an appropriate agreement with the National Academy of Sciences to have the Academy review the conclusions of the study.

(F) REPORT.—Not later than 11 months after entering into an appropriate agreement with the Administrator, the National Academy of Sciences shall report to the Administrator, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Environment and Public Works of the Senate, or their designees, a report on the findings of the study, including:

(i) findings related to the study conducted by the Administrator under paragraph (1);

(ii) the scientific and technical basis for such findings;

(iii) recommendations, if any, for modifying the findings of the study.

(G) REGULATORY DETERMINATIONS.

(A) IN GENERAL.—Not later than 6 months after receiving the National Academy of Sciences report under paragraph (2), the Administrator shall determine, after informal public hearings and public notice and opportunity for comment, and based on information developed or accumulated in connection with the study required under paragraph (1) and examination of the National Academy of Sciences report under paragraph (2), either:

(i) that regulation of hydraulic fracturing under this part is necessary to determine that underground sources of drinking water will not be endangered on a nationwide basis, or within a specific region, State or portions of a State; or

(ii) that regulation described under clause (1) is unnecessary.

(B) PUBLICATION OF DETERMINATION.—The Administrator shall publish a determination of the facts in the Federal Register, accompanied by an explanation and the reasons for it.

(C) PROCLAMATION OF REGULATIONS.—If the Administrator determines under paragraph (3) that regulation by hydraulic fracturing
under this part is necessary to ensure that hydraulic fracturing does not endanger underground drinking water sources on a nationwide basis, or within a specific region, State or group of States, the Administrator shall, within 6 months after the issuance of that determination, and after public notice and opportunity for comment, promulgate regulations under section 1422 of Title 42 U.S.C. 300h to ensure that hydraulic fracturing will not endanger such underground sources of drinking water. However, for purposes of the Administrator’s approval or disapproval under section 1422 of any State underground injection control program for regulating hydraulic fracturing, a State at any time may make the alternative demonstration provided for in section 1425 of this title.

“(B) REGULATION UNNECESSARY.—The Administrator shall not regulate or require States to regulate hydraulic fracturing under this part unless the Administrator determines under paragraph (3) that such regulation is necessary. This provision shall not apply to any State which has a program for the regulation of hydraulic fracturing that was approved by the Administrator under this part prior to the effective date of this subsection.

“(C) EXISTING REGULATIONS.—A determination by the Administrator under paragraph (3) that such regulation is unnecessary shall be subject to judicial review.

“(D) REGULATION NECESSARY.—The Administrator shall not regulate hydraulic fracturing unless the Administrator determines under paragraph (3) that such regulation is necessary. This provision shall not apply to any State which has a program for the regulation of hydraulic fracturing that was approved by the Administrator under this part prior to the effective date of this subsection.

“(E) DEFINITION OF HYDRAULIC FRACTURING.—For purposes of this subsection, the term ‘hydraulic fracturing’ means the process of creating a fracture in a reservoir rock, and injecting fluids and propping agents, for the purposes of reservoir stimulation related to oil or gas production activities.

“(F) SAVINGS.—Nothing in this subsection shall in any way limit the authorities of the Administrator under section 1431 (42 U.S.C. 3001).

Mr. BINGAMAN. Mr. President, this is a bipartisan amendment offered by myself, Senator INHOFE from Oklahoma, and by various other of our colleagues—Senators Baucus, Bond, Breaux, Campbell, Conrad, Dorgan, Landrieu, Lugar, and Thomas. I thank my colleagues.

The proposed amendment concerns hydraulic fracturing. That is a valuable tool in reducing our dependence on foreign energy supplies. It is one that the oil and gas industry uses on a very regular basis. It is necessary if we are to develop the majority of our onshore natural gas wells. Hydraulically fractured wells produce about 10 trillion cubic feet of natural gas annually. Through the use of high pressure, hydraulic fracturing creates pathways for gas to flow to the well.

The amendment I have sent to the desk and have offered sets up a study process to determine whether high fracturing should be regulated by the Federal Government under the Safe Drinking Water Act. Let me give the context for this proposed amendment.

States already have the authority to regulate hydraulic fracturing. They do that through measures such as requiring oil and natural gas wells to be tested to show that those wells cross through aquifers. The State regulatory programs have been effective to date. And although there have been over a million hydraulic fracturing jobs conducted in the last 5 years, there have been zero confirmed instances of hydraulic fracturing contaminating drinking water. There is not one time that contamination has been established.

Where no one has been able to confirm any harm from hydraulic fracturing, it is sensible to study whether there is a real problem before we rush forward to impose additional Federal regulation, particularly that the amendment I have sent to the desk would do.

The Environmental Protection Agency must first study whether hydraulic fracturing has any effects on underground sources of drinking water. After that, the National Academy of Sciences, as an independent scientific body, would review EPA’s study. Then based upon all the evidence, EPA must determine whether in addition to State regulation, Federal regulation of hydraulic fracturing under the Safe Drinking Water Act is necessary to protect underground sources of drinking water.

While the study is being prepared, States would fully retain their existing programs and EPA would fully retain its emergency powers to prevent any contamination of drinking water that would immediately threaten public health.

The proposed amendment’s reliance on existing State programs while a study is prepared has received extensive bipartisan support. It has received support that both in the Senate but also in the executive branch. During both the previous administration, the Clinton administration, and the current administration, the EPA has maintained that Federal regulation of hydraulic fracturing is not required.

In fact, the previous administration’s EPA argued in Federal court—I quote from one of their briefs—that hydraulic fracturing does not be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be—be-
Mr. INHOFE. Mr. President, first of all, I thank my colleague from New Mexico. I am happy to join him in proposing this amendment. I think it is very important for a number of reasons. I just came from the Senate Armed Services Committee, where we had all four of the chiefs of the services. We were talking about this war that we are prosecuting right now. We were talking about the Nation’s security.

I can remember all the way back in the 1980s, when then-Secretary of the Interior Don Hodel and I went around the country and talked about the fact that an energy policy is something that is important to our Nation’s security. It is a national security issue, not an energy issue. Consequently—and I said this a minute ago—this has not been a partisan thing. We tried to get President Reagan to come up with an energy policy. He would not do it. I thought George “the first,” coming from the oil fields, would have one, but he didn’t do it either. The last administration didn’t do it.

A national energy policy is really necessary for national security reasons. Right now, we are dependent upon imported oil for 57 percent of our energy supply—something that is not acceptable, particularly right now in a time of war.

Where does this issue of hydraulic fracturing come in? I am from Oklahoma, and I understand we have tremendous reserve down there in terms of marginal production. I started many years ago—probably before many fellow Members were born—in the oil fields in cable tool rigs—something they used before rotaries—the pounding method. I realized at that time how much this meant to the country and how much our shallow production meant.

When we talk about energy policy, we talk about war, as we did in the last amendment, and we talk about ANWR—and it is necessary to get into some of the deep stuff.

In terms of marginal production—wells that have 15 barrels a day, or less, and a comparable amount for gas wells—this has a tremendous prospect to be an important ingredient in a national energy policy. If we had all of the gas wells that have been plugged in the last 10 years, or oil wells that have been plugged in the last 10 years, or oil or gas wells, producing 15 barrels or less—it would equal more than what we are currently importing from Saudi Arabia. So if it is necessary to have these wells.

How does hydraulic fracturing fit into this equation? This system has been used—I remember using it myself—since the 1940s. In the 1940s, we had a system of injection in order to get maximum production in both oil and gas wells. Not one time in that period of time—after creating a million wells have used this process—has there been any kind of damage to the environment. In the last 15 years, there have been over 100,000 wells using this, with no damage to the environment.

As the Senator from New Mexico points out, this is not a partisan thing. The Clinton administration supported this, the Bush administration supports this, and Carol Browner supported this. We have been talking about this for a number of years. A number of the subcommittees of the Environment and Public Works Committee. This is necessary to have, and it does no harm to the environment.

I am honored to join my colleague, Senator BINGAMAN, in supporting this amendment and in saying this is a necessary part of the national energy policy.

I ask unanimous consent that a letter from Carl Smith Assistant Secretary, Office of Fossil Energy, of the Department of Energy be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:


Hon. JEFF BINGAMAN,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman:

The Energy Policy Act of 2001 includes a ban on hydraulic fracturing in the Potomac Estuary. Although this was included by the House, the Senate approved a provision prohibiting hydraulic fracturing in the Potomac Estuary. A recent report to Congress by the Office of Fossil Energy, led the Office of Fossil Energy to ask the National Energy Technology Laboratory's Strategic Center for Natural Gas to conduct a study on “Quantifying the Impact of Hydraulic Fracturing in Meeting U.S. Natural Gas Supply Requirements.” The number and types of stimulation treatments (hydraulic fracturing) will be identified, treatment costs will be identified, and natural gas production and price relationships will be reviewed and projected. Results of this study will be available in May of this year but I anticipate that some useful information regarding the important role of hydraulic fracturing will be available over the next few weeks. I will provide that information to you as it becomes available.

I welcome the opportunity to bring this very important matter to your attention. If you need more information or have any questions please contact Peter Lagiovane of my office. He can be reached at 202-512-8116 or via email at, peter.lagiovane@hq.doe.gov.

Sincerely,

CARL MICHAEL SMITH,
Office of Fossil Energy.

Mr. INHOFE. I welcome the opportunity to bring this very important matter to your attention. If you need more information or have any questions please contact Peter Lagiovane of my office. He can be reached at 202-512-8116 or via email at, peter.lagiovane@hq.doe.gov.

Mr. JEFFORDS. Mr. President, I wish to express my opposition and deep concern to the amendment being offered from my good friend from New Mexico, Senator BINGAMAN.

This amendment would prohibit the Environmental Protection Agency from regulating hydraulic fracturing, an oil and gas operation which the U.S. Court of Appeals for the 11th Circuit has held should be regulated under the Safe Drinking Water Act. The administration supported the Senate’s restriction on the use of hydraulic fracturing, led the Office of Fossil Energy to ask the National Energy Technology Laboratory’s Strategic Center for Natural Gas to conduct a study on “Quantifying the Impact of Hydraulic Fracturing in Meeting U.S. Natural Gas Supply Requirements.” The number and types of stimulation treatments (hydraulic fracturing) will be identified, treatment costs will be identified, and natural gas production and price relationships will be reviewed and projected. Results of this study will be available in May of this year but I anticipate that some useful information regarding the important role of hydraulic fracturing will be available over the next few weeks. I will provide that information to you as it becomes available.

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Sincerely,

CARL MICHAEL SMITH,
Office of Fossil Energy.

Mr. INHOFE. I welcome the opportunity to bring this very important matter to your attention. If you need more information or have any questions please contact Peter Lagiovane of my office. He can be reached at 202-512-8116 or via email at, peter.lagiovane@hq.doe.gov.

Sincerely,

CARL MICHAEL SMITH,
Office of Fossil Energy.
be free to regulate the activity and protect drinking water wells, unless during the interim the EPA found emergency circumstances. I do not believe the record provides ample support for a conclusion that little harm will occur or that the purpose of this study, and the EPA should not be barred from regulating hydraulic fracturing until the study is completed. Further, I do not believe the EPA should be the sole determiner of whether these activities should be regulated. That issue is properly within the realm of Congress to decide. Such a decision should be made after the benefit of full congressional review. That has not occurred here.

This is not a question of blocking oil and gas development. Oil and gas development has been proceeding briskly within the State of Alabama since the EPA instituted new regulations under the Safe Drinking Water Act for hydraulic fracturing operations, pursuant to the order of the court. Nobody has gone out of business. The industry simply objects to additional costs they are incurring, which appear to be relatively minor, and which are directed solely to helping protect the adequacy of the public’s drinking water supplies. This matter is squarely within the jurisdiction of the Committee on Environment and Public Works, and as chairman, I must object to inclusion of this amendment within the energy bill, without the matter being properly examined and dealt with within the committee.

For the above reasons, I oppose the amendment.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I ask unanimous consent that the time until 2 p.m. today be for debate with respect to the following amendments: the pending Voinovich amendment No. 2963, and a Bingaman or designee amendment concerning hydraulic fracturing to be offered; with the time to be equitably divided and controlled with respect to these amendments; that there be no second-degree amendments in order prior to a vote in relation to these amendments; that the votes with respect to these amendments occur in the order offered; and that if an amendment is not disposed of, the Senate continue the vote sequence which was not disposed of.

Before asking that the request be agreed to, I yield to my friend from New Mexico for sending a modification to the desk.

AMENDMENT NO. 2963, AS MODIFIED

Mr. BINGAMAN. Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The amendment is so modified.

The amendment (No. 2963), as modified, is as follows:

At the end of title VI, add the following new section:

SEC. 610. HYDRAULIC FRACTURING.

‘‘Sec. 610. Study of hydraulic fracturing (42 U.S.C. Sec. 300i).—

‘‘(1) STUDY OF THE EFFECTS OF HYDRAULIC FRACTURING.—

(A) IN GENERAL.—As soon as practicable, but in no event later than 24 months after the date of enactment of this subsection, the Administrator shall complete a study of the known and potential effects on underground drinking water sources of hydraulic fracturing, including the effects of hydraulic fracturing on underground drinking water sources on a nationwide basis, and within specific regions, States, or portions of States.

(B) CONSULTATION.—In planning and conducting the study, the Administrator shall consult with the Secretary of the Interior, the Secretary of Energy, the Ground Water Protection Council, and, as appropriate, representatives of environmental, industry, academic, scientific, public health, and other relevant organizations.

Such study may be accomplished in conjunction with other ongoing studies related to the effects of oil and gas production on groundwater resources.

(C) STUDY CONDUCTED.—The study conducted under subparagraph (A) shall, at a minimum, examine and make findings as to whether:

(i) hydraulic fracturing has endangered or will endanger (as defined under subsection (d)(2)) underground drinking water sources, including those sources within specific regions, States, or portions of States;

(ii) there are specific methods, practices, or hydrogeologic circumstances in which hydraulic fracturing has endangered or will endanger underground drinking water sources, and

(iii) there are any precautionary actions that may reduce or eliminate any such endangerment.

(D) STUDY OF HYDRAULIC FRACTURING IN A PARTICULAR TYPE OF GEOLOGIC FORMATION.—The Administrator may also complete a separate study on the known and potential effects on underground drinking water sources of hydraulic fracturing in a particular type of geologic formation.

(i) If such a study is undertaken, the Administrator shall follow the procedures for study preparation and independent scientific review and approval under sections (B) and (C) of this subsection. The Administrator may complete this separate study prior to the completion of the broader study on hydraulic fracturing that is pursuant to subparagraph (A) of this subsection.

(ii) At the conclusion of independent scientific review for any separate study, the Administrator shall determine, pursuant to paragraph (3), whether regulation of hydraulic fracturing in the particular type of geologic formation addressed in the separate study is necessary to ensure that underground sources of drinking water will not be endangered on a nationwide basis, or within a specific region, State or portion thereof, and that such regulation by hydraulic fracturing, if any, will not include a reexamination of the conclusions reached by the Administrator in any separate study.

‘‘(2) IN GENERAL—Prior to the time the study under paragraph (1) is completed, the Administrator shall enter into an appropriate agreement with the National Academy of Sciences to have the Academy review the conclusions of the study.

‘‘(3) REGULATION NECESSARY.—The Administrator shall determine, pursuant to paragraph (1), whether regulation of hydraulic fracturing is necessary.

(A) IN GENERAL.—The Administrator shall determine, pursuant to paragraph (1), whether regulation of hydraulic fracturing is necessary.

(i) If the Administrator determines that regulation is unnecessary, the Administrator shall enter into an appropriate agreement with the National Academy of Sciences to have the Academy review the conclusions of the study.

(ii) If the Administrator determines that regulation is necessary, the Administrator shall promulgate regulations under section 1421 (42 U.S.C. 300h) to ensure that hydraulic fracturing will not endanger such underground sources of drinking water. However, for purposes of the Administrator’s approval or disapproval under section 1422 of any State underground injection control program for regulating hydraulic fracturing, a State at any time may make the alternative demonstration provided for in section 1425 of this title.

(B) IN GENERAL.—If the Administrator determines that regulation is necessary, the Administrator shall determine, pursuant to paragraph (3) that such regulation is necessary. This provision shall not apply to any State which has a program for the regulation of hydraulic fracturing that was approved by the Administrator under this paragraph prior to the effective date of this subsection.

‘‘(4) EXISTING REGULATIONS.—A determination made by the Administrator under paragraph (3) that regulation is unnecessary will relieve all States (including those with existing approved programs for the regulation of hydraulic fracturing) from any further obligation to regulate hydraulic fracturing as an underground injection under this part.

‘‘(5) REPORT.—Not later than 11 months after entering into an appropriate agreement with the Administrator, the National Academy of Sciences shall report to the Administrator.

‘‘(6) SAVINGS.—Nothing in this subsection shall limit the authority of the Administrator under section 1431 (42 U.S.C. 300o).}
SEC. 611. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Administrator of the Environmental Protection Agency $300,000 for fiscal year 2003, to remain available until expended, for a grant to the State of Alabama to assist in the implementation of its regulatory program under section 1425 of the Safe Drinking Water Act.

The PRESIDING OFFICER. Is there objection to the unanimous consent request?

Without objection, it is so ordered.

Mr. INHOFE, Mr. President, for Members, we have until 2 p.m. today to debate these two amendments. We have been told other people want to speak on Price-Anderson, and certainly others want to talk about hydraulic fracturing. We also have some people who have indicated to me and others that they wish to do so. This would be an appropriate time to do that.

The PRESIDING OFFICER. Who yields time?

Mr. INHOFE. I yield the Senator from Alabama 5 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. INHOFE. Mr. President, I thank the Chair and I thank Senator BINGAMAN for their leadership particularly thank Senator INHOFE and Senator BINGAMAN for their leadership in moving forward on the hydraulic fracturing issue.

The purpose of this bill is to help us produce more energy, and cleaner energy, to meet our energy needs more at home from our domestic sources, but also to do it in a cleaner way. There are a lot of things we can do to make that happen.

One significant and important event is to deal with the hydraulic fracturing issue. I believe we can make some progress. This is a process that is used for the production of coalbed methane. They use high-pressure water, carbon dioxide and sand to create microscopic fractures in coal seams, and that releases the methane that is in that coal seam.

Of course, carbon dioxide is readily available in the atmosphere. It is not a pollutant, the sand is not a pollutant, and water is not a pollutant. They have never believed that this process in any way was a polluting enterprise.

Most States in which hydraulic fracturing is used—including my State of Alabama—have implemented regulations to ensure that hydraulic fracturing continues to be used in a safe manner. This technique has been used safely by coalbed methane oil and gas producers for over 15 years, and there has never been a single event of contamination to underground drinking sources.

The history of this issue is kind of simple. Currently, EPA has directed the state of Alabama to regulate hydraulic fracturing under the Safe Drinking Water Act. Neither EPA nor Congress ever intended to be regulating this process. However, in 1995 a lawsuit was filed against EPA.

This was Carol Browner’s EPA, which was very aggressive in regulating anything that needed to be regulated. They claimed that the hydraulic fracturing in Alabama should be regulated under an obscure but a significant rule called the Underground Injection Control Program that was established by the Safe Drinking Water Act.

The Underground Injection Control Program was designed to regulate the disposal of hazardous waste underground, but fluids and sand used in hydraulic fracturing certainly are not hazardous waste. They argued that the law was filed and the EPA defended it. They said we should not be regulating this. They defended it in court: It did not fit within the purposes of the UIC Program, and that the State of Alabama already sufficiently regulated the process, and the procedure itself posed little risk to underground drinking water sources or to the environment.

In 1997, the Eleventh Circuit Court of Appeals, in analyzing the statute written by Congress, found that the language in the statute, whether Congress intended to cover it or not, reading the plain wording, covered injection of carbon dioxide and sand in the ground and it is covered by the Safe Drinking Water Act. We have been trying to do something about this situation for quite some time. It has been a burdensome process.

Congress has come up with a number of ideas. The EPA pretty well indicated that the language in the statute, whether Congress intended it or not, reading the plain wording, covered injection of carbon dioxide and sand in the ground and it is covered by the Safe Drinking Water Act. We have been trying to do something about this situation for quite some time. It has been a burdensome process.

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This is a big impact on my State. We are the second-largest producer of coalbed methane in the United States. It is a process that started in Alabama. The technology was developed in Alabama. I guess that is why they picked on our State to file the lawsuit. As a result, this has had a significant adverse impact on the State of Alabama.

We have had 300 new hydraulic fracturing proposals submitted since the lawsuit.

The PRESIDING OFFICER (Mr. CLELAND). The Senator’s time has expired.

Mr. SESSIONS. I ask I be allowed 2 additional minutes.

Mr. BINGAMAN. Mr. President, I yield another 5 minutes to the Senator. Mr. SESSIONS. Mr. President, I thank the Senator. That is very generous.

It has fallen particularly hard on the Alabama Department of Environmental Management whose budget is strapped at this time. Their financial problems have made a lot of news, and, I believe, of national importance. I believe it is appropriate that Alabama, which is the State most adversely impacted at this time within the Eleventh Circuit where the court ruling applies, be given some compensation toward the cost of administering and reviewing these 300-plus proposals.

I am pleased we were able to work out an agreement. The $100 million will be authorized for that purpose. I am pleased Senator BINGAMAN and Senator INHOFE, as I understand it, have agreed that if this continues to be a problem or if there is sound evidence that additional moneys are required to do this more than the $100 million be approved—they will consider that in conference as we move forward with the bill.

Methane is one of the cleanest of all burning fuels. Methane produces good energy and, at the same time, it is very clean energy. The fact that we can draw the cleanest of all burning fuels from land within the United States is a good thing that we should be promoting. This is the kind of energy production that should be promoted in the country. I am glad we are moving forward finally to get this settled so we can enhance the production of coalbed methane throughout the country. It will be a good step forward.

In conclusion, this is a new source. Every Btu of energy we take from gas, or from gasoline and oil, that we purchase from outside our country is a drain on the wealth of this country. It generates economic activity in the country from which we purchase it. It does not generate economic activity in the United States. It is a net transfer of American wealth. That is why I believe this is not just an oil industry issue, this is not a big business issue, this is not simply an environmental or non-environmental issue. I believe we need to increase energy production in America because it is a matter of economic importance. It generates jobs and wealth in our country, not in Venezuela and the kind of government that we have there, Saudi Arabia, or Iraq. It creates wealth in the United States. It keeps our dollars here. It generates jobs here.

To me, there is no more worthwhile energy production than one of the cleanest of all: Coalbed methane. I am pleased we are moving forward, even though it is going to take a little longer than I would like, to get this regulatory matter settled and to enhance this production. It will be good for America.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I thank the Chair. I thank Senator BINGAMAN. We have been working on this for a long time. For 4 years, we have actually had an amendment that would accomplish this. The approach we are taking now is the right approach because it is letting scientists decide, not people who come here hystericly there is going to be harm done to the environment. We can look at history, and, as we have said several
times before, of the over 1 million of the process that have taken place, there is not one bit of evidence of a problem to the environment.

I have a letter from the Ground Water Protection Council. It is a group of EPA throughout America. They are all concerned with hydraulic fracturing. In fact, the EPA determined, based on the study and the peer review by NAS, that federal regulation of hydraulic fracturing is necessary. The required National Academy of Sciences review of EPA's findings approves an independent verification of the study's results. When the study does come in, it does not necessarily mean EPA has to follow the results of this study, but they can and they may decide to do another study. At least we are letting the scientists make a decision as to who is right.

I cannot overemphasize, as the Senator from Alabama talked about, clean natural gas is made. That is not even debatable. It is in such plentiful supply. We need this. Eighty percent of the wells that are done have to use this technique in order to produce the natural gas that is necessary to fully utilize that source. So I think this is a very balanced approach, and it is certainly bipartisan. I applaud our Senator from New Mexico, along with others who have joined us in supporting this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. INHOFE. Mr. President, again, I think his proposed modification of our energy mix as to who is right.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama talked about, clean natural gas is made. That is not even debatable. It is in such plentiful supply. We need this. Eighty percent of the wells that are done have to use this technique in order to produce the natural gas that is necessary to fully utilize that source. So I think this is a very balanced approach, and it is certainly bipartisan. I applaud our Senator from New Mexico, along with others who have joined us in supporting this amendment.

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the North Atlantic Assembly in Scotland. Members of parliaments from throughout the North Atlantic nations attended. At that meeting, the Ambassador to the United Nations International Energy Agency appointed by President Clinton, John B. Ritch, III, stated that in his estimation electricity demands will double in the world by 2050 and the one technology capable of meeting a large baseload with negligible greenhouse emissions is nuclear power.

In the century ahead, mankind must place great reliance on harnessing the nuclear genie and using it to maximum effect, if our needs are to be met and our security preserved.

In fact, he went into some detail about the cost and the benefits of alternative sources of power. He concluded that they all have some benefit, but that none can even come close to meeting this huge surge in demand the world is going to be facing in the decades to come.

Nuclear energy is a clean source of energy. It is environmentally friendly. I am astounded that we have the debate that we have over whether or not nuclear power is something positive for the environment. It most certainly is. Nothing else can produce this kind of source of power with no air pollution from it.

We would never have air as clean as we have today if we dropped all our nuclear plants and started producing that energy with coal or oil. We could not come close to that. According to a study conducted by Energy Resources International, nuclear energy has prevented the release into the atmosphere of 219 million tons of sulfur dioxide, 98 million tons of nitrogen oxide, and 2 billion tons of carbon dioxide since 1973.

Annually, nuclear power prevents the release of 5.1 million tons of sulfur dioxide, 2.4 million tons of nitrogen oxide, and 33 million metric tons of carbon.

In Alabama, there are currently two nuclear powerplants: Browns Ferry and Farley. In 1999, these powerplants avoided the release of approximately 163,000 tons of sulfur dioxide emissions, 90,000 tons of nitrogen oxide emissions, and 6.8 million metric tons of carbon emissions.

The building blocks of ozone, that we know is not a good thing in our atmosphere, as we have created it in man-made quantities—an irritant to our lungs, a health risk to children and the elderly—are not emitted at all by nuclear powerplants. Ozone precursors are fossil fuel produced.

Implementing nuclear energy is the only way we can meet our projected energy demand while simultaneously reducing the release of sulfur dioxide and nitrous oxides. Furthermore, nuclear energy does not emit carbon dioxide, which is what people blame for global warming. That is a matter I think people cannot dispute.

It strikes me as hypocritical that those who complain most and express the most fear about global climate change are, in general—but not always—the same people who are against nuclear power. Many of these people, I believe, unfortunately, are not rational when it comes to these things. People are referred to them as “nuke kooks.” But, whatever, they are obsessed with blocking nuclear power.

A few years ago the American Society of Mechanical Engineers, a reputable professional organization composed of innovative individuals, engineers, who design solutions to meet our energy needs, issued a paper regarding climate change. In the paper, they made numerous statements regarding the importance of nuclear to our energy mix. They stated:

It is unlikely, however, that a worldwide, stable atmospheric carbon dioxide concentration—

That is, a stable amount of carbon dioxide in the air, can be reached without the use of nuclear, renewable, and biomass energy for electric power generation.

Our legislation significantly promotes biomass and renewable energy. There is little in this bill to really increase nuclear power.

I continue to keep an open mind and I assume that the historical trend continues in which electricity consumption follows economic growth. It becomes essential that the U.S. environmental policies include retention of existing power generation capacity. Indeed, these policies should include development and implementation of additional nuclear power reactors to meet a growing demand for electricity. . . .

Looking at this matter objectively, just at the overall picture of our energy demands, it is clear to me that nuclear energy is the only viable solution to meeting both our energy demands and our environmental objectives. It will produce power required to meet our energy needs in a safe and environmentally friendly way.

People say: It is risky. It is dangerous. The people who live near the nuclear reactors in Alabama, with whom I meet and talk are very strong supporters of nuclear power. The overwhelming majority of Americans favor nuclear power. They favor the expansion of nuclear power.

But let’s talk about the safety record.

The nuclear energy sector has, in any way you look at it, a stellar safety record. We have not lost one life in this country—ever—as a result of a nuclear power accident in the history of this country. How many people have we lost in accidents with trucks and trains carrying coal, or with pipelines carrying natural gas, or in coal mines, or in other ways where lives are lost in the production of other unclean sources of energy, the kind of sources of energy that produce NOx and SOx and the kind of adverse exposures to health that come from fossil fuels? So we have those kinds of unhealthy accidents, too, in addition to just the safety factor in producing the energy.

The main reason the nuclear industry is so safe is that it is overseen—originally by the Atomic Energy Commission and now the Nuclear Regulatory Commission. An independent member of the Environmental and Public Works Committee at the time, we had a number of hearings about the oversight by NRC. They are meticulously reviewing and influencing nuclear plants all over America. They do that on a constant basis. They are exceeding other countries in the cost of their supervision and in the minutiae of it. But we have not had any accidents.

We had the problem at Three Mile Island. A major sea change has occurred since then. A recent study has shown that no one suffered injury from the Three Mile Island accident, even though, if you asked Americans, they would probably think people were injured from it. But a scientific study has indicated there were no injuries, whatsoever, as a result of that accident.

But since then, we have learned and we have stepped up, even to a much higher degree, our supervision by the Nuclear Regulatory Commission of nuclear plants. I do not believe we will see that ever happen again. I believe we would react so much better, if anything, were to begin to happen like that, that we would not see that kind of event occur again.

We are also looking at new and special ways to produce nuclear power, new kinds of reactors where it would be impossible to have a nuclear reactor explosion or break.

Last June, at the Economic Club of Chicago, in a major address, Alan Greenspan, Chairman of the Federal Reserve Board—the architect, I suppose, of our economy—talking about what America needed to do, made this statement:

“Glutting the steps that have been taken over the years to make nuclear energy safer, and the obvious environmental advantages it has in terms of reducing emissions, the time has come for us to consider whether or not we can overcome the impediments to tapping its potential more fully.

Doesn’t he always have a nice way of saying those things?

I think it is time for us to consider the impediments to the expansion of nuclear energy. I agree with him, especially in light of our goal of cleaning up our air.

Every year, the Federal Government provides tax credits and financial incentives for solar cells and wind turbines and biomass sources. I supported many of those. We are not providing anything here for nuclear energy. I think we need to consider that.

Many people have objected, saying, you have no place to put nuclear waste, and this is, somehow, the Achilles’ heel of nuclear power. They act as if the amount of nuclear waste would cover the State of Rhode Island! I suppose, and that nuclear waste is so hazardous, if you move it on a rail or truck, it could blow up and kill us all.
The truth is, if a truck loaded with nuclear waste were to roll over or a train were to roll over, as Senator Murkowski says, it does not blow up, it does not flow off into the air; you just pick it back up, put it on the track, and send it off.

We can move nuclear waste. There is no danger in that. It is an irrational thing that we have created this idea that somehow it is greatly disastrous and risky to move nuclear waste to an acceptable site to store it.

I applaud the work of the Secretary of Energy, Spence Abraham, a former Member of this body, and President Bush who are moving forward with a decision. Yucca Mountain to store this waste. It is the culmination of decades of scientific study, consultation with science and environmental advisors, and meetings with leaders and citizens in Nevada. Finding a safe and central repository is a burden of the past passed years ago, and it is also necessary for America's homeland security. For example, 40 percent of our Navy's fleet is powered by nuclear power. The lack of a repository drives up the cost of nuclear power, rendering this clean power generation less economical than it would be and less competitive.

Certainly one of the main reasons we are not building new plants today is because of the waste problem. Of course those who oppose nuclear energy, I strongly believe—and a fair person would agree—have used this as a tool to attack nuclear power and not allow us to proceed in a rational way.

Nuclear materials are now stored in 131 above-ground facilities in 39 States in America; 161 million Americans live within 75 miles of these sites. One central site in the Nevada desert, where we exploded our bombs on the surface when we were first learning how to make nuclear bombs, provides much more protection for America, much more security, and is much cheaper than keeping all these other sites that have been ongoing.

Nobody has ever been injured from the 131 sites we now have. They are going to bury it in the ground, spending billions of dollars paid for by the nuclear energy companies, part of the rates they charge, to fund this site. We need to use that. We have the ability to solve this problem, to move ahead with it. The only objection I can see, other than some of the people in Nevada that oppose it, is that it would relieve an objection—remove an objection that the antinuclear supporters have used to hide behind in their opposition to nuclear power.

This nuclear liability amendment we will be voting on this afternoon is critical to helping us maintain, not expand but maintain our current clean source of 20 percent of our electricity. We ought to pass that. We ought to open our eyes to the possibilities for the world for the expansion of nuclear power.

It has been said that the lifespan of human beings on this globe who have ready access to nuclear power electricity is twice that of countries where it is not readily available. Electricity is one of the great discoveries in the history of mankind. If you don't think so, what would it be like to have to cook by fire every day or wash your clothes by hand? It is an energy system that has done so much for the world.

We have large portions of this world—think about India, China, South America—few if ever at full capacity electricity—that could use much more electricity. How are we going to produce it? What will happen to our global warming theorists when they start using coal and other fossil fuels in huge numbers to meet their growing demands for power around the world? Do they think they are not going to expand their electricity? How could we ask them not to? How could we ask a poor country where people are dying at 40 and 45 years of age, with all the adverse consequences, not counting the quality of life, to not expand their energy? They are not going to be able to do it solely with solar and windmills and biomass. It is just not there; the numbers are not there.

Yes, we can do conservation. Yes, we can reduce our use. Yes, we could be more efficient. I visited an Alabama plant not long ago that makes refrigerators. That product they produce uses one-half the electricity of one of the same size 10 years ago, but you can't go much lower. It takes a certain amount of electricity to run a refrigerator. We have a limit on how much we can conserve.

In fact, many of our better and easier steps toward improving efficiency have already been found. We are using them. The new steps to make ourselves more energy efficient are out there. Many more can be done. But they will not make as big an impact as the ones we have already undertaken. That is the law of science.

It would be an error of colossal proportions for our environment, for safe energy, and for low-cost power, if we do not deal with the question of nuclear liability. I believe we will do that. I am confident we will pass it later on this afternoon.

We also need to, as a nation, shake off the misinformation about nuclear power. Look at it. Consider the fact that we lost not one life in America as a result of the production of nuclear power, that we have not lost any lives as a result of breathing pollutants, as we probably have, as we certainly have, from coal and other plants, as a result of breathing the air around nuclear plants.

This is a good environmental issue. It is a good energy issue. It has the potential to move us forward. We need to be thinking about the great potential to make the plants that are more modern and more efficient and even more safe than today. In fact, some can be designed that make it impossible to release radioactive material.

I know we will be voting later on this afternoon on this amendment. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Nelson of Florida). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. Reid. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Reid. Mr. President, I ask unanimous consent that the vote that is now scheduled for 2 o'clock today be rescheduled for 2:15 p.m. under the same conditions of the previous unanimous consent agreement, and the only change I request is between the first and second vote there be 2 minutes equally divided for those who wish to speak on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Reid. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. Sessions. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Sessions. Mr. President, I have some further comments specifically addressing the Price-Anderson insurance program for nuclear powerplants that we will be voting on a little later this afternoon, maybe around 2:15. Making some points about the details of it, 45 years ago the nuclear power industry said if they were going to go forward with this new source of power, they wanted to be able to develop an insurance program that would work and the best would assure communities in which they are building these plants they would be operated safely, and if something bad occurred that everybody would be compensated.

Those communities have been confident in that process ever since, but the act does expire and it is time for us to extend it. It would be a terrible mistake if we did not. It would cause quite a bit of heartburn.

I will share a few thoughts about how this insurance program works. I believe people would feel good about it and want to go forward with it. The average business in America does the things they do every day may have products on their premises that are somewhat dangerous. If a terrorist or somebody blows it up and it kills people, it is not their fault. They are not liable. They did not do anything wrong. They were not negligent. They were not irresponsible. They were not reckless, and they did business in a safe way.

Of course, the nuclear power industry operates precisely the way the Nuclear Regulatory Commission tells them to
operate, in a safe fashion. At any rate, they are doing what they can to comply with the law and the regulations, and they have had this insurance policy. Each plant has a $200 million policy for which they are personally responsible. If anything happens, they carry the $200 million policy. The entire industry has come together and pooled up to $9 billion of a policy, and this is sort of structured by the Price-Anderson Act, and it is all paid for by the nuclear power industry.

About something were to happen so badly above that, then the Federal Government would have liability to pay under Price-Anderson. That is what our American communities have had a right to expect. They were told that when the plants were built, and we need to continue that policy today. We certainly do not need to stop it. I believe the votes are there, and we will pass an extension of Price-Anderson. It would be a bad thing, cause unnecessary alarm, but it would be a violation of the fundamental promises of the Federal Government that we do that if we did not extend it, and also it could weaken the nuclear power industry, further containing any hope of expansion of nuclear power. It is 20 percent of our electric generating capacity that produces no pollution.

As I noted earlier, the U.S. nuclear power plants prevent 5.1 million tons of sulfur dioxide from being emitted into the atmosphere, 2.4 million tons of nitrogen oxide, NOx and 164 metric tons of carbon from entering the Earth's atmosphere. That is the kind of thing they do on a regular basis, producing power cleanly and safely for the benefit of humankind throughout this country.

For over 45 years, Price-Anderson has provided a guaranteed compensation to the public in the event a nuclear accident were to occur. It provided coverage for precautionary evacuations and out-of-pocket expenses, reducing delays that are inherent in any kind of lawsuit that would have been filed, maybe taking years. It guaranteed prompt payment by the insurance companies; no lawsuits. You are liable. You accept strict liability, which is not the law, as I noted, for other businesses, and it consolidated the matters in a single Federal court so promptness and efficiency and fairness can occur. That is a good policy. We ought not to end it now.

It is important for safe and clean power to be continued to be produced for America, and I believe we will have a strong vote in favor of it this afternoon. Thus, I note there is concern by people, but even in Three Mile Island the total amount expended was less than $200 million, compensating everybody and doing all the things necessary to test and examine and make sure the community was safe, $191 million. That would all be covered by that insurance company; no lawsuits. You are liable. You accept strict liability, which is not the law, as I noted, for other businesses, and it consolidated the matters in a single Federal court so promptness and efficiency and fairness can occur. That is a good policy. We ought not to end it now.

I offered an amendment. I talked about it this morning. Every environmental group in favor of my amendment. But we have a situation now where this amendment is being pushed forward. As I said in the presence of my friend, the junior Senator from New Mexico, I am disappointed he is supporting that amendment. I think it is wrong. I think we should follow the Friends of the Earth, Sierra Club, Environmental Defense Fund, the Union of Concerned Scientists, Defenders of Wildlife, USPIRG, Safe Energy Communications Council, Natural Resources Defense Council, National Environmental Policy Act Trust, Nuclear Information Resource Service, League of Conservation Voters, Taxpayers for Common Sense, Public Citizens for Critical Mass, and STAR. These are entities that are concerned about the environment and they say Price-Anderson is not good for the environment.

So I hope Members will look closely at what they are doing. There will be a few votes against this. There should be a lot more. I am very disappointed that we cannot slow this down.

This bill is important legislation for the country, and I recognize that. I think the work we did yesterday was so important, to allow a pipeline to come from Alaska. That would have 50 million tons of steel to construct the pipeline. It would be 2,100 miles of pipe creating 400,000 jobs. That is what we should be doing.

About 40 trillion cubic feet of natural gas can come down that pipeline. That is big. Of course, this is relatively new. It wasn’t many years ago that natural gas was just pumped out into the environment. It served no purpose. Now, of course, we use it to power many of our powerplants in America today.

As I said earlier, there is going to be a time in the next several months to talk in more detail about nuclear waste, but this is not the time or the place to do it. I look forward to a vote on my amendment to take care of the matter that Senator BINGMAN offered dealing with hydraulic fracturing, and also the amendment...
dealing with the Price-Anderson legislation. I hope the Price-Anderson legislation gets a significant number of votes against it.

Mr. INHOFE. Mr. President, I ask how much time remains on both sides.

The PRESIDING OFFICER. The Senator from Oklahoma, on his side of the aisle, has no time remaining.

Mr. REID. If the Senator from Oklahoma wishes time, how much time does he wish?

The PRESIDING OFFICER. The Senator from Nevada has 21 minutes remaining.

Mr. INHOFE. Five minutes?

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. INHOFE. Mr. President, I thank the Senator from Nevada for giving me some of his time, particularly since we are not in agreement with each other on one of the two votes that will be taking place.

I spent years of my life in the insurance business. I know the Chair knows a little bit about this business—he spent some time there, too. I think the Price-Anderson program as an insurance program is a good deal for the public. For over 45 years, Price-Anderson has been a real plus, a substantial private compensation to the public in the event of a nuclear accident. It has provided coverage for precautionary evacuations, out-of-pocket expenses, has reduced delays that are inherent in tort court cases, and has consolidated all cases into a single Federal court.

I think it is also important to recognize it has never cost the Government any money. This is not a Government program.

Going back to my third point, if we didn’t have something like this, then we would be dependent upon the tort system in this country. We are going to hear about the delays and the cost. This is one of the programs that has been successful for 45 years. When it gets down to some of the people who are opposing the program, they are actually opposed to nuclear energy.

I am old enough to remember back in the 1960s and 1970s, the hysteria that hit the streets when they were talking about nuclear energy and picketing and protesting. As the years went by, other problems came up with other forms of generation of energy.

We went through a long period of time during the Clinton administration with the EPA coming up with some ambient air targets that were not realistic. It created great problems. So we started talking about all the pollutants, emission problems, refineries—keeping in mind all during that discussion our refineries were at 100 percent capacity. Yet we were trying to add more and more problems to them with new source review and other programs, making it just a very expensive program.

During that time, a lot of the people who 20 years before had been picketing because they were opposed to nuclear energy, realized that nuclear energy is safe now, it is clean, and it is abundant.

The thing that I stress when we are talking about energy is we want all forms of energy—we want renewables, we want fossil fuels, we want the forms of energy because we do not want an energy crisis.

As far as nuclear energy is concerned, we are only dependent on that for 20 or 25 percent of our energy needs. France is 80 percent dependent. I think we will see in the future that percentage is going to have to go up until some of the renewables and other experimental systems come into play where we can depend on them for an abundance of energy. Until then, we are going to have to be using some of the energy sources that we know work and work today. Certainly this is one of them.

The Assistant Majority leader also mentioned we will have two votes starting at 2:15. The other is on hydraulic fracturing. I think it is important to talk about that in the same vein because there you are talking about natural gas. I am from Oklahoma. We know a little bit about natural gas. We know it is among the cleanest forms of energy out there. It is plentiful. It is expensive. But as far as being plentiful, one of the problems we are having is we have to be sure that we can maintain what we are doing right now in bringing natural gas out of the ground.

Right now, and for the next couple of years, we will be able to do that. However, because of the court decision that has already been discussed on the floor by a number of the Senators, we could be having a problem. The system, the procedure of hydraulic fracturing where you are forcing the natural gas or the oil out of the rock formations, is one that has been proven and has been used since the 1940s.

We are talking about 60 years we have been doing this. In 60 years and over 1 million wells where we have used this procedure, we have yet to have any environmental problem. So it kind of blows my mind there would be people, after 60 years of success, who would say there might be an environmental problem with it. There is no environmental problem with it.

The only problem right now is a court case for which we are going to have to go ahead and complete a study. It is important for all my colleagues to realize on this vote today all we are talking about is completing the study that is underway right now. The EPA does not have to follow the guidelines of that study. They can authorize another study. But this amendment is to at least let science step in and say: Since there has not been a problem before, here are the risks of a problem in the future. If there is a problem, we need to go ahead and eliminate that obstacle so we will be able to continue using that system.

Mr. President, 80 percent of the wells right now—and it is a higher percentage when you go to my State of Oklahoma because most of those are marginal wells, wells with 15 barrels a day or less—but 80 percent of them are going to have to use hydraulic fracturing. That system is necessary in order to come up with the natural gas we need.

Mr. REID. Mr. President, I started out my legal career as an attorney for insurance companies. I did lots of trial work representing insurers in automobile accidents, hospitals, and hotels. I have some knowledge of insurance. I have no question that Price-Anderson gives the nuclear generators a subsidy and an unfair advantage.

Having said that, I want to comment briefly on some of the things my friend from Alabama said. I am told, about nuclear power and the high-level nuclear waste repository that is being contemplated in Nevada.

First of all, the GAO said there are 292 scientific investigative reports for which the Department of Energy is waiting. It wasn’t time to go forward with that.

In addition to that, the Nuclear Waste Technical Review Board, led by the prominent American scientist, Jared Cohon, who was dean of the energy department at Yale and is now president of Carnegie Mellon, and his group have said that the science at Yucca Mountain is poor.

I think before we get into a long debate here on the floor, which we are going to do—I am told there will be another time to do that—Leader GHRADT issued a statement just 2 days ago decrying the Department of Energy’s action recently dealing with nuclear waste saying that, among other things, St. Louis passed a resolution saying nuclear waste should not be brought through their city. There are other things, and we will talk about those later.

I hope we can move forward generally on this legislation. This is a 3-year thing and we will have spent a whole week on this. I am not certain how much more time Senator DASCILLE can afford to stay on this. We have debt limits, campaign finance, and a lot of other things to deal with. I hope those who believe this bill needs a lot more work will move forward as quickly as possible and do what they think in the way of amendments will improve this legislation, of course recognizing that a conference committee will take place. I think we should do everything we can to move this legislation as quickly as possible.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. CARNAHAN). The clerk will call the roll. The legislative clerk proceeded to call the roll.

Mr. INHOFE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Madam President, I know our side is out of time. I would
like to ask if I could have a couple minutes.

Mr. REID. Madam President, does the Senator from North Dakota wish to speak prior to the vote at 2:15? Time is left from Oklahoma may have 3 minutes. Will that be adequate?

Mr. INHOFE. That is fine.

Madam President, I respectfully disagree with what the Senator from Nevada said about the subsidy. The Federal Government does not use taxpayer money to pay claims in the event of a nuclear accident. There has been no subsidy in the 43 years of Price-Anderson protection. The nuclear insurance pool is operated by the Federal Government. It has paid a total of, I believe, $191 million in claims. The Price-Anderson Act ensures that full compensation will be available in the event of a nuclear attack. In the absence of the law, members of the nuclear claims business would need to overcome substantial obstacles of tort law for recovery. As we all know, that is very expensive and very time consuming.

I think the key here is that no public funds have ever been paid out. For that reason, there is no way one can say this is a subsidized program.

The Federal Government provides insurance mechanisms for losses associated with agricultural disasters, floods, banks, savings and loans; to pay for home mortgages, Social Security, Medicare, crime, and maritime accidents. It is not unusual for the Federal Government to do it. But under the current law, the limitation on liability exists for oil spills, bankruptcy, and workers compensation, but not in the case of nuclear accident. While it is very common for the Federal Government to expend moneys to underwrite insurance to make it easier for businesses many times to compete with the insurance industry, in this case it isn’t true.

There is no subsidy involved.

I am sure my time has expired. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Mexico.

Mr. BINGAMAN. Madam President, I ask unanimous consent that the following Senators be added as cosponsors: Senators ENZI, MUKROS, SESSIONS, and NICOLIS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Madam President, I wish to add to the remarks of the Senator from New Mexico. This procedure is being used today. It has been used several times in the 1990s. Over 1000 wells have used hydraulic fracturing. There has never been any documented case of any environmental damage.

The PRESIDING OFFICER. The Senator’s time has expired. Who yields time in opposition?

Mr. MURkowski. May I take the remainder of the time? I simply want to advise Senators that, indeed, this matter has been cleared by both the minority and majority, and we concur in its adoption. It is the right thing to do.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2986, as modified.

Mr. THOMAS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

The PRESIDING OFFICER. Is there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 78, nays 21, as follows:

(Rollcall Vote No. 43 Leg.)

YEAS—78

Akaka
Allard
Bayh
Bennett
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carson
Carper
Chafer
Cochran
Collins
Craig
Crafo
Daschle
Dineen
Dodd
Domenici
Dorgan
Durbin
Edwards
Emi
Ensign
Fitzgerald
Flake
Franken
Greenspan
Griffith
Grunder
Harkin
Hatch
Hollings
Hollingsworth
Johnson
Kohl
Kyl
Landrieu
Levin
Lieberman
Lott
Logan
Lugar
McCain
McCullin
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Nickles
Robert
Santorum
Sarbanes
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warriner

NEDY) is necessarily absent.

Mr. INHOFE. Madam President, I ask unanimous consent that the following Senators be added as cosponsors: Senators ENZI, MUKROS, SESSIONS, and NICOLIS.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Madam President, I ask unanimous consent that the following Senators be added as cosponsors: Senators ENZI, MUKROS, SESSIONS, and NICOLIS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Madam President, I wish to add to the remarks of the Senator from New Mexico. This procedure is being used today. It has been used several times in the 1990s. Over 1000 wells have used hydraulic fracturing. There has never been any documented case of any environmental damage.

The PRESIDING OFFICER. The Senator’s time has expired. Who yields time in opposition?

Mr. MURkowski. May I take the remainder of the time? I simply want to advise Senators that, indeed, this matter has been cleared by both the minority and majority, and we concur in its adoption. It is the right thing to do.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2986, as modified.

Mr. THOMAS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

The PRESIDING OFFICER. Is there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 78, nays 21, as follows:

(Rollcall Vote No. 43 Leg.)

YEAS—78

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carson
Carper
Chafer
Cochran
Collins
Craig
Crafo
Daschle
Dineen
Dodd
Domenici
Dorgan
Durbin
Edwards
Emi
Ensign
Fitzgerald
Flake
Franken
Greenspan
Grunder
Harkin
Hatch
Hollings
Hollingsworth
Johnson
Kohl
Kyl
Landrieu
Levin
Lieberman
Lott
Logan
Lugar
McCain
McCullin
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Nickles
Robert
Santorum
Sarbanes
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warriner

NEDY) is necessarily absent.

Mr. INHOFE. Madam President, I ask unanimous consent that the following Senators be added as cosponsors: Senators ENZI, MUKROS, SESSIONS, and NICOLIS.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Madam President, I ask unanimous consent that the following Senators be added as cosponsors: Senators ENZI, MUKROS, SESSIONS, and NICOLIS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Madam President, I wish to add to the remarks of the Senator from New Mexico. This procedure is being used today. It has been used several times in the 1990s. Over 1000 wells have used hydraulic fracturing. There has never been any documented case of any environmental damage.

The PRESIDING OFFICER. The Senator’s time has expired. Who yields time in opposition?

Mr. MURkowski. May I take the remainder of the time? I simply want to advise Senators that, indeed, this matter has been cleared by both the minority and majority, and we concur in its adoption. It is the right thing to do.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2986, as modified.

Mr. THOMAS. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

The PRESIDING OFFICER. Is there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 78, nays 21, as follows:

(Rollcall Vote No. 43 Leg.)
The amendment (No. 2987) was agreed to.

Mr. BINGAMAN. Mr. President, I am informed Senator MCCAIN is ready to offer his amendment.

AMENDMENT NO. 2987

Mr. MCCAIN. Mr. President, I call up amendment No. 2979 which is at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk reads as follows:

The Senator from Idaho [Mr. BINGAMAN] proposes an amendment numbered 2987.

Mr. BINGAMAN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for multiple-year authorization for the fusion energy sciences program)

(a) Authority under this section and for activities under this section and for activities of the Fusion Energy Science Program:

(1) for fiscal year 2003, $335,000,000;

(2) for fiscal year 2004, $349,000,000;

(3) for fiscal year 2005, $362,000,000; and

(4) for fiscal year 2006, $377,000,000.

Mr. BINGAMAN. Mr. President, this amendment authorizes outyear funding levels for the Department of Energy Fusion Energy Sciences Program.

I appreciate Chairman BINGAMAN in incorporating provisions of my bill on fusion science research in the Daschle-Bingaman substitute bill. However, the Daschle-Bingaman substitute did not incorporate outyear funding authorizations for the Fusion Energy Sciences Program. This technical amendment authorizes funding for fiscal years 2003 through 2006.

While we grapple with short-term remedies to our energy problems, we need to stay focused on long-term investment in those areas which have the potential to help secure our energy future. I believe fusion energy has the potential.

I appreciate the support of the chairman on this issue. It is our understanding we might be able to voice vote this.

Mr. BINGAMAN. Mr. President, I support the amendment. I think this will improve the bill. I urge all Senators to support this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.
have occurred. Meanwhile, Congress has not acted to enact legislation which, in the view of many experts, possibly could have prevented these fatalities. That is a pretty onerous burden, it seems to me, that is placed on us as a failure to act timely but urgent.

I regret to report that just yesterday, there was a pipeline explosion near Jef- fersonville, KY. Thankfully, no fatalities have been reported, but I am informed it caused a fire so intense that it was picked up on a Federal Government satellite, namely, the 圆盘 out we are proposing today is not only timely but urgent.

As I mentioned, the Senate has worked to improve pipeline safety and reduce the risk of future accidents. During the last Congress, with the assistance of a bipartisan group of Senators, including Senators Slade Gorton and Patty Murray, the Senate passed the Pipeline Safety Improvement Act of 2000. Unfortunately, the House failed to act on the Senate’s legislation so we were never able to send a measure to the President.

When the 107th Congress convened, one of the first legislative actions taken by the Senate was to consider and pass S. 235, the pipeline safety Improvement Act of 2001, a measure nearly identical to what we passed in the prior Congress. Early attention by the Senate demonstrated our firm commitment to improving pipeline safety. Once again, my colleagues and I are seeking to advance pipeline safety legislation by offering this amendment.

I would be remiss if I didn’t point out that despite the tragic accidents I highlighted earlier, the pipeline industry generally has a good safety record relative to other forms of transportation. According to the Department of Transportation, pipeline related incidents dropped nearly 80 percent between 1973 and 1998, and the loss of produced residential ruptures has been cut in half. From 1984 through 1998, pipeline accidents resulted in about 22 fatalities per year—far fewer than the number of fatal accidents experienced among other modes of transportation. But this record should not be used as an excuse for inaction on legislation to strengthen pipeline safety.

The pipeline safety program expired nearly 18 months ago. Congress as a whole must address this critical public and private pipeline safety leverage. We need to reauthorize the pipeline safety programs. We need to provide additional funding for safety enforcement and research and development efforts, as well as provide for increased State oversight, minority and facilitate greater public information sharing at the local community level.

Let me describe the major provisions of the amendment which is nearly identical to S. 235.

First, it would require the implementation of pipeline safety recommendations. This would be achieved by requiring the Secretary of Transportation to publish a list of recommendations that would include the following:

1. The amendment would require pipeline operators to submit to the Secretary of Transportation a plan designed to implement the recommendations within 90 days of receipt.

2. The amendment would also require the Department of Transportation to issue regulations to require testing and periodic reexamination of the employees’ qualifications.

3. The amendment would also require the Department of Transportation to issue regulations mandating pipeline operators to periodically determine the adequacy of their pipeline to safely operate and to implement integrity management programs to reduce identified risks. These regulations would require operators to base their integrity management plans on risk assessments, on risk assessments, and programs to reduce identified risks.

4. The amendment would require operators, in the event of an accident, to provide to employees in other modes of transportation. These protections are nearly identical to the protections aviation-related employees were granted in the Wendell H. Ford Aviation and Investment Reform Act for the 21st Century, P.L. 106-181.

I want to point out this amendment includes a few minor modifications to the Senate-passed version of S. 235. It extends the authorization period for an additional fiscal year which is necessary to reflect the fact that a year has passed since we considered S. 235. The amendment would fund pipeline safety programs for fiscal years 2003, 2004, and 2005 at $64 million annually.

The amendment also includes two new provisions intended to address pipeline safety-related matters, including pipeline locations. It would also direct pipeline operators to initiate and maintain communication with State emergency response commissions and local emergency planning committees and to share with these entities information critical to address pipeline safety and mitigating risks.

The amendment further directs the Secretary to develop and implement a comprehensive plan for the collection and use of pipeline-related data in a manner that would enable DOT to conduct incident trend analyses and evaluations of operator performance. Operation would be required to report incident releases greater than 5 gallons, and comply with the skin-tight requirement of 50 barrels. In addition, the Secretary would be directed to establish a national depository of data to be administered by the Bureau of Transportation Statistics in cooperation with RSPA.

In recognition of the critical importance of technology applications in promoting transportation safety across all modes of transportation, the legislation directs the Secretary to focus on technologies to improve pipeline safety as part of the Department’s research and development efforts. Further, the amendment includes provisions advanced by Senator Bingaman, myself, and others, to provide for a collaborative R&D effort directed by the Department of Transportation, with the assistance of the Department of Energy and the National Academy of Sciences.

The amendment would provide for a 3-year authorization, with increased funding for Federal pipeline safety activities, the State grant program, and research and development efforts.

Additionally, the amendment requires operators, in the event of a serious accident, to make available to the DOT or NTSB all records and information pertaining to the accident and to assist in the investigation to the extent reasonable. It also includes provisions concerning serious accidents that provide for a review to ensure the operator’s employees can safely perform their duties. In addition, pipeline employees would be afforded the same whistle-blower protection provided to employees in other modes of transportation. These protections are nearly identical to the protections aviation-related employees were granted in the Wendell H. Ford Aviation and Investment Reform Act for the 21st Century, P.L. 106-181.
In the meantime, the amendment seeks to strike a balance between public access to pipeline information and the need to restrict sensitive information. It would tie the new information disclosure requirements of the legislation to the existing Freedom of Information Act while also restricting the release of certain information based on national security and national defense concerns. Again, it would apply current FOIA exemption standards to the public disclosure provision. The information criteria would be similar to national security and defense. As this and other security-related measures continue through the legislative process, I plan to work with my colleagues to ensure the proper handling of sensitive data within the Federal Government. Security-sensitive information must not be released into the wrong hands. This amendment should afford useful protection in the near term.

Finally, the amendment would authorize the Secretary to provide technical assistance to pipeline operators and state and local officials to ensure that they are adequately prepared to respond to terrorist attacks or threats that could impact pipelines.

We must ensure that the Department has the tools it needs to carry out its critical pipeline safety responsibilities, to advance research and development efforts, and to protect pipeline security-sensitive data. I urge my colleagues to join with us in demonstrating their strong support for improving pipeline safety by voting for this amendment. I remain hopeful that the Congress will approve pipeline safety legislation before we receive another call to action by another tragic accident.

We have not reauthorized pipeline safety. It is important that we do so. It has lapsed. We can see by this chart the miles and miles of pipeline that cross America. Many of them are perfectly safe. There are others that clearly need renewed attention and renewed regulations as embodied in this bill. There are 3,000 gas pipeline operators with more than 1.6 million miles of pipeline and 200 hazardous liquid operators with 155,000 miles of pipeline.

I don't like to refer to nor discuss various scenarios for acts of terror, but I think this chart in itself depicts the urgent need for reauthorization of this legislation. It is of interest and value to put a human face on some of these issues and the importance of them.

As I mentioned in my remarks earlier, there was a tragic accident in Bellingham, WA. Two young boys were killed. I will not describe the circumstances of their deaths. It aroused the entire community.

With the assistance of Senator MURRAY and Senator Gorton, hearings were held on this issue, its cause, and what needed to be done. The people, the families, and the mayor of Bellingham came to Washington, DC, to testify before the Commerce Committee.

Senator MURRAY, other Senators, and I made a commitment to the people of that community who were directly impacted by the tragic deaths of these children and to the people of this Nation who are living with the anxiety we could to enact legislation—to act as is our responsibility—to see that there wouldn't be a recurrence of the tragedy and that no other family in America would undergo the agony and pain of the family in Bellingham, WA.

We passed that bill on February 8, 2001. Yet the other body has not acted. I think that is very unfortunate. That is why I feel compelled to come today with this amendment on the energy bill in hopes that it will now either be part of this bill or the other body will act on this very important legislation which not only has to do with spillage of toxic waste, or hazardous materials, or fires, such as just happened yesterday, but which is tragically endangering the lives of our citizens. I know of no greater responsibility than to try to do everything in our power to prevent a recurrence.

I thank the managers of the bill for their consideration of this legislation. I again applaud Senator MURRAY for her tremendous efforts and dedication on this issue—not only the issue but for her sympathy and the concern she showed to the families and the people in that community who were deeply impacted.

I hope we can do this to fulfill our responsibilities. I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I compliment Senator Mccain and members of the Commerce Committee for bringing this matter up. I would like to be added as a cosponsor to the amendment.

As all are aware, Senator McCain's amendment is similar to the one submitted last February. It passed this body by a vote of 98 to 0. I feel quite confident that we can dispose of it favorably. Certainly, Senator Mccain and others have been diligent in making sure Congress addresses the issue. Safety is an extremely important component of energy policy.

Senator Mccain has indicated the highlights of the legislation. I will not be repetitive.

The pipeline, as we know, provides the pipeline system which moves about 20 percent of the crude oil in this country but is not protected in the sense of the pipeline safety act because our pipeline is completely within the State's borders. I am not going to agree with those who have criticized this. But clearly our rivers are in interstate commerce. The fish in the rivers are in interstate commerce. But even though our pipeline goes basically from the Arctic Ocean to the Pacific Ocean it apparently may not be protected under the criminal penalties of the pipeline safety act.

As a consequence, the amendment I am about to offer includes intrastate pipelines that transport gas in interstate commerce within the criminal penalty section of the pipeline safety act that currently only protects interstate pipelines.

An incident occurred in my State of Alaska last fall where an individual fired a weapon and hit the 800-mile Trans-Alaska Pipeline which moves about 20 percent of the total crude oil produced in this country but is not protected in the sense of the pipeline safety act because our pipeline is completely within the State's borders. I am not going to agree with those who have criticized this. But clearly our rivers are in interstate commerce. The fish in the rivers are in interstate commerce. But even though our pipeline goes basically from the Arctic Ocean to the Pacific Ocean it apparently may not be protected under the criminal penalties of the pipeline safety act.

As a consequence, the amendment I am about to offer includes intrastate pipelines that transport gas in interstate commerce within the criminal penalty section of the pipeline safety act that currently only protects interstate pipelines.
very unlikely there could be a penetration by a bullet more than the circumference of the bullet, and very doubtful if that.

It is interesting to note the history of that pipeline. It has been bombed. It has been rammed, and finally an individual did penetrate the surface of the pipeline with a bullet.

Now, the defendant was allegedly intoxicated at the time, so we really do not know how many times he shot at it or whether he kept moving up closer until he hit it. But despite the importance of the contribution of the pipeline to the Nation's flow of oil—as I have indicated, once contributing 25 percent, and now it is at about 20 percent; it has a capacity unused of a million barrels a day—we were unable to prosecute due to the loopholes in Federal law. Instead, the State prosecuted the individual, but the wrongdoing.

We believe there is no reason the Federal Government should not have been able to prosecute this crime since it involved infrastructure that is so important to our Nation's energy. This amendment closes that loophole in the Pipeline Safety Act and ensures that the Federal Government will be able to prosecute such cases in the future. It assures that both natural gas pipeline facilities and hazardous liquid pipeline facilities that are intrastate are protected as well.

It will protect those facilities even if the facility is within the confines of one individual State's borders, as long as the individual is used in interstate or foreign commerce or in any activity affecting interstate or foreign commerce. I think this is important because even though some pipelines may be confined to one State, such as ours, the Trans-Alaska Pipeline certainly affect interstate commerce.

The amendment will enable the Federal Government to prosecute individuals who threaten infrastructure which is integral to the transportation of important resources that flow throughout our country. And I think from the standpoint of our State of Alaska, it relieves some of the responsibility on our State troopers in recognizing, indeed, this would be considered a Federal responsibility as well.

So, Mr. President, I send to the desk a second-degree amendment to the McCain amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows: The Senator from Alaska [Mr. MURKOWSKI] proposes an amendment numbered 2988 to title 49, United States Code, as amended—

(1) by striking "or" after "gas pipeline facility" and inserting a comma; and

(2) by inserting after "liquid pipeline facility" the following: ":, or either an intrastate gas pipeline facility or an intrastate hazardous liquid pipeline facility that is used in interstate or foreign commerce or in any activity affecting interstate or foreign commerce".

Mr. MURKOWSKI. Mr. President, my understanding is that the floor manager has indicated we would have a vote on this at some point. I do not have a second-degree amendment. If it is second a roll call order, I would leave it up to the Senator from Arizona to determine his intent for a vote on his underlying amendment.

Mr. MCCAIN. If the Senator will yield, I am told it is the preference of the majority leader that a vote would be set for sometime tomorrow morning.

Mr. REID. Mr. President, if my friend will yield, I have spoken to the Senator from Arizona. He has indicated he would accept a vote on this in the morning. We believe that even though this vote will, I think, be overwhelmingly in support for the McCain amendment, we need to send a strong message to the House. And we want a roll call vote on this. So the plan is to work on this as long as anyone else wants to speak on it.

It is my understanding the Senator from New Mexico will accept the second-degree amendment of the Senator from Alaska and that we will then have other people speak on the McCain amendment. When that is completed, the Senator from California will offer an amendment. We will not complete the amendment of the Senator from California because the Senator from Texas and others wish to speak on that. However, there is another amendment that the Senator from New Mexico is going to offer later today.

We would agree to the McCain amendment in the morning, probably at about a quarter to 10, and then we would vote, subsequent to that, on the amendment of the Senator from New Mexico to work with this one. The majority leader knows about this, but not the details. We will confirm that with him and the minority leader at a subsequent time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I think this is a good second-degree amendment. I suggest we go ahead and adopt it at this point, and then, as the Senator from Nevada indicated, have the schedule set on the McCain amendment tomorrow.

I want to make it clear, I have no objection, it is so ordered.

Mr. McCAIN. Mr. President, I would like to discuss with my colleagues an issue that relates to pipeline safety. I am concerned about an incident that occurred in Alaska last fall. The Senator may recall hearing in the news about an individual who fired a weapon and hit the Trans-Alaska Pipeline.

Mr. HOLLINGS. I remember reading about the incident as well.

Mr. MURKOWSKI. Well, the individual was allegedly intoxicated when the Trans-Alaska Pipeline was damaged. Unfortunately, the U.S. Attorney's Office was unable to prosecute the individual for damaging the line due to some loopholes in the Federal law. But we have closed those loopholes by my amendment to pipeline safety that includes intrastate pipelines that transport gas in interstate commerce within the criminal laws that currently only protect interstate pipelines. However, there was another problem with the case. The defendant was allegedly intoxicated at the time, and the statute requires proof that he "knowingly and willfully" damaged the pipeline pursuant to Section 60123(b) of title 49, United States Code. The lower standard of intent, known as specific intent, appears that he has a diminished capacity defense. It does not seem that this type of vandalism crime should be handled in such a way.

Mr. McCAIN. I understand the Senator's concern but also know that if we lower the intent standard in Section 60123(b) of title 49, we want to ensure that a person cannot be held criminally liable for negligence.

Mr. MURKOWSKI. I understand that concern as well and certainly do not want someone criminally prosecuted unless there was intent. I was wondering if the Senator would agree to work with me to see if we can find a compromise that would address the intent issue.

Mr. McCAIN. I would be happy to work with the Senator on the issue.

Mr. BINGAMAN. I understand the concerns of the issue also and would agree to work with all Senators to see if we can address the intent prior to the end of consideration of energy legislation.

Mr. DOMENICI. Mr. President, I am pleased to co-sponsor an amendment to modernize our nation's pipeline safety programs. As you know, the Senate passed this legislation on February 8th of last year, by a vote of 98–0. Because it has not yet been acted on in the House, I am pleased to see that we are working to get this important legislation enacted in another session of Congress.

As we all remember, the issue of our country's pipeline safety came to the forefront after tragic explosions in Bellingham, Washington, and later, in my own state of New Mexico.

On August 19, 2000, twelve members of an extended family were on a camping and fishing trip along the Pecos River near Carlsbad, New Mexico. Just after midnight, a natural gas pipeline exploded, sending a 350 foot high ball of flame into the air. Six of the campers died instantly. The six remaining family members later died from their horrific injuries.
We have to make sure that tragedies like this do not occur again. What I am here to do today, is to work so that we don’t have to think twice before camping with our families and friends.

Pipelines carry almost all of the natural gas and the majority of the crude oil and refined oil products. Three primary types of pipelines form a network of nearly 2.2 million miles, 7,000 of which lie in my own state of New Mexico.

Pipelines stretch across our country. They obtain energy resources quickly and economically. In light of the energy crisis in California, and in the west in general, the value of our nation’s pipeline system is obvious. We must have access to energy.

Therefore, pipelines and the potential hazards they pose affect us all. It is time that we do something to ensure our safety while protecting our access to energy.

This amendment:
Significantly increases States’ role in oversight, inspection, and investigation of pipelines.
Improves and expands the public’s right to know about pipeline hazards.
Dramatically increases civil penalties for safety and reporting violations.
Increases reporting requirements of releases of hazardous liquids from 50 barrels to five gallons.
Provides important whistleblower protections prohibiting discrimination by pipeline operators, contractors or subcontractors.

Furthermore, the legislation would provide much needed funding for research and development in pipeline safety technologies.

In fact, technology currently exists that might have detected weaknesses in pipelines around Carlsbad. Unfortunately, due to insufficient funding those products have yet to reach the market.

La Sen Corporation in my own state of New Mexico developed technology that can detect faulty pipelines where current pipeline inspection technology is not usable. La Sen’s Electronic Mapping System can be very effective even in pipelines where conventional pig devices cannot be used.

Pipeline inspection is costly and slow. Innovative new technologies could allow us to inspect all 2.2 million miles of pipeline each year in a cost effective manner. Today, pipeline inspection technology only covers 5-10 miles per day at a cost of $40 per mile. Again, La Sen’s technology can survey 500 miles per day at a cost of $32 per mile.

The bottom line is that today, we can take action that will hopefully make pipelines safer.

I encourage my colleagues to recognize the potential dangers that pipelines pose and to minimize those dangers by agreeing to this amendment.

The PRESIDING OFFICER. Is there further debate on the second-degree amendment No. 2988?

Mr. MURKOWSKI. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. If not, the question is one agreeing to the amendment.

The amendment (No. 2988) was agreed to.

Mr. MURKOWSKI. I thank the chairman and the President of the Senate.

The PRESIDING OFFICER. The Senator from Washington.

AMENDMENT NO. 2979

Mrs. MURRAY. Mr. President, I rise today in strong support of this amendment. I take this opportunity to thank Senator McCain for his leadership, his perseverance, and his tremendous work on the issue of pipeline safety.

As he said, many of us became aware of this issue on June 10, 1999, when a gasoline pipeline ruptured in my home State of Washington, killing three young people and really shattering our sense of security.

The Senator from Arizona was tremendous in his work with us and agreed to the bipartisan agreement here in Washington, DC. As he stated, the community, the mayor, so many people came here. His commitment to follow through with hearings and legislation, and to pass it out of the Senate, has just been tremendous.

I have difficulty standing here and speaking to those families today and telling them the House has still not acted, which is why we are on the floor speaking to those families today and speaking to those families here. His commitment to follow through with hearings and legislation, and to pass it out of the Senate, has just been tremendous.

As I said, when that tragedy happened, I discovered that there were inadequate laws, insufficient oversight and inspection, and a real lack of public awareness about the dangers of these pipelines. So I began to work on a national effort to raise pipeline safety standards. I testified before Congress, and I introduced the first pipeline safety bill in the 106th Congress.

As the Senator from Arizona said, we passed legislation in the Senate in September of 2000, and again in February of 2001; and those bills passed without dissent, on a bipartisan basis, with leadership from both sides.

I am proud to have worked with several Senators, including Senators HOLLINGS, INOUYE, BREAX, WYDEN, BROWNBACK, BINGAMAN, DOMENICI, CORZINE, TORRICELLI, and my colleague, Senator CANTWELL, in this Congress, and my colleague in the previous Congress, Senator Domenici.

But, again, I especially thank Senator McCaIN for his work on pipeline safety. I have to say that without his leadership, his perseverance, and deliberate work on this issue, and as I stated, and as the Senator from Arizona said, the House of Representatives has blocked progress on this initiative. A couple of weeks ago, the House finally held a hearing on pipeline safety; and that was the first one that was held in 2 years on this issue.

I understand they intend to move to a markup very soon, and that is encouraging. I am also encouraged that House members from the Washington delegation, especially Representative RICKY LARSEN, are working really hard to make progress on this issue.

I have to say, unfortunately, that the bill they intend to mark up excludes many of the important safety measures we put into the Senate bill, including strong inspection and testing requirements and adequate operator qualification standards. So overall I remain skeptical that the House will eventually pass a comprehensive bill, and that is why I am especially pleased that Senator McCaIN has introduced this amendment. I am here to support that effort.

The amendment before us is nearly identical to the bill that has passed the Senate unanimously 2 years in a row. We did, however, make a needed change for national security purposes.

September 11 has shown us that our transportation infrastructure is vulnerable to attack by terrorists, so we included a provision that would give the Secretary of Transportation the discretion to withhold public information about pipelines if the Secretary believed it would compromise national security. The standard would be the same as the current one used under the Freedom of Information Act.

I am very proud to cosponsor this amendment. We all know if we want meaningful legislation to move on to the President, it has to be attached to a piece of legislation such as the energy bill. The history of this legislation in the House requires that we proceed in this manner.

In addition to working on this bill, I am also using my position as chair of the Senate Transportation Appropriations Subcommittee to keep the pressure up and to secure the funding we need to hire inspectors, to enforce safety regulations, and to support the States with their efforts. I have held hearings in Washington, DC, and I have questioned the Transportation Secretary and others about our progress on pipeline safety. I have met
with the new head of the office that oversees pipeline safety at the Department of Transportation, and I told her exactly what I expect the department to do to improve pipeline safety. I have not hesitated to push the department to issue new pipeline safety rules and regulations.

In my position as chair of the Senate Transportation Appropriations Subcommittee, I worked to pass a bill that provides record funding for the Office of Pipeline Safety. Overall it provides more than $14 million for that office. That is $11 million more than the fiscal year 2001 funding level. That budget included funding for 26 new staff positions, from safety inspectors to researchers. OPS requested those positions, and my bill fully funds those new hires.

Finally, it provides needed resources within OPS for critical testing, safety programs, R&D. I plan to continue to work in the Appropriations Committee to make sure the funding is there to do the adequate testing and oversight of our pipeline infrastructure.

When it comes to pipeline safety, we have taken a major step forward, especially in the funding but we still have lots more to raise the standards nationally with legislation.

I urge my colleagues to support our efforts to move this critical legislation forward to the President for his signature. From Carlsbad, NM, to Bellingham, WA, communities across this country are counting on us to protect them.

I yield the floor.

Ms. CANTWELL. Mr. President, I rise in support of the amendment and would like to take a few minutes to describe why this is so important.

I have stood on this floor before and described an incident that occurred in my State just 3 years ago. In a park near Bellingham, WA, an aging pipeline burst, sending a blast of flames that engulfed two 10-year-old boys. Both of those boys died in that blast and one young man drowned after being overcome by fumes. But that incident wasn’t the first, nor the last. This was only one of numerous pipeline accidents in the State of Washington, which has suffered 47 reported incidents in the State of Washington, which has suffered 47 reported incidents in the State of Washington, which has suffered 47 reported accidents in the State of Washington, which has suffered 47 reported accidents in the State of Washington, which has suffered 47 reported accidents in the State of Washington, which has suffered 47 reported accidents in the State of Washington.

Is there potential and likely some other accidents that happen? The answer is yes. There were accidents—one in the State of Senator MURRAY, Washington, one in the State of Senator BINGAMAN, New Mexico—that were tragic and unfortunate. They should never have happened. But if you look at it from the perspective of the millions and millions of miles of the transportation system, with the good that it provides, it is absolutely clear that these systems must be protected.

This amendment seeks to balance these equally important objectives—security and public disclosure—that are both intended to enhance the public safety. I am also pleased that this amendment maintains a critical provision that I had worked to pass along with my colleagues, Senator CORZINE, Senator TORRICELLI, and Senator MURRAY, which would ensure the assessments of nearly all pipeline systems at least every 10 years. This is an issue of tremendous importance if we are going to make real strides in prevention of accidents. If we do not know the fundamental state of integrity of these systems and facilities, we cannot identify real threats to our communities. We passed this legislation by a wide margin last year and the other body has failed to finish the job. I urge my colleagues to join me in supporting this amendment and finally getting the job done to better protect our constituents and, better protect our fuel supply.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREUX. Mr. President, I join my colleagues in supporting the legislation and amendment pending before the Senate. This will be the third time the Senate has passed this legislation. You would think that eventually it is going to get done. It has passed the House, although the House at one point had an identical provision and it passed. It passed with a majority, but they took it up under suspension of the rules, and they needed two-thirds majority, so it did not pass. This is an intricate pattern, a complicated transportation system that is absolutely needed and necessary. Without the extent of the natural gas pipeline system, this country would simply not be able to operate.

It provides energy for plants. It provides energy for factories. It provides heat and cooling elements to family homes, to businesses, to offices throughout the United States. This, indeed, is one of the most sophisticated, complicated systems that man has ever devised in order to transport energy.

Is there potential and likely sometimes accidents that happen? The answer is yes. There were accidents—one in the State of Senator MURRAY, Washington, one in the State of Senator BINGAMAN, New Mexico—that were tragic and unfortunate. They should never have happened. But if you look at it from the perspective of the millions and millions of miles of the transportation system, with the good that it provides, it is absolutely clear that these systems must be protected.

I yield the floor.
The answer is not to eliminate the system but to better ensure the security of the systems, to build better trucks, to better investigate the drivers, to better inspect their licenses, to build better airplanes, to correct deficiencies in airplanes, to require better training for pilots.

As we do those things for those other means of transportation, it is also incumbent that we provide better and adequate inspections and guarantee that pipelines are built to the highest standards and are under constant from an engineering and technical capability, and also that people are involved in the decisions as to where pipelines are actually built and where they are laid in order to let the public know what is near them in order for them to be aware.

It is interesting to note that pipelines are things you never see. Every day, every hour, every minute they are providing efficiency in terms of transportation of energy. Pipelines are buried under the ground, under the sea, and the public don’t know about them. They don’t know where they are. But they are there to do a very effective job to provide for the security of this country.

This legislation will also provide for better and safer systems. It will provide for the general public to make sure that while we are transporting billions and billions of cubic feet of natural gas, we are also doing it as safely as we possibly can.

Previous speakers have talked about the structure of the legislation. I support it. It is good legislation. It has brought both the pipeline companies, as well as citizens, to the same table to negotiate with government officials to get a system in place that we can be proud of and will assure the system continues to work as it has in the past with the maximum degree of safety that is humanly possible. This legislation goes a long way toward doing that.

This is the third time the Senate will pass this legislation. We urge our colleagues in the other body to do it just once.

I yield the floor.

Mrs. FEINSTEIN. Mr. President, I rise to introduce an amendment on behalf of Senator WYDEN, Mrs. BOXER, Mr. LEAHY, and Mr. DURBIN to provide price transparency when energy derivatives are traded and to give the Commodity Futures Trading Commission oversight authority for such transactions. It sets the framework for this amendment.

I send the amendment to the desk.

The PRESIDING OFFICER. The bill clerk will report.

The clerk will read as follows:

AMENDMENT NO. 2990 TO AMENDMENT NO. 2917

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I will quote from a March 5 letter of the American Public Gas Association by its president, Mr. Roy Royalty Owners Association:

As you know, Enron operated in what was essentially an unregulated environment. While there will be much more to come in the wake of Enron, one thing is perfectly clear today—our Federal Government has an obligation to make sure that no important trading activities fall between the cracks, leaving the public vulnerable to a Federal agency with oversight authority. Your amendment remedies this glaring deficiency.

Additionally, it says that if you are trading energy derivatives off an exchange, you simply need to keep a record of that transaction; and if it turns out that there is a complaint, the CFTC will have a record to review.

The problem, and why we need the legislation: Presently, energy transactions are regulated by the FERC, Federal Energy Regulatory Commission, when there is an actual delivery of natural gas commodity. Let me give you an example. If I buy gas from you and you deliver that natural gas to me, FERC has the authority to ensure that...
this transaction is both transparent and reasonably priced. That is a direct delivery. However, energy transactions have gotten so complex over just the past decade, most energy transactions no longer result in delivery; thus, with these nondelivery trades and transactions, there is no oversight, where there is no oversight and no transparency.

Let me explain. Mr. President, I can purchase from you a promise that you will deliver natural gas to me at some point in the future. This is referred to as a derivatives contract. I may never need to physically own that gas, so I can sell that gas to someone at a small profit, who can then turn around and sell it to yet someone else, and so on and so forth. This promise of a gas delivery can literally change hands dozens of times before the commodity is ever delivered. Even then, it may never get delivered if the spot market price is lower than the future price that day.

In fact, 90 percent of energy trades represent purely financial transactions, not regulated either by FERC or the Commodity Futures Trading Commission. As long as there is no delivery, there is no price transparency. So we don’t know the price or the terms for 90 percent of the energy transactions taking place.

Again, this lack of transparency and oversight only applies to energy. It does not apply to soybeans, or pork bellies, or any other tangible commodity. So, as I said, there is a very big loophole here.

Why is this type of trading so important? Many of these transactions provide needed insurance so a company can lock in set prices in the future without necessarily ever having to receive delivery. For example, knowing the price of natural gas in the future allows an energy company to, in turn, contract for electricity, since it will know the price of natural gas, the main cost of production.

These transactions are here to stay. What this amendment simply does is shed light on them. Futures transactions do affect market prices for consumers, and that is why we need this transparency. That is precisely why other commodities, except for excluded financial commodities, are already regulated by the CFTC.

One of a good example of how energy derivatives can affect delivered energy prices is the long-term energy electricity contracts that California and other Western States entered into last year, which were priced according to natural gas prices. As soon as Enron saw that natural gas plummeted after the contracts had been signed, electricity prices fell substantially. All of a sudden, these States looked foolish for signing these contracts.

How did this happen? How did it come up all of a sudden? The simple answer is that the Commodity Futures Modernization Act, signed into law in 2000, exempted energy and minerals trading from regulatory oversight and also exempted electronic trading platforms from oversight.

In a sense, what that legislation did was set up two different systems treating electronic trading platforms differently for transactions and treating energy commodities differently from other commodities.

Up until 2000, energy derivative transactions were regulated just like other transactions, and electronic trading platforms treated like other platforms. I repeat, these were the standards that were in place all the way up to 2000.

Up until that time, if a gas or electricity commodity was delivered, FERC had oversight. If there was no delivery, the CFTC had the authority. So the loophole arose just 2 years ago.

At the time of the 2000 legislation, nobody knew how the exemptions would affect the energy market. We simply did not have an idea today because of what of we have learned since then.

It did not take long for Enron Online and others in the energy sector to take advantage of this new freedom by trading energy derivatives absent any regulatory framework. Thus, after the 2000 legislation was enacted, Enron Online began to trade energy derivatives—not deliveries, but derivatives—bilaterally over the counter in a one-to-one transaction without being registered, subject to no oversight whatsoever. If the trade has delivery, again, it is regulated by FERC. If it does not, it falls into the abyss. Enron Online was able to trade back and forth without records and in secret. The result, of course, was higher prices.

Let me give an example of how that secret trading has affected California and the western energy markets. On December 12, 2000, the price of natural gas in southern California on the second day of the new millennium when it was $1.10 a decatherm close by in San Juan, NM. A decatherm is 1,000 cubic feet or enough gas to power about 100 kilowatt hours of electricity for a typical powerplant. It is enough gas to provide electricity for about 900 homes for 1 hour.

This problem lasted from November of 2000 to the end of April 2001—a full 6 months, while energy price spikes affected the entire western energy market. And this time, hardly anyone understood what was happening in non-delivered energy transactions.

In 1999, California’s total electricity price for the entire State was $7 billion. In 2000, it was $27 billion, and in 2001, it was $26.7 billion. You can see there were serious ramifications when markets are secret without any Federal oversight or investigation of dramatic price spikes. You cannot investigate it because there is no evidence because all this trading was done in secret.

The Senate Energy Committee, of which I am a member, examined this issue last year, but we were not able to piece together the pieces at that time. In the wake of Enron’s bankruptcy, we are beginning to learn a lot more. By controlling a significant number of energy transactions affecting California, and by trading in secret, Enron had the unique opportunity to drive up prices, and the American people will never know exactly how that can be proved because of the absence of records and transparency.

Let me explain how this amendment works. First, the bill repeals the provisions of the 2000 Commodity Futures Modernization Act, effectively bringing energy derivatives under regulatory oversight.

As a result of this provision, all electronic trading exchanges will once again be subjected to the same oversight as other exchanges when it comes to energy transactions.

Companies trading energy commodities on the exchanges will simply have to keep a record of that transaction, just as they do for other traded commodities. That is certainly not too much to ask.

The amendment also requires FERC and the CFTC to work together to ensure that energy trading markets are, one, transparent, not in secret; two, regulated, which they should be; and three, working.

This will close the regulatory loophole that allowed entities, such as Enron Online, to operate unregulated trading markets in secret.

I have received a letter from Pat Wood, the Chairman of FERC. Chairman Wood writes that neither FERC nor CFTC has adequate authority to determine price transparency and ensure that the energy market is functioning as it should. He supports this amendment. FERC Commissioners Brownell and Massey do as well.

This amendment is even more important thing. It ensures that entities running online trading forums must maintain sufficient capital to carry out their operations and maintain open books and records for investigation and enforcement purposes.

This last point is very important. Enron saw its future as a “virtual” company. As such, it sold off many of its physical assets over the past few years. So when investors and customers lost confidence and stopped trading out of fear that bankruptcy was in the offing, they learned that Enron had no collateral to back up these trades, and this was a major factor in Enron’s final spiral into bankruptcy.

Who is supporting this bill? The New York Mercantile Exchange, the Chicago Mercantile Exchange, Cambridge Energy Research Associates who asked for just this, the American Public Gas Association, the American Public Power Association, Pacific Gas & Electric, Calpine Mid-America Energy Holding Company, Texas Independent Producers and Royalty Association,
the Consumers Union, and the Consumer Federation of America, all because they believe the time has come to see there are no trading markets in secret that do not keep records, and to shine the light of day on these trades. Now, who is opposed to the amendment? Some energy companies oppose this bill. One lesson some of these companies seem to have learned from the recent energy crisis was they make more money when they can operate without any transparency, in secret, without any reporting requirements or oversight of any kind, and that cannot continue to exist.

I am very much encouraged that not all energy companies want to operate this way. As I mentioned, PG&E, Calpine, Apache, Mid-America Energy, and others support this bill, and many other energy companies are sitting on the sidelines waiting to see what may happen.

There are still some who fail to recognize the glory days of operating in secret are over. Regardless of what happens with our amendment I want to go on record saying I will do everything in my power to see the energy sector is exposed to the same price transparency and oversight as every other sector of our economy. Make no mistake, this debate boils down to the issue of whether energy companies should be able to operate in continued secrecy.

Some of these companies have argued this amendment creates unfair reporting and oversight over energy companies. So let us again look at what this provision would do. It would treat electronic trading exchanges like any other exchange since, as I said before, there is neither price transparency nor regulatory authority over those exchanges where there is not a direct delivery. So with this provision, the same reporting requirements that CFTC requires for energy commodity transactions that would shield those energy transactions from the Chicago Exchange and the Chicago Exchange would now be required of electronic exchanges. This means simply that CFTC would be able to assert the same oversight and require the same transparency of electronic exchanges that are already required of nonelectronic exchanges.

I have a very hard time understanding why this is so burdensome and unfair. Additionally, some of these companies have also asserted this amendment would create unfair burdens on companies engaged in bilateral transactions. Here is what they are complaining about: With our amendment, any entity engaging in bilateral transactions in energy commodities would have to keep a record of those transactions, and the CFTC would have the authority to look for fraud and manipulation.

Again, let me repeat, a company engaged in bilateral trading has to keep a record of that transaction, and the CFTC has the authority to investigate fraud and manipulation. So let me try to explain to me why energy companies should continue to have a loophole so they can trade in secret, not keep any records, and therefore manipulate the market as much as they can. The day has come to close that loophole.

I note one of the main original sponsors is in the Chamber and wishes to speak to this amendment. I have had the pleasure of working with the Senator from Oregon on the Energy Committee, as I have with the Presiding Officer. The Senator from Oregon has been a leader and very focused on this issue. I wish him well, and I ask the Chair recognize him.

EXHIBIT 1
AMERICAN PUBLIC GAS ASSOCIATION,
Fairfax, VA, March 5, 2002.

Hon. DIANNE FEINSTEIN,
Hart Senate Office Building,
U.S. Senate, Washington, DC.

DEAR SENATOR FEINSTEIN: The American Public Gas Association (APGA) is very pleased that you have taken the lead to amend the Commodity Exchange Act (CEA). Your revisions to paragraph 8, subparagraphs 4 and 7, which amend the CEA, bring transparency to energy products, including natural gas spot and forward prices, under the appropriate jurisdiction of the Commodity Futures Trading Commission (CFTC). As a result, your amendment will reduce the various risks imposed on consumers by a partially unregulated energy trading market.

As you know, Enron operated in what was essentially an unregulated environment. While there may be much more to come to light in the wake of Enron, it is perfectly clear today—our federal government has an obligation to make sure that no important trading activity falls between the cracks leaving some energy markets without a federal agency with oversight authority. Your amendment remedies this glaring deficiency. APGA fully committed to support your effort to reverse the action Congress took just 15 months ago in the Commodities Futures Modernization Act of 2000 (PFMA).

The CFTC, as amended by the CEA, will have the authority to enforce the CEA by allowing some energy contracts to be traded with no government oversight. We firmly believe that the CFTC must have at its disposal the necessary jurisdiction and authority to protect the operational integrity of energy markets so that (1) transactions are executed fairly, (2) proper disclosures are made to consumers, and (3) fraudulent and manipulative practices are not tolerated.

In December of 2000, when the CFMA was under consideration in the Senate, APGA submitted a Statement for the Record to the U.S. Senate Committee on Energy and Natural Resources during a hearing on the "Status of Natural Gas Markets." In the statement, we expressed a concern that the proposed legislation would codify an exemption for energy commodity transactions that would shield those energy transactions from the oversight and review of the CFTC. Enron took advantage of this gap in regulatory oversight. Your amendment will close that gap. Consumers across the country will benefit from your efforts because they are less likely to be taken advantage of.

In December of 2000, when the CFMA was under consideration in the Senate, APGA submitted a Statement for the Record to the U.S. Senate Committee on Energy and Natural Resources during a hearing on the "Status of Natural Gas Markets." In the statement, we expressed a concern that the proposed legislation would codify an exemption for energy commodity transactions that would shield those energy transactions from the oversight and review of the CFTC. Enron took advantage of this gap in regulatory oversight. Your amendment will close that gap. Consumers across the country will benefit from your efforts because they are less likely to be taken advantage of.
markets as a whole responded to the Enron collapse without disruption, so legislation should not compromise the liquidity of these markets. I applaud your determination to keep your amendment focused on the oversight and transparency and am encouraged that you, along with Senators Cantwell and Wyden, have pledged to work with market participants to prevent a reoccurrence of the Enron exemption. For years, Enron and several of your colleagues introduced legislation that would have made it possible as Congress as to whether this is somehow granting vast new powers to Government, and that Government is in some way reacting to what happened in the Enron situation.

I want to commend Senator FEINSTEIN for her leadership on this issue, it is much tougher to manipulate the market if in fact the transparency and the openness is there that this legislation calls for. Second, had this legislation been law, if in fact there was market manipulation it would have been possible to find that out very quickly. As all of our colleagues know, as a result of the request from west coast Senators, virtually all of us have joined into it. The Federal Energy Regulatory Commission has written to the west coast Senators saying they are going to investigate whether Enron manipulated our markets, but it will take them several months to conduct this investigation.

Had Enron’s energy trading been regulated, as this amendment would have not had to wait months to determine if Enron manipulated the market. Information about energy trading operations would have been immediately available to regulators and the public instead of shrouded in secrecy. I think it is important for colleagues to note, first, this amendment makes it less likely that anybody can manipulate a market; and, second, if there is that kind of cheating going on, it would not take months to ascertain what went on. One could find it out much more readily because information would be made available more quickly.

Before it collapsed, Enron was the biggest energy trader in the country, controlling one-quarter of all wholesale energy trades. Despite the great impact on energy markets, they were able to hide the facts about the trading operations from public scrutiny by selecting exemptions from regulation of their energy and derivatives trading. Evidence is emerging that Enron may have secretly used its market power to manipulate prices in energy markets. A witness testified before the Senate Energy Committee that the price of forward contracts for electricity dropped as much as 30 percent after Enron filed for bankruptcy, suggesting, according to this witness, Enron was artificially inflating prices in wholesale energy markets.

There is a well-regulated system in place for trading pork bellies and other commodities to protect the public from energy manipulation, but energy, a commodity that we all regard as essentially, has been completely exempt. It seems to me if energy is going to be bought and sold as a commodity, the public should at least have the same protections that exist for trading any other commodity. There must be transparency for the markets to work.

Let me conclude with one last point, and then I know we are going to hear from our colleagues from Washington. The bill has been revised very recently as to whether this is somehow granting vast new powers to Government, and that Government is in some way reacting to what happened in the Enron situation.

First of all, the Commodity Futures Trading Commission had this authority before. This is not a brand new idea. They had this authority and essentially they gave it up. What this bill does is restore authority to the Commodity Futures Trading Commission to regulate energy the same way it regulates every other commodity.

I hope when my colleagues vote on this amendment, they recognize this is unique opportunity to restore to the Federal Energy Regulatory Commission the authority it would have been market manipulation.

Mrs. FEINSTEIN. Madam President, before Senator CANTWELL is recognized, I ask unanimous consent Senator Fritz-Gilbert of Illinois be added as an original cosponsor, and that he be called on to speak directly following Senator CANTWELL.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Washington. Mrs. CANTWELL. Madam President, I, too, rise in support of this very important legislation, the Feinstein-Cantwell-Wyden energy derivatives legislation. I thank my colleagues for articulating the importance passing this amendment.

It is no secret that the States of California, Oregon, and Washington have been greatly impacted by the high prices and energy consumers are still paying and that have had a very negative impact on our economies. That is why this legislation is so important.

I applaud Senator FEINSTEIN for her hard work in driving this legislation. Basically, this amendment closes a very dangerous loophole, which was actually created by Congress and which
Enron may have used—I say "may" have used—to turn political influence into profit at the expense of consumers. That is why we must act today.

The Enron loophole created by the Commodity Futures Modernization Act actually allowed Enron Online and other companies like it to sell futures behind closed doors, without the regulatory oversight or the safeguards that this nation's ratepayers deserve. At its core, our amendment allows the Commodity Futures Trading Commission to treat energy futures like all other regulated commodity futures. It does not give the CFTC any new powers that it does not already have when it is regulating other futures markets. This is a very important point. Our amendment places currently unregulated energy futures trading exchanges, such as Enron Online, under the CFTC's regulatory authority.

Closing this loophole, as Senator Frank announced, has the support of many organizations, such as NYMEX, Calpine, and Cambridge Energy Research Associates. But more importantly, consumers are counting on us. The Consumers Union, the Consumers Federation of Public Interest Research Group all support this amendment. They support it for one very basic reason: They support it because it requires open books and transparency for markets that currently operate in secret. It is important because if there have been patterns of irregular energy trading, we want those patterns to be found and made abundantly clear.

What we are saying is that there should not be special rules for Enron. If agricultural products, minerals, and even certain other types of energy futures transactions are regulated by the CFTC, there is no good reason we should allow online energy trading exchanges to operate in the dark.

As all we have learned about Enron, shouldn't it be clear to all that exposing its trading activities to the light of day is essential? Closing the loopholes will open books and require transparency. It will give us the ability to do important things like compare Enron Online prices to competitors, compare forward markets with physical market pricing, and investigate the books of online traders to search for what those potential irregularities might be.

Being able to answer these questions will be incredibly valuable in reinforcing the strength and integrity of our energy markets. Why is this so important to the State of Washington? Many people may not realize that Enron, of course, has held gigantic long-term contracts with utilities throughout the country, at least $900 million worth in my home State. We are now learning that these contracts may have been the result of market manipulation by Enron.

In one case alone, the Bonneville Power Administration has long-term contracts with Enron of over $700 million. At today's market price, those contracts would only cost $350 million. That means BPA—and that means, ultimately, Washington state ratepayers, who have to pay for those energy costs—are paying Enron about $350 million more than the current market value.

Enron continues to hold gigantic long-term contracts on electronic exchanges. I think sometimes it is unfair to say these contracts were manipulated into unacceptably high utility bills for ratepayers throughout the West who deserve relief as soon as possible. That is why I have joined my colleagues in urging FERC to investigate and determine whether these energy prices in the West, and if so, make sure that if these contracts are unjust and unreasonable, our consumers are let out of having to pay these high prices for the next 3 to 5 years.

Until we change this and require open books and transparency from Enron Online and businesses similar to it, the public will not be protected in the future for having the same kind of market manipulations that happen to them. That is why passing this legislation is so important. We have to close the Enron loophole and restore the faith that the public needs to have in our energy markets—the faith that consumers and consumers deserve. They deserve to know that these entities are being regulated and are operating in the light of day.

I again thank my colleague from California who has worked so diligently on this important legislation, which is key part of our energy strategy. We need to make sure and consumers need to believe that we are on the right track.

I yield the floor.

Mrs. FEINSTEIN. If the Senator from Illinois who is next under the unanimous consent agreement will yield for just a second, I thank Senator CANTWELL. She is also on the Energy and Natural Resources Committee. She has been very concerned, very diligent, working very hard at what has been a very difficult onion to peel. I am very grateful for her leadership.

I ask unanimous consent to add Senator CORZINE as an original cosponsor. I believe he wants to speak to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois.

Mr. FITZGERALD. Madam President, I am in support of this amendment by my colleague from California. I support it and congratulate her for introducing it. Illinois, specifically Chicago, is home to some of the largest futures exchanges in the world. Certainly, I was very involved in the Commodities Exchange Act Reauthorization a couple of years ago. Since that time, in the wake of the Enron bankruptcy, the Enron exemption that allowed Enron Online to operate without any regulatory oversight has come to light, and it has drawn some criticism.

I say at the outset, I think probably Enron Online may not have had all that much to do with Enron's bankruptcy. I have also been very involved in the Enron investigations in the Senate, and as far as I can tell, Enron was running what amounts to a gigantic shell game or pyramid scheme, essentially borrowing money and booking borrowed money by filtering the borrowings through partnerships. They had the debt parked on the books of the off-the-balance-sheet partnerships rather than on their direct books.

At the end of the day, when Enron filed for bankruptcy, it had several billion dollars in indebtedness coming due that it, Enron, could not pay.

I don't know that Enron Online and their energy trading, per se, was responsible for it. I have seen many transactions that Enron engaged in that were simply borrowing money and reporting it as income. We will have to wait for a full autopsy. Nonetheless, I think it is appropriate to close the Enron loophole in the Commodity Futures Exchange Act. That is what this bill does.

Right now, in an electronic exchange in which energy contracts are traded, that exchange is exempt from regulation by the Commodities Futures Trading Commission or by the CFTC. FERC only comes in if energy is actually delivered, and in most cases energy is not actually delivered. You have contracts traded back and forth among the entities that deliver the commodity is put off.

I have been troubled to some extent by the wholesale exemption that is given to online futures exchanges. The exchanges at the Board of Trade and the Mercantile Exchange face a great deal of overhead to comply with their regulatory burden. I think that is inappropriate. I think sometimes it is unfair to set up an offline exchange and say this is an offline exchange because it doesn't not have any regulation. I like to see industries competing on a level playing field. I think that is what America is all about. I do not think there should be regulatory advantages given to one side or the other.

I do think this would be a protection for consumers, even sophisticated principals who may be trading energy contracts on electronic exchanges. I think there would be benefits by having some CFTC oversight. There would be greater transparency. It would be easier for prices to be discovered.

I think Senator FEINSTEIN's amendment accomplishes a great deal. It repeals the exemptions and exclusions for bilateral derivatives in multilateral markets in energy commodities. All would be again subject to direct CFTC oversight. That was the case prior to our reauthorization of the Commodities Exchange Act. We would correct that. Also, it ensures that energy dealers in derivatives markets cannot avoid full price transparency and escape regulatory oversight.

Third, the amendment subjects all multilateral markets and bilateral.
dealer markets in energy commodities to registration, transparency, disclosure, and reporting obligations and requires entities running online trading forums to maintain sufficient capital to carry out their operations. It seems very reasonable to me.

Fourth, parties engaging in bilateral energy transactions must keep books and records. That does not seem so onerous to me.

Fifth, all energy transactions not regulated by FERC would be regulated by the CFTC.

And sixth, the amendment requires FERC and the CFTC to meet quarterly and discuss how energy derivatives markets are functioning and affecting energy deliveries. I do think that is reasonable in light of the great runup we saw in energy prices last year, particularly in Senators FEINSTEIN and Boxer’s great State of California.

It is unclear why the price rose so quickly and why then ultimately it plummeted back to reasonable levels. Whether this amendment, had it been law at the time, would have prevented that I do not know. But I think it will promote greater price transparency. I think that can’t hurt. I think we should do that, and I think it is worth public policy. I compliment my friend from California, and I am proud to stand in support of her amendment.

I thank the Chair.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from New Jersey. [Mr. CORZINE.]

Mr. CORZINE. I thank the Chair.

I, too, rise to strongly support the amendment that Senator from California is offering to roll back this Enron exemption in the derivatives market. Being an old bond trader who operated in the derivatives markets for many years, the idea that we do not need basic registration of dealers, we do not need capital adequacy or capital rules, that there is no price transparency, whether in over-the-counter markets or on electronic exchanges, or there are not audit trails that are fundamental to any kind of regulation of financial transactions anywhere in the world, seems strange to me and offers an opportunity for those who want to take advantage of the lack of transparency and create patterns of manipulation to easily operate in these markets. It seems very strange that we pick a very narrow slice, the energy markets, to have such a gaping lack of transparency.

I have heard people say there is no creativity in markets, that they will not develop, there will not be the liquidity in oversellings. That is just flatout not the fact. If you look at the derivatives markets in financial securities, or financial instruments, you will see some of the deepest, broadest, most liquid markets in the world. As a matter of confidence comes when the participants who enter into markets will know where prices are taking place, the price discovery mechanism is quite obvious, where there are audit trails, so that if there are differences of views about whether transactions were actually executed, you can go back and find out where those prices actually took place. And you know your counterparties and their capital to be able to stand behind the transactions. And then you have some simple qualifications to be a participant in those markets.

I think all these are simple, straightforward fundamentals in finance 101 for anyone who deals with financial transactions, whether it is derivative transactions that relate to hog bellies, Treasury bills, or stocks, and no different for energy in my mind, and I feel it is fundamental to any kind of regulation of markets or on electronic exchanges, or transparency, whether in over-the-counter markets or on electronic exchanges.

On that basis, I strongly support the amendment. I think Senator FEINSTEIN is definitely on the right trail to providing transparency, to providing consumer protection, protection against price manipulation, and a greater quality of activity in the underlying energy markets. I think they will be broader and deeper because of it.

So I am proud to stand in support of the amendment of the Senator from California.

Mrs. FEINSTEIN. Madam President, I thank the distinguished Senator from New Jersey for his support. In view of his background, his knowledge, and his expertise, I am particularly grateful for that support. It is one thing to stand here and feel in your gut what is right for the consumer, but it is another in the mystical world of finance. His wisdom and his knowledge hopefully will gain additional votes for this amendment. I am very grateful to the Senator. I thank him very much.

Madam President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeds to call the roll.

Mr. BINGAMAN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Madam President, I ask unanimous consent the pending amendment be set aside so that I can send an amendment to the desk for consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2990 TO AMENDMENT NO. 287

Mr. BINGAMAN. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk reads as follows:

The Senator from New Mexico [Mr. BINGAMAN], for himself and Mr. DOMENICI, proposes an amendment numbered 2990 to amendment No. 2917.

Mr. BINGAMAN. Madam President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Purpose: To promote collaboration between the United States and Mexico on research related to energy technologies.

After section 1413 insert the following:

SEC. 1414. UNITED STATES-MEXICO ENERGY TECHNOLOGY COOPERATION.

(a) FINDING.—Congress finds that the economic and energy security of the United States and Mexico is furthered through collaboration between the United States and Mexico on research related to energy technologies.

(b) PROGRAM.—

(1) IN GENERAL.—The Secretary, acting through the Assistant Secretary for Environmental Management, shall establish a collaborative research, development, and deployment program to promote energy efficient, environmentally sound economic development along the United States-Mexico border to—

(A) mitigate hazardous waste;

(B) promote energy efficient materials processing technologies that minimize environmental damage; and

(C) protect the public health.

(2) MANAGEMENT.—The Secretary, acting through the Assistant Secretary for Environmental Management, shall consult with the Office of Energy Efficiency and Renewable Energy in carrying out paragraph (1)(B).

(c) PROGRAM MANAGEMENT.—The program under subsection (b) shall be managed by the Department of Energy, Carried out by the Environmental Management Field Office.

(d) COST SHARING.—The cost of any project or activity carried out using funds provided under this section shall be shared as provided in section 1403.

(e) TECHNOLOGY TRANSFER.—In carrying out projects and activities under this section to mitigate hazardous waste, the Secretary shall emphasize the transfer of technology developed under the Environmental Management Science Program of the Department of Energy.

(f) INTELLECTUAL PROPERTY.—In carrying out this section, the Secretary shall comply with the requirements of any agreement entered into by the United States and Mexico regarding intellectual property protection.

(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for fiscal year 2003 and $6,000,000 for each of fiscal years 2004 through 2006, to remain available until expended.

Mr. BINGAMAN. Madam President, this is an amendment which tries to address some very serious health and energy production issues, environmental issues, along the 2,000-mile common border that we have with Mexico.

There are tire dumps in that region that routinely catch fire and which have been determined to breed airborne dengue fever, which is a major health risk that we will face in the next decade.

There are brick kilns that use wood and plastic and cause serious health-related problems in the metropolitan area of Juarez/El Paso. There are serious water contamination issues with regard to ground water along the United States-Mexico border.
This amendment, which I am offering on behalf of myself and Senator DOMENICI, is one which directs the transfer of Department of Energy environmental management technologies to help clean up many of these serious and pressing health-related problems along the border.

The amendment will develop joint research programs between U.S. and Mexican universities on technologies to help develop clean materials processing technologies such as leadless solders for microelectronics plants, techniques to control air pollution from border region heavy manufacturing plants, and energy-efficient methods to recover nonpotable water for irrigation.

This is an amendment that was passed unanimously as S. 397 in the last Congress, the 106th Congress. That was after we had a full markup of the legislation in the Energy Committee.

It is consistent with the current administration's views on developing closer ties with Mexico in both the fields of environmental sciences and energy production.

It is a very good amendment, which I understand I will be given the opportunity to explain again tomorrow morning before a vote occurs. It is one of the amendments the majority leader has indicated he would like to have a vote on tomorrow morning.

So I will not, at this point, belabor the issue but indicate to my colleagues that it has been supported unanimously on a bipartisan basis, in the prior Congress. It is a good piece of legislation and one that I would very much like to see added to this pending energy bill. I hope we will do that tomorrow morning when the issue comes up for a vote.

Madam President, with that, I once again yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Ms. LANDRIEU. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSON). Without objection, it is so ordered.

Ms. LANDRIEU. Mr. President. I know there are amendments that have been laid down and are open for discussion, but I want to take this opportunity to give a statement for the record in regard to the energy debate.

I will begin by thanking the chairman and our excellent leader, Senator BINGAMAN, for laying down a bill that is a real building block, a real stepping stone toward the kind of energy policy with which our Nation could grow and prosper. I thank him for including many of the issues I raised with him on behalf of the State of Louisiana and other petroleum- and gas-producing States, as well as provisions that Senator DOMENICI, Senator Voinovich, and I have worked on relating to electricity generation, expansion of nuclear energy, and others. I have been very open to many of the ideas we have suggested. The bill, however, is only a starting point.

I believe we have to build some additional provisions into this underlying bill.

To begin with, I am reminded of the words of Thomas Edison. He once said: Opportunity is missed by most people because it comes dressed up in overalls, and it looks like work.

I think, as we begin this energy debate, that is an appropriate quote of which to be mindful. The situation that presents itself here—energy policy—rarely captures the attention of Congress, but at this very moment it really is a wonderful opportunity for us. We have a real opportunity—an opportunity to impact our economy and our environmental and foreign policy, all through the adoption of an effective and coherent national energy policy. But getting there is going to require some real work and some real compromise.

I am concerned that this is an opportunity dressed up like hard work. I am
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CONGRESSIONAL RECORD — SENATE

Sighting policy has on other interests. In invasion? Yet that is the same kind of Germany while undertaking the D-Day been bombing an average of once a nearly 600,000 barrels of oil a day from ing to deal with in order to secure back seat to this overriding policy. geopolitics, have seemingly taken a human rights, conservation, and all other national policies, such sources of this imported oil matter impossible. It doesn’t seem to us that the energy or captive by only one fuel supply. We public believes that if we don’t have an ample and a varied supply, but that supply must some I thank the chair of our committee I thank Senator Daschle for bringing the dollar for our consideration. May, including myself, have stated really inaccurately before that we don’t have a national energy policy. Unfortunately, we do have one. The policy, whether expressed or implied, though, is perfectly clear. That policy, unfortunately, is that this Nation is to try to import as much cheap oil as possible. It doesn’t seem to us that the sources of this imported oil matter much. All other national policies, such as human rights, conservation, and geopolitics, have seemingly taken a back seat to this overriding policy.

Let’s look at the nations we are willing to deal with in order to secure cheap oil. The United States imports nearly 600,000 barrels of oil a day from Iraq, while the industrial world has been bombing an average of once a week. Can you imagine what the public would say if we were buying steel from Germany while undertaking the D-Day invasion? Yet that is the same kind of corrupting power that this short-sighted policy has on other interests.

I believe it is time—and I know many of my colleagues join me in saying this—for our country to forge a new “declaration of independence.” About 226 years ago, the people of our Nation needed to control their own destiny politically and economically. We need to do so again today. In order to have that control, we must have energy independence. While we will never achieve that 100 percent, we have to get as close as that goal as we are today. Getting there is going to be tough, but that is what this debate is about. It is what it should be about; it is what the American people want this debate to be about.

While we are achieving that end, it may require efforts equal to the Manhattan project, or the Apollo project, but I believe it is within our grasp.

Again, with strong Presidential leadership, with a bipartisan group of leaders on this floor and in the House, and with the support of the American people, I believe we are up to the challenge. Our new declaration must center around an energy independence. It will start with the principle that I truly believe is the most important, and that is that this country must produce more energy. We must produce cleaner fossil fuels; more nuclear power generation; and, yes, more oil and gas by small and independent companies. Senator Bingaman has advocated, significant new investments for alternative and renewable fuels. The occupant of the chair has advocated using biomass and other agriculturally-based projects.

There are tremendous incentives in this bill for us to expand our supply of energy so that we are not held hostage or captive by only one fuel supply. We have an ample and a varied supply, but we must see our market, our businesses must increased and diminished. Secondly, we will conserve energy wherever possible, particularly in transportation and the industrial sector, and do it in a way that enhances our country and America, not driving them away to other nations. We have to be more committed to a balance, of conserving our natural resources, conserving our clean environment, and making our environment a bigger part of our destiny. I believe we have to focus as intently on conserving and expanding jobs here—in my State of Louisiana, in your State, Mr. President, and in all of our States—because if we are not careful, changes that we make can drive good, high-paying jobs away from our Nation to other nations. It is not fair to our workers, and it is not fair to our communities when there are good alternatives.

The principle of increased energy production really works back to a principle deeply ingrained in our American culture; namely—and I remember studying this in my earliest grades—the dictum of Captain John Smith: “He who works eats; he who doesn’t work doesn’t eat.” The Jamestown colony would not have survived without following that simple, clear and, in some ways, profound statement. We cannot allow mindless energy consumption on one hand while allowing a “not in my backyard” attitude toward energy production to balance the equation. Louisiana makes more than its fair share of a contribution through oil and natural gas production. We also house the Nation’s Strategic Petroleum Reserve. However, while every State should be free to determine how to make its contribution—solar energy perhaps from New Mexico, hydroelectric power from Washington, clean coal plants from West Virginia—every State should be free to make its choices, but every State must make a contribution.

If we are consuming 26 percent of the world’s oil supply but producing only a fraction, we clearly are eating without working. Sixty-five percent of this Nation’s energy supply comes from oil and gas. Yet States continue to express a reluctance to contribute their natural resources to our common needs. Yet, this natural resource belongs to all the people of our Nation. Yet we see a policy permitting repeal of laws that were strict about using natural resources for our common need, which is real and I would say urgent.

It is important to contrast this with our allies in Europe, the Netherlands and the United Kingdom, who are permit offi ce oil and gas drilling in their fishing grounds, some of the finest fishing grounds in the world. Yet there is a tremendous amount of environmentally sensitive, very strictly regulated production operating off those shores.

Such actions would set our environment community back—this Nation in a frenzy. In Europe, however, they have managed to accept a fundamental reality: If you need oil and gas, you must produce it. What is more, every possibility needs to be on the table. If you need water power from the ocean, you have to build the nuclear powerplants to produce it. You cannot just wish it so and turn on the lights.

Our allies have recognized this, but in this country we have not quite grasped this reality. We are seeing a trend toward creating something like Fritz Lang’s Metropolis, but on a state-wide scale, with some States getting to live in the clouds with an unsupplied environment, consuming to their heart’s desire, while other States must live on Earth and bear the brunt of this care-free lifestyle.

This growing dichotomy must stop. We must have more domestic production to balance out our consumption. It is just as simple as that.

The second principle of our declaration, of course, is conservation. We must consume less. Everyone knows the largest consumer of energy in the world is me. We have the largest gross domestic product in the world. While we produce more goods than any other people on Earth and in the history of the world, the ratio between how much we produce to how much energy we use to produce it is the worst in the world. In other words, we are hugely inefficient when it comes to the use of energy. This is not only an environmental dilemma, but it is an economic dilemma as well.

We have squeezed efficiency out of our American workers through greater productivity gains, longer work hours, a more flexible and skilled workforce,
and particularly new technologies. However, we have not squeezed enough efficiency out of our power distribution networks to make U.S. manufacturing cheaper and, as a result, more competitive.

I congratulate Senator BINGAMAN, again, for making this a focus of this legislation. It is truly one of the best pieces of this legislation, and, if we can build on this piece, it will be a real step in the right direction. I look forward to working with him in this debate. Already we have accepted several amendments toward this end that have strengthened this position so that we can make it even stronger.

We must, as I said in the first principle, we must be committed to robust domestic production. Then we also have to be committed to real efficiencies in our electric market, on which Senator Voinovich and others have worked so diligently.

Finally, we must institute the third principle that we have. If you are taking on the burden of production, whether it is in Louisiana, which produces oil and gas and other energies for this Nation, or other States, our Nation should compensate those regions fairly.

Louisiana is the second-highest energy-producing State in the country. We have 16 percent of the total refining capacity, and we supply about 25 percent of all domestic petroleum, half of the imported liquefied natural gas, and about 13 percent of the crude oil shipped into the United States comes through Louisiana. Yet this contribution, while my State is proud of it, has not come without cost to our coast, to our environment, and our infrastructure.

In the past 50 years, Louisiana has lost over 1,000 square miles of its coast. Let me be clear, this loss is not 100 percent directly related to this activity. This activity has been a portion of this loss. There are many other activities. But still the facts remain that because of the drainage and the shipping we provide for the Nation through the Mississippi River and the Delta so that all the Great Plains States and our great interior can ship products out and receive products, as well as the production taking place in this fragile environment, it has had some environmental consequences.

This loss represents 80 percent of all wetlands loss within the United States. While my State suffers these losses, we contribute to the Federal Treasury anywhere from $2 billion to $4 billion a year, just through oil and gas production. This figure does not take into account the taxes and wealth and prosperity generated for the whole Nation because of the shipping and the commerce allowed by our rivers.

In fact, since the year I was born, 1955, our State and other coastal States have contributed $120 billion to the Federal Treasury, and Louisiana has received nothing of this $120 billion directly. We have received less than 1 percent of the money that has come into the Treasury from offshore oil and gas drilling and yet bear most of the cost of the infrastructure required.

Louisiana’s coastal wetlands contribute 28 percent to the total volume of U.S. fisheries. Our coastal wetlands are the nests of Louisiana football field every 15 minutes. Let me restate that: One football field every 15 minutes.

In short, we should sometimes ask ourselves: Why are we doing this? Why don’t others develop a system of retrieving our natural resources. In the old days, we did not do a very good job of it, but in these days of new horizontal drilling, directional drilling, with new technologies, new rules and regulations, some local and some national, we have learned to pool our natural resources for the benefit of our State and our Nation and minimize that environmental footprint.

We want to continue to do that, but we cannot continue under the present regime of royalties as we are unless we are more fairly compensated.

Interior States that produce their natural resources, whether it is to contribute to the energy sector or other sectors, receive 50 percent of their royalties in rent money. Two years ago, the State of Wyoming, through severance taxes that levied from their mining operations, kept $200 million and spent it as they would to reinvest in their State and the local communities that supported that mining operation.

Yet Louisiana and the Gulf Coast States that bear a tremendous responsibility for the production now of oil and gas do not share a penny of those offshore revenues, and yet serve as a platform for that production.

The helicopters cannot get into the central Gulf unless they take off from somewhere. The pipes, the equipment, the computers, the people, the technology, are launched from the coast of Texas, Louisiana or Mississippi or Alabama.

I am going to be laying down amendments—there is already a provision in this bill, thanks to Senator Bingaman—that would authorize for the very first time a coastal impact assistance provision that will give Louisiana and the Gulf Coast States a share of these revenues. It is an authorization. I believe we need a direct appropriation, and I will be working to strengthen that part of this legislation. In that time, the Senate, I hope, will accept this responsibility and fashion part of our overriding energy principle or declaration of independence that if you are going to produce, you should be rewarded for that production. Again, production is the only way you can produce what you choose, but whatever you do, you should be rewarded or compensated for that production.

Frankly, for those States that refuse to produce and only want to consume, then I think we should think very strongly about that situation and what we might do to encourage those States to do more to meet their obligation. It did not work 226 years ago, and that kind of attitude is not going to work today. So for producing States, I believe this is a very strong policy.

I look forward to this debate. It is a rare moment in our history. I hope there is enough pressure that can be brought to bear to move us to make the kind of compromises necessary. It is time for us to declare our independence. We will not get there 100 percent, but we need to get much closer to independence than we are today because not only is our economy at stake, our environment is as well. The security of our Nation rests on how successful we will be in getting more independent.

If another tragedy strikes or, shall I say, it was not created that way initially, with the new and emerging threats confronting our Nation, we can make wise decisions based on our principles, based on America’s economic interests, based on what is right in terms of leading the world today—and rallied many different entities to realize we have safer nuclear reactors. The new technologies are quite promising, with the production of hydrogen as well as the traditional fuels and what that might mean to help us reach that independence.

Senator Voinovich and I will continue to work on building an electric grid for this Nation much like our transportation grid, our interstate system. No one would argue that without that interregional system, our Nation could not grow. We could not move our products. We could not build our businesses. We could not have the international trade that is now the lifeblood of our Nation. That is the kind of electricity system that we need to create.

It was all State developed, regionally developed, and we have to now open that up so our electricity and power can get on onramps, off offramps, with limited speed bumps, and move throughout this Nation to help us really do the kind of conservation and efficiency our businesses need to compete in the world.

As I said, there are many goals and objectives. I have laid out some of these principles, and I look forward to advocating for the people of my State and for many States that are producing oil and gas to make sure we are justly compensated so we can take those just compensations and reinvest for our children and future generations.

One day these oil and gas wells are going dry up. We wanted to make sure we were good stewards of the taxes
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Mr. REID. Madam President, I ask unanimous consent the order for the period not to exceed 10 minutes. The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent the Senate proceed to a period of morning business, with Senators allowed to speak therein for a period not to exceed 10 minutes.

Ms. COLLINS. Madam President, I thank the leader for his assistance.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Madam President, I also appreciate you staying in the chair. I will try not to unduly delay you.

THE ECONOMIC RECOVERY PACKAGE

Ms. COLLINS. Madam President, I rise today to express my support for the Job Creation and Worker Assistance Act, which passed the House earlier today by an overwhelming vote. I am so pleased that it appears we are on the verge of finally passing a very balanced, reasonable, and bipartisan bill to keep our economy on the road to recovery.

This effort has been a long struggle, back and forth, between the House and the Senate and between the two parties, and now it is great to see us all coming together on a consensus bill.
I thank the House leadership, and in particular Chairman Bill Thomas for all the work he has done in putting together this excellent legislation. I am particularly pleased that the bill includes two provisions about which I care a great deal.

The first is the extension of unemployment compensation for displaced workers for an additional 13 weeks. Last October, I introduced the first bipartisan, bi-cameral unemployment benefits for workers who had exhausted their regular State benefits and yet still have been unable to find new work or to be rehired because of the weak economy. These workers need our help. We know that in January alone some 370,000 unemployed workers exhausted their benefits, up 63 percent from the year before. The situation is similar in Maine. We experienced a large increase in the number of unemployed workers who have had to find new work and have exhausted their normal 26 weeks of State unemployment benefits.

This extension could help some 3 million unemployed workers, many of whom lost their jobs either as a direct or indirect result of September 11 or have been affected by the recession that our country just now seems to be on the verge of pulling out of. I know the Presiding Officer has been very concerned about the large number of unemployed Americans living in her State which has experienced one of the higher jumps in unemployment insurance. I know this is a provision that she has been a strong advocate for as well.

The second provision on which I want to comment tonight is one that is very near and dear to me. It is a provision I have worked on for the past 3 years, originally with Senators Coverdell and Kyl, and more recently with Senators Warner, Burr and Landrieu.

Just Tuesday, President Bush spoke about the need to support our elementary and secondary education teachers, to help them bring out the best in their students. Now we are close to passing another milestone in our journey toward the goal of supporting our teachers.

The provision to which I am referring is known as the teacher tax provision. It is a provision that has been included in the economic recovery package that would establish an above-the-line deduction of up to $250 to compensate teachers for a small part of what they invest in our children.

The tax deduction would be available to teachers who dip deeply into their own pocket in order to buy supplies, materials, or books for their classrooms. This above-the-line deduction would be available for teachers, teacher’s aids, principals, and counselors to help reimburse them in just a small way for the books, supplies, and equipment they purchase for their students.

I notice the Senator from Iowa is in the Chamber. He has been very helpful with this provision as well. I thank him, too.

Just last year, we passed landmark legislation authorizing the Elementary and Secondary Education Act. A principal goal of this bill is to promote teacher excellence. We know that other than involved parents, the most important predictor of a student’s success is a quality teacher.

I have a close relationship with close to 100 schools in the State of Maine, and I have seen firsthand how dedicated our teachers are. They deserve our support. This is a way we can recognize the selfless efforts of our teachers and the financial sacrifices they make in entering the field of teaching in making purchases to improve the classrooms where they teach.

According to a study by the National Education Association, the average classroom teacher spends more than $400 a year out of his or her own pocket in order to buy supplies or materials or books for the classroom. This sacrifice is typical of the dedication of America’s teachers to their students.

So often teachers in Maine and throughout the country spend their own money to better the classroom experiences of their students. Let me cite an example. I have spoken to dozens of teachers who have told me about their efforts to improve the quality of their teaching by giving their students access to supplies and other materials they would not otherwise have.

One example is Idella Harter. She is a second-grade teacher in Casco, a small town near and dear to me. It is a provision I have been involved with for the past 3 years. It is typical of the dedication of America’s teachers to their students.

So often teachers in Maine and throughout the country spend their own money to better the classroom experiences of their students. Let me cite an example. I have spoken to dozens of teachers who have told me about their efforts to improve the quality of their teaching by giving their students access to supplies and other materials they would not otherwise have.

One example is Idella Harter. She is a second-grade teacher in Casco, a small town near and dear to me. It is a provision I have been involved with for the past 3 years. It is typical of the dedication of America’s teachers to their students.

The relief our Tax Code now provides to our teachers is simply not sufficient because most teachers do not itemize so they do not get the benefit of the tax deduction for their classroom. By changing the system so that we now have an above-the-line tax deduction, we will help many more teachers. By allowing them to take an above-the-line deduction for classroom expenses, this provision takes a fair, progressive approach that will provide just a bit of thanks and a little bit of incentive and financial relief to our schoolteachers. It will also encourage additional spending on classroom supplies.

The teacher tax provision of the Job Creation and Worker Assistance Act helps teachers to go that extra mile for their students. We have all seen them. We know how dedicated they are. We know the difference they have made in our own lives. As President Bush has eloquently noted, teachers sometimes lead with their hearts and pay with their wallets. This provision would reimburse educators for a small part of what they invest in our children’s future.

I hope we will clear this bill very shortly and pass it either tonight or first thing tomorrow morning. I hope all of my colleagues will join in a strong vote for this important legislation.

I thank the Presiding Officer for allowing me to comment on these two important provisions. I am delighted to see two of my top legislative priorities on the verge of being signed into law. I yield the floor.

JOB CREATION AND WORKER ASSISTANCE ACT OF 2002

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DASCHLE. Madam President, I am about to propound a unanimous consent request. I have been in consultation with the Republican leader, with the distinguished Senator from Iowa, and I know of no objections to the request. So at this time I will make it.

I ask that the Chair now lay before the Senate a message from the House on H.R. 3090 and that on Friday, March 8, immediately following the usual opening ceremony, the Senate resume consideration of the message; that upon disposition of that message, the Senate immediately resume consideration of S. 517 and the McCain amendment No. 2970; and there be 2 minutes of debate equally divided and controlled, with no second-degree amendments in order prior to a vote in relation to the McCain amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Chair laid before the Senate the following message from the House of Representatives:

Resolved. That the House agree to the amendment of the Senate to the bill (H.R. 3090) entitled “An Act to provide tax incentives for economic recovery”, with the following House amendment to Senate amendment No. 3090:

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. 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. 203. Temporary extended unemployment compensation account.

March 7, 2002

CONGRESSIONAL RECORD—SENATE

S1659
Sec. 204. Payments to States having agreements for the payment of temporary extended unemployment compensation.

Sec. 205. Funding provisions.

Sec. 206. Fraud and overpayments.

Sec. 207. Definitions.

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

TITLe III—TAX INCENTIVES FOR NEW YORK CITY AND DISTRESSED AREAS

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

TITLe IV—MISCELLANEOUS AND TECHNICAL PROVISIONS

Subtitle A—Miscellaneous Provisions

Sec. 401. Allowance of electronic 1999’s.

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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 minimum requirements.

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

Subtitle B—Technical Corrections


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


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 refuel 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 credits and certain refundable credits before September 11, 2001.

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. Reform 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

TITLe II—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 thereof the following paragraph:

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

“(1) ADDITIONAL ALLOWANCE.—In the case of any 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) which is property described in subparagraph (B), before September 11, 2004, by a person, and

“(ii) which is computer software (as defined in section 167(h)(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) original use of which commences with the taxpayer after September 10, 2001, before September 11, 2004, by a person, and

“(iii) which is—

“(I) acquired by the taxpayer after September 10, 2001, 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

“(III) 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) Qualification.—For purposes of this section—

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

“(A) the term ‘qualified property’ shall be determined under section 167(b)(4),

“(B) the term ‘qualified property’ shall be determined under subsection (a) (ii) (I) and

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

“(ii) QUALIFIED NEW YORK LIBERTY ZONE LEASEHOLD IMPROVEMENT ALLOWANCE.—The term ‘qualified property’ shall not include any qualified New York Liberty Zone leasehold improvement property (as defined in section 144L(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 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 (ii) 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 placed in service under the leaseback referred to in clause (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(b)(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 (I) 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.

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

“(A) In general.—The term ‘qualified leasehold improvement property’ has the same meaning as in section 168, as in effect before September 11, 2004.

“(B) Retrofit of certain property.—Such term shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

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

‘‘(1) members of an affiliated group (as defined in section 594), and

‘‘(2) any person described in subsection (b) of section 267; except that, for purposes of this clause, the phrase ‘30 percent or more’ shall be substituted for the phrase ‘more than 30 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 FOR 5 YEARS, TEMPORARY SUSPENSION OF 90 PERCENT AMT LIMIT.

(a) IN GENERAL.—Paragraph (b) of section 172(b) (relating to net operating losses which 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 (F) shall not apply.’’.

(b) EFFECT ON DISCOURSE 5-YEAR CARRYBACK.—Paragraph 172(b) (relating to net operating loss deduction) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (d) the following new subsection:

‘‘(j) EFFECT ON DISCOURSE 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—

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

‘‘(ii) the lesser of—

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

‘‘(I) the amount of such deduction attributable to 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 after December 31, 2001.

(d) EFFECTIVE DATE.—As provided in subsection (c), the amendments made by this section shall apply to net operating losses taxable years ending after December 31, 2001.

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 this subsection shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals who—

(1) have all the rights to regular unemployment 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 unemployment or extended unemployment compensation with respect to a week under such law or any other State unemployment compensation law to which the individual is subject 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 June 28, 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 unemployment compensation under a State law when—

(1) no payments of regular unemployment compensation can be made under such law because such individual is no longer entitled to such 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) 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 to which any individual is entitled to receive 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) in the case of any individual in a week in which the individual is entitled to a benefit under the State unemployment compensation law of Canada, an amount equal to the lesser of—

(A) 50 percent of the total amount of regular unemployment compensation (including 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.

(3) the weekly compensation amount (including allowances) payable to such individual during such individual’s benefit year under the State law shall be paid to such individual for such week for total unemployment.

(e) TEMPORARY SUSPENSION OF 90 PERCENT AMT LIMIT.

(1) IN GENERAL.—Notwithstanding any other provision of this section, if, at the time the individual’s account is suspended or the individual’s State is 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 to payments to such State under an agreement under this title by striking ‘‘5’’ each place it appears and inserting ‘‘4’’.

(f) PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.

(1) IN GENERAL.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 90 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(2) 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 for temporary extended unemployment compensation payable to such individual under this title in respect of any month ended before March 15, 2001; except that the Secretary shall be reimbursed under this title an amount equal to 100 percent of the amount so paid to individuals by the State pursuant to such agreement.

(3) DETERMINATION OF AMOUNT.—Sums payable to any State under this section shall be computed in advance or by way of reimbursement in such monthly periods as determined by the Secretary.

(4) DETERMINATION OF AMOUNT.—Sums payable under this section shall be computed in advance or by way of reimbursement in such monthly periods as determined by the Secretary.

(5) DETERMINATION OF AMOUNT.—Sums payable under this section shall be computed in advance or by way of reimbursement in such monthly periods as determined by the Secretary.

(6) DETERMINATION OF AMOUNT.—Sums payable under this section shall be computed in advance or by way of reimbursement in such monthly periods as determined by the Secretary.

(7) DETERMINATION OF AMOUNT.—Sums payable under this section shall be computed in advance or by way of reimbursement in such monthly periods as determined by the Secretary.

(8) DETERMINATION OF AMOUNT.—Sums payable under this section shall be computed in advance or by way of reimbursement in such monthly periods as determined by the Secretary.

(9) DETERMINATION OF AMOUNT.—Sums payable under this section shall be computed in advance or by way of reimbursement in such monthly periods as determined by the Secretary.

(10) DETERMINATION OF AMOUNT.—Sums payable under this section shall be computed in advance or by way of reimbursement in such monthly periods as determined by the Secretary.

(11) DETERMINATION OF AMOUNT.—Sums payable under this section shall be computed in advance or by way of reimbursement in such monthly periods as determined by the Secretary.

SEC. 202. 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 unemployment compensation (including 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.

(f) TEMPORARY SUSPENSION OF 90 PERCENT AMT LIMIT.

(1) IN GENERAL.—Notwithstanding any other provision of this section, if, at the time the individual’s account is suspended or the individual’s State is 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 to payments to such State under an agreement under this title by striking ‘‘5’’ each place it appears and inserting ‘‘4’’.

(f) TEMPORARY SUSPENSION OF 90 PERCENT AMT LIMIT.

(1) IN GENERAL.—Notwithstanding any other provision of this section, if, at the time the individual’s account is suspended or the individual’s State is 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 to payments to such State under an agreement under this title by striking ‘‘5’’ each place it appears and inserting ‘‘4’’.
Act (42 U.S.C. 1105(a)) of the Unemployment 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 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 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 sums as may be necessary for purposes of assisting States (as provided in section 1107 of the Social Security Act (42 U.S.C. 507 et seq.)) in meeting the costs of administration of agreements under this title.

SECTION 205. 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) $2,400,000,000, and such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under section 3609(b) of the Internal Revenue Code of 1986.

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

SECTION 206. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made, 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, or knowingly has failed, or caused another to fail, to make a payment under this title to which such individual is not entitled, such individual shall be ineligible for further temporary extended unemployment compensation under this title.

(2) SAVINGS PROVISION.—Any amounts transferred before the date of enactment of this Act under the provision relied on by paragraph (1) 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.

(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 relied on by paragraph (1) shall remain subject to section 903 of the Social Security Act, as last in effect before such date of enactment.

(c) ASSISTANCE TO STATES.

There are appropriated from the general fund of the Treasury, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in section 1107 of the Social Security Act (42 U.S.C. 507 et seq.)) in meeting the costs of administration of agreements under this title.

(d) TRANSFERS UNDER THIS SUBSECTION MAY NOT BE USED—(1) To increase Federal unemployment compensation law of such State.

(2) For purposes of the unemployment compensation law of such State under an alternative base period.

(3) For a regular compensation order of any kind not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

(4) For a regular compensation order of any kind not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

(5) As described in clause (iii).

(e) 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 “the transfer date described in subsection (d)(5)” for “the transfer date described in subsection (d)(5)” for “the fiscal year beginning on such October 1.”
(A) By substituting ‘‘under subsection (d)’’ for ‘‘as of October 1 of such fiscal year’’;
(B) 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)’’ after ‘‘or 903(d)(3)’’.
(2) Section 303(a)(5) of the Social Security Act is amended in the second proviso by inserting ‘‘or 903(d)(4)’’ after ‘‘or 903(d)(3)’’.

(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 I 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.

‘‘(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 an 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 subsection (I)(i) 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 were performed in the City of New York, New York.

(ii) Limitation.—The number of employees of such business treated as a New York Liberty Zone business employee 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 subparagraph (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 times in which it had more than 200 employees on business days during the taxable year.

‘‘(D) Special rules for determining amount of credit.—For purposes of applying subsection (f) of this chapter to wages paid or incurred to any New York Liberty Zone business employee for any taxable year—

(i) section (2)(A) shall be applied by substituting ‘‘qualified wages’’ for ‘‘qualified first-year wages’’;

(ii) the rules of section 33(i) shall apply for purposes of determining the number of employees under subparagraph (B), and

(iii) subsections (4) and (5)(2) of section 51 shall not apply, and

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

(A) Qualified wages means wages paid or incurred by the employer to individuals who are New York Liberty Zone business employees of such employer for services performed during calendar year 2002 or 2003.

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

(C) For purposes of this subsection—

(I) qualified New York Liberty Zone property means property—

(i) which is described in section 168(k)(3)(A)(1), or

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

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

(iv) the original use of which in the New York Liberty Zone commences with the taxpayer after September 11, 2001,

(v) which is acquired by the taxpayer after September 11, 2001, but only if no written binding contract for such improvement was in effect before September 11, 2001, and

(vi) 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 that—

(i) the realty described in this subparagraph replaces real property destroyed or condemned, as a result of the September 11, 2001, terrorist attack,

(ii) 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)(3)(B) applies.

(ii) Alternative depreciation property.—The term ‘New York Liberty Zone property’ shall not include any property described in section 168(k)(2)(B)(i).

‘‘(I) qualified new york liberty zone leasehold improvement property.—Such term shall not include any qualified New York Liberty Zone leasehold improvement property.

(ii) special rules.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(C) shall apply.

(E) Allowance Against Alternative Minimum Tax.—For purposes of this subsection, rules similar to the rules of section 168(k)(2)(F) shall apply.

(2) 5-year recovery period for depreciation of certain leasehold improvements.—

‘‘(I) In general.—For purposes of sections 168 and 170, the term ‘qualified New York Liberty Zone leasehold improvement property’ shall be defined as follows:

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

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

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

‘‘(II) In general.—For purposes of this title, any qualified New York Liberty Bond shall be treated as an exempt facility bond.

‘‘(II) 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)(2)(D)).

(3) Tax-Exempt Bond Financing.—

‘‘(I) In General.—For purposes of this title, any qualified New York Liberty Bond shall be treated as a tax-exempt facility bond.

‘‘(II) 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) 80 percent 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 a 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 enactment of this section and before January 1, 2005.

‘‘(III) 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 qualified project costs.

(B) eligibility.—Real property or residential rental property described in this section is eligible for purposes of this section if—

(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 $1,000,000,000.

(iii) costs with respect to property used for rentals 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 proportionally 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.
EXEMPT BONDS.

(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;

(C) a qualified 501(c)(3) bond (as defined in section 145(g)) 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.

1. 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.

2. 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.

3. INCREASE IN EXPENDING UNDER 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 the 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(d) with respect to any section 179 property which is qualified New York Liberty Zone property shall be 50 percent of the cost thereof.

4. 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).

5. EXTENSION OF REPLACEMENT PERIOD FOR NONRECOGNITION OF GAIN.—No withholding under subsections (g) and (h) of section 1033, clause (1) of section 1033(a)(2)(B) shall be applied by subtracting 5 years for 2 years’ worth of 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 such property is in the City of New York, New York.

6. 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.

7. REFERENCES TO GOVERNOR AND MAYOR.—For purposes of this section, the terms ‘Governor’ and ‘Mayor’ include the Governor of the State of New York and the Mayor of the City of New York, New York, respectively.

8. CREDIT ALLOWED AGAINST REPORTABLE AND MUNICIPAL INCOME TAXES.—

(a) IN GENERAL.—Subparagraph (ii) of section 3401(a)(4)(B) is amended to include—

(i) any recipient who has consented to the electronic furnishing of such statement (without regard to any first class mailing requirement) by any person who has consented to the electronic furnishing of such statement in a manner similar to the one permitted under regulations issued under section 503 of such Code or in such other manner as provided by the Secretary.

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

9. ALLOWANCE OF ELECTRONIC 1099 STATEMENTS.—The table of sections for chapter 1 is amended by adding at the end the following new item:

(1) “Subchapter Y—New York Liberty Zone Bene

TITLE IV—MISCELLANEOUS AND TECHNICAL PROVISIONS

Subtitle A—General Miscellaneous Provisions

SEC. 401. ALLOWANCE OF ELECTRONIC 1099S.

Any person required to furnish a statement under any section of subpart B of part III of subchapter A of chapter 1 of subchapter Y of subtitle Z of title 26 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 furnishing of such statement in a manner similar to the one permitted under regulations issued under section 503 of such Code or in such other manner as provided by the Secretary.

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

(a) IN GENERAL.—Paragraph (a) of section 108(d)(7) (relating to certain provisions to be applies at corporate level) is amended by inserting “the tax year of the financial institution” in place of “the applicable tax year” in the first place such term is used in such paragraph.

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

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

“(5) SPECIAL RULE FOR CERTAIN SERVICES.

(A) the term ‘person’ includes 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 be subject to the limitations prescribed by *section 448(d)* with respect to 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.

(2) 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.

(3) REGULATIONS.—The Secretary shall prescribe regulations 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 use, 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) I N GENERAL.—The amendments made by this subsection shall apply to taxable years ending after the date of the enactment of this Act.
(2) CHARGE IN METHOD OF ACCOUNTING.—In the case of any taxable year 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 less, the number of taxable years that the taxpayer used the method permitted under section 481(b) 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 APPOINTMENTS BY QUALIFIED PLACEMENT AGENCIES.

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

“(1) I N GENERAL.—The term ‘qualified foster care payment’ means any payment made pursuant to a foster care plan of a State or political subdivision thereof—
“(A) which is paid by—
“(i) the State or political subdivision thereof, or
“(ii) a qualified foster care placement agency,
and
(b) Q UALIFIED 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) Q UALIFIED FOSTER CARE PLACEMENT AGENCY DEFINED.—Subsection (b) of section 131 is amended by redesignating paragraph (2) as paragraph (3) 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 PROVISIONS.—

(a) I N GENERAL.—The amendments to the Internal Revenue Code of 1986 read as follows:

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

“(II) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwith-standing 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 otherwise permitted under subclause (I); except that such rate of interest shall not exceed the rate of interest otherwise permitted under subparagraph (B).”.

(b) I N 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 public or private school for at least 900 hours during a school year.

“(B) SCHOOL.—The term ‘school’ means any school, campus, or institution 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 such 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


(a) AMENDMENTS RELATED TO SECTION 101 OF THE ACT.—
(1) I N 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 AMENDMENT.—Subsection (d) of section 6428 is amended to read as follows:

“(d) COORDINATION WITH ADVANCE REFUNDS OF CREDIT.—
“(1) I N 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 an error of a mechanical or clerical nature and corrected according to section 6213(b)(1).

“(2) JOINT RETURNS.—In the case of a joint return, if the refund or credit allowed under paragraph (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.

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

“(2) ADVANCE REFUND AMOUNT.—For purposes of paragraph (1), the amount reduced 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

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

(a) I N 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 PERSONNEL.—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 for an eligible educator (as defined in section 162) for the purchase of books, supplies (other than nonacademic 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:

“(4) DEFINITION; SPECIAL RULE.—
“(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

“(B) SCHOOL.—The term ‘school’ means any school, campus, or institution 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 such taxable year.

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

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“(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 41(b), and

“(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 special needs),

(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 subsection”.

(c) Amendments Related to Section 202 of the Act.—

(I) Corrections to Credit for Adoption Expenses.—

(1) Paragraph (A) 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.

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

“(B) Employer-Provided Adoption Assistance.

(II) Corrections to Exclusion for Employee-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 plan.

“(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 aggregate expenses incurred by the employer for 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 (D) of section 23(a) is amended by striking the last sentence.

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

(E) Subsection (i) of section 23 is amended by striking “(the 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 for such taxable year beginning after December 31, 2001.

(d) Amendments Related to Section 205 of the Act.—

(1) Paragraph 45F(4)(A)(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 30(b)(15) is amended by striking “45G” and inserting “45P”. 

(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,”

(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 nearest lower multiple of $50. “

(f) Amendments Related to Section 302 of the Act.—

(1) Paragraph 456(c)(1)(C)(ii) 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 456(c)(3)(B) is amended by striking “separation from service” and inserting “separation from employment.”

(I) Amendments Related to Sections 614 and 616 of the Act.—

(1) Section 404(a)(12) is amended by striking “(n) and inserting “(n) and (s)”.

(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)(17) is amended to read as follows:

“(C) PARAGRAPH NOT TO APPLY IN CERTAIN CIRCUMSTANCES.

“(5) BENEFICIARY TEST.—This paragraph shall not have the effect of reducing the amount otherwise deductible under paragraphs (1), (2), and (3) if the employee is the beneficiary under more than one trust or under a trust and an annuity plan.

(6) 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 deferred compensation programs which is not includable in gross income by reason of a trustee-to-trustee transfer or a rollover distribution,”.

(j) Amendments Related to Section 619 of the Act.—

(1) Paragraph 459(c)(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.”

(k) Amendments Related to Section 610 of the Act.—

(1) Section 451(c)(1)(C)(iii) is amended by striking “$100,000” and inserting “$160,000.”

(2) Section 451(c)(1)(C)(i) is amended—

(A) 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 striking at the end the following new paragraph:

“(2) SPECIAL RULE.—In the case of the plan that, on or before June 7, 2001, incorporates the limitation of section 451(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, and

(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).”

(l) 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(c)(3)(B) is amended by striking “separation from service” and inserting “separation from employment.”

(m) Amendments Related to Sections 614 and 616 of the Act.—

(1) Section 404(a)(12) is amended by striking “(n) and inserting “(n) and (s)”. 

(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)(17) is amended to read as follows:

“(C) PARAGRAPH NOT TO APPLY IN CERTAIN CIRCUMSTANCES.

“(5) BENEFICIARY TEST.—This paragraph shall not have the effect of reducing the amount otherwise deductible under paragraphs (1), (2), and (3) if the employee is the beneficiary under more than one trust or under a trust and an annuity plan.

(6) 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 deferred compensation programs which is not includable in gross income by reason of a trustee-to-trustee transfer or a rollover distribution.”.

(7) Amendments Related to Section 619 of the Act.—

(1) Section 459(c)(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.”
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 plan for any prior taxable year). If both paragraphs (A) and (B) apply for the taxable year, the aggregate amount of elective deferrals, including contributions and other additions by an employer for an eligible deferred compensation plan, that is treated as a rollover contribution described in paragraph (A) that is transferred to another eligible deferred compensation plan during the five taxable years following the taxable year in which such employee was terminated, is not subject to the limitations under paragraph (C).

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

(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 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)(1) with respect to such participant, when expressed as an annual addition, shall be treated as not exceeding the limitation of paragraph (A) if such annual addition is not in excess of $10,000.

(ii) Aggregate limitation.—The total amount of contributions with respect to any participant which may be taken into account for purposes of this subsection for all years may not exceed $40,000.

(b) Number of years of service for duly ordained, commissioned, or licensed minister or lay employee.—For purposes of this paragraph—

(1) 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), contributions and other additions for an annuity contract or retirement income account described in section 403(b)(5) 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 includable compensation determined under section 401(k)(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 paragraph, the terms ‘‘church’’, ‘‘convention’’, and ‘‘association of churches’’ have the same meaning as when used in section 414(e).
“(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)).”.

(u) AMENDMENTS RELATING TO SECTION 682 OF THE ACT.

(1) Section 404(b)(4) is amended—

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

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

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

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

“(III) INVESTMENT IN DEPENDENTS.—For purposes of subparagraph (A), an applicable dividend reinvested pursuant to clause (ii)(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 in effect (whichever is later).”.

(2) Section 404(k)(5) is amended by adding at the end the following new paragraph:

“(F) FULL VESTING.—In accordance with section 411, an applicable dividend described in clause (ii)(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 406(h)(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) AMENDED 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 ABOU REQUIREMENTS.—An”;

(2) by striking “of section 230(c)(3)(A)(ii)” and inserting “principal place of abode requirements of section 230(c)(3)(A)(ii)”; and

(c) AMENDMENT RELATED TO SECTION 309 OF THE ACT.—Subparagraph (A) of section 35A(h)(1) is amended by inserting “(A) which is assumed by another person as part of the exchange, and”;

(d) AMENDMENTS RELATED TO SECTION 401 OF THE ACT.—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” and inserting “sale or exchange, or termi- nation”; and

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

“(j) CROSS REFERENCE.—

“For special rules relating to dealer securi- ties futures contracts, see section 1256.”.

(2) 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 the provisions of the Community Renewal Tax Relief Act of 2000 to which they relate.


(a) AMENDMENTS RELATED TO SECTION 310 OF THE ACT.—Section 311(e) of the Taxpayer Relief Act of 1997 (Public Law 105-34; 111 Stat. 889) is amended—

(1) in paragraph (2)(A), by striking “recogn- ized” and inserting “included in gross in- come”, and

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

“(f) DISPOSITION OF INTEREST IN PASSIVE AC- TIVITY.—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 310 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 inserting “and” at the end of subparagraph (Q), and by adding at the end the following new subparagraph:

“(R) section 139(c)(2) (relating to penalty for distributing certain RSAs—Choice MSAs 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 “short part” 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 SALES.

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

“(3) SPECIAL RULE RELATED TO WASH SALES.—Sec- tion 1256(f), relating to 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 6103I(b)(6) is amended—

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

(B) in subparagraph (A), by inserting “Feder- al” or before “State and”.

(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 designate)” after “Secretary” each place it appears:—

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

(B) Section 6229(h)(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(h)(3) (relating to no levy while certain offers pending or installment agreement pending or in effect) is amended to read as follows:

“(c) CERTAIN RULES TO APPLY.—Rules similar to the rules of—

“(A) paragraphs (3) and (4) of subsection (i), and

“(B) except in the case of paragraph (2)(C), paragraph (5) of subsection (i), 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.—Para- graph (c) of section 38(b)(a) of the Community Re- newal Tax Relief Act of 2000 (114 Stat. 2765A- 645) is repealed, and clause (ii) of subsection 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 (c)(9) of section 25B that relates to termination is redesignated as subsection (d).

(2) The second sentence of section 42(b)(3)(C) is amended by striking “the amounts described in” and all that follows through and inserting “the amounts described in clauses (ii) through (ii) over the aggregate housing credit dollar amount allocated for such year.”.

(3) Clause (ii) of section 42(m)(4)(B) is amended by striking the second “and” at the end of clause (II) and by inserting “and” at the end of clause (III).
is amended to read as follows:

(i) in subparagraph (D), by striking "341(d)(3)" and inserting "341(d)(4)"; and

(ii) in subparagraph (Q), by striking "854(c)(1)(B)(iii) and inserting "854(c)(1)(B)(v)".

SEC. 418. ADDITIONAL CORRECTIONS.

(a) AMENDMENTS RELATED TO SECTION 202 OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001—

(1) Subsection (b) of section 23 is amended—

(A) by striking "subsection (a)(1)(B)" and inserting "subsection (a)(2)"; 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.";

(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 be effective, except 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 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(c) 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 budgetary 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 years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SEC. VI—EXTENSIONS OF CERTAIN EXPIRING PROVISIONS

SEC. 601. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Paragraph (3) of section 26(a) is amended—


(b) CONFORMING AMENDMENTS.—

(1) Section 904(h) is amended by striking "during 2000 or 2001" and inserting "during 2000, 2001, 2002, and 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—

(1) subsection (b)(2)(A) is amended by striking "December 31, 2001," and inserting "December 31, 2003," and "December 31, 2004,";

(2) subsection (b)(3) and (d) are amended by striking "2003" and "2004," respectively, and inserting "2004", "2005", and "2006";

(3) subsection (b)(4) is amended by striking "December 31, 2001," and inserting "December 31, 2004.";

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 280A(f)(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 39 of the Taxpayer Relief Act of 1997 is amended by striking "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 each amended by striking "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 "2002".

(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 FACILITIES.

(a) IN GENERAL.—Subsection (b)—

(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.

(2) in subsection (f), by striking "December 31, 2004" and inserting "December 31, 2006".
SEC. 609. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) In General.—Paragraph (1) of section 7621(f) is amended by inserting “January 1, 2002” and inserting “January 1, 2004”.

(b) Effect of Date.—The amendment made by subsection (a) shall apply to obligations issued after the date of the enactment of this Act.

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) Exception for Certain Life Insurance Companies.—

(1) IN GENERAL.—Except as provided in clause (ii), the amount of the reserve of a qualifying insurance company or qualifying insurance or annuity contract shall be equal to the greater of—

(I) the net surrender value of such contract (as defined in section 803(a)(1)(A)), or

(II) the reserve determined under paragraph (5).

(2) RULES FOR APPLICATION TO LIFE INSURANCE COMPANIES.—

(i) the rule shall apply as if the foreign statement reserve for the contract (less any catastrophe, deficiency, equalization, or similar reserves, if, pursuant to a ruling request submitted by the company or any person acting in good faith, the Secretary determines that the factors taken into account in determining the foreign statement reserve provide an appropriate measure of income); and

(ii) the ruling request, etc. The amount of the reserve under clause (i) shall be the foreign statement reserve for the contract.

(III) the reserve determined under paragraph (5).

(III) the 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 company or any person acting in good faith, the Secretary determines that the factors taken into account in determining the foreign statement reserve provide an appropriate measure of income); and

(III) the rule shall apply as if the foreign statement reserve for the contract (less any catastrophe, deficiency, equalization, or similar reserves, if, pursuant to a ruling request submitted by the company or any person acting in good faith, the Secretary determines that the factors taken into account in determining the foreign statement reserve provide an appropriate measure of income); and

(III) the ruling request, etc. The amount of the reserve under clause (i) shall be the foreign statement reserve for the contract.

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

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 deduction rates of mutual life insurance companies) is amended by adding at the end the following:

"(d) In General.—Subsection (f) of section 809 is amended by inserting ‘‘January 1, 2002’’ after ‘‘January 1, 2004’’."

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

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 ‘‘2001’’ each place it appears and inserting ‘‘1999, 2001, or 2002’’.

(b) Conforming Amendments—

(1) Paragraph (2) of section 220(i) is amended by striking ‘‘1998, 1999, or 2001’’ each place it appears and inserting ‘‘1996, 1999, 2001, or 2002’’.

(2) Subparagraph (A) of section 220(i)(4) is amended by striking ‘‘and 2001’’ and inserting ‘‘2001, 2002, and 2003’’.

(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. TEMPORARY PROVISION FOR APPROVED DIESEL OR KEROSENE TERMINALS.

(a) In General.—House Ways and Means Chairman Thomas.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2002.

SEC. 615. REAUTHORIZATION OF TANF SUPPLEMENTAL GRANTS FOR POPULATION INCREASES FOR FISCAL YEAR 2002.

(b) Application of Section.—

(1) IN GENERAL.—Subsection (f) of the Social Security Act (42 U.S.C. 603(a)(3)) 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 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, 2001.

SEC. 616. REAUTHORIZATION OF TANF SUPPLEMENTAL GRANTS FOR POPULATION INCREASES FOR FISCAL YEAR 2002.

(b) Application of Section.—

(1) IN GENERAL.—Subsection (f) of the Social Security Act (42 U.S.C. 603(a)(3)) 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 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, 2001.

SEC. 617. 1-YEAR EXTENSION OF CONTINGENCY FUND UNDER THE TANF PROGRAM.

(b) Amendment.—The amendment made by subsection (a) shall take effect on January 1, 2002.

SEC. 618. 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’’.
role in helping to alleviate the Nation's teaching shortage. On a federal level, we can encourage individuals to enter the teaching profession and remain in the profession by providing tax relief to teachers for the costs that they incur in the profession.

Madam President, our teachers have made a personal commitment to educate the next generation and to strengthen America. While many people spend their lives building careers, our teachers spend their careers building lives. The Teacher Tax Relief provisions in this bill go a long way towards providing our teachers with the recognition they deserve by providing teachers with important and much needed tax relief.

I am proud to have had the opportunity to work with Senator Collins and so many others to eventually make our goal a reality.

I commend the leadership of the majority and the minority for their efforts. I have long supported the concept of having the stimulus package. While it may not be what each of us wanted, it is essential, particularly the unemployment provisions and the provisions about teachers, with which I have long been associated. I thank the leadership.

Madam President, I commend the President of the United States for his commitment, along with his several Cabinet officers who have fought so strongly for a stimulus package. The American economy is, I believe, showing some signs of recovery, but I believe that this is an additional step to shore up the confidence of the people of this country in the economy.

Within the stimulus package we will vote on tomorrow are provisions that I worked on with Senator Collins and others for some time that relate to teachers. In my visits to educational institutions throughout the Commonwealth of Virginia, I have often learned—inadvertently, not because teachers come up to me and tell me about it, because they are rather modest—but, in fact, so many of our teachers, particularly those in the lower grades and those in schools which, for whatever reason, might not be as well financed as other institutions in our State, have taken from their own pockets, funds to buy school supplies which are needed particularly for their students in their classroom perform their educational responsibilities. Sometimes it is paper. Sometimes it is crayons, occasionally books. I find this extraordinary. As I say, they have not come to me and asked: Oh, we want this, we want that. They are very humble about it.

Senator Collins and I, and my colleague, Senator Allen, who has been very active in the entire area of education with me, happen to serve on the committee for education in the Senate—but we have as a team, together with other Senators, have been working on this concept for some time.

The National Education Association took a pivotal role in seeing that this legislation was incorporated in the House bill. Now at long last, we do have a measure of success, and it is owed to the teachers and the National Education Association and other colleagues here who have worked on it with me.

I am delighted over the whole prospect of this being passed. It is only a $250 above the line deduction. But at long last teachers can point to something—"Wow! Government made it happen, and we are proud of it."

I thank the Chair. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE VIRGINIA GARCIA MEMORIAL HEALTH CENTER

Mr. Smith of Oregon. Madam President, today I rise today to give tribute to some of the health care heroes in my home State of Oregon. They are the hard-working people who staff the Virginia Garcia Memorial Health Center in Cornelius.

Virginia Garcia was a 6-year-old girl who died from a treatable infection in the 1970s. She died, not because she lacked health care, but because no one spoke to her family in the only language they knew—Spanish.

Access to health care involves more than insurance. Barriers to access continue to exist even when financial problems to health care are removed. Disparities in health care and health outcomes reflect these barriers. For instance, Latinos are twice as likely as Whites to have diabetes, and twice as likely to have cervical cancer. They also trail other ethnic groups in childhood immunizations and health insurance coverage.

The Virginia Garcia Clinic does a wonderful job at bridging the large gap between access to coverage and access to care. The clinic serves nearly 8,000 patients a year, 80 percent of whom are Spanish speaking, and 90 percent of whom are below the poverty level. Patients in the clinic pay for their services on a sliding scale, sometimes as low as $5 per visit.

Access to high quality, affordable, and culturally accessible care has saved many lives, and improved the quality of lives of many others. I have two true stories to relate to you today, though I really don’t need to use their names, because they represent thousands of people across my home State. I will refer to them just as people in need of the good work they do.

One woman who has benefitted from the good works of the Virginia Garcia Clinic came to the clinic after moving to the U.S. from Mexico. She had suffered from breast cancer, and undergone a mastectomy and a long, expensive treatment of chemotherapy that had bankrupted her family. To pay for this treatment, they lost their home.

She turned to the Virginia Garcia Health Center for needed very expensive medication, and the clinic managed to provide it to her. To make matters worse, she also had diabetes and other complicated health problems. Yet the Virginia Garcia Clinic manages her care and arranges for the specialty care that she requires. Without a safety net clinic such as the Virginia Garcia Clinic, she would very likely not get the care she needs to stay healthy for her children and family.

The staff at the clinic have also told me about a farm worker who came to the Virginia Garcia Clinic for an urgent care visit about a rash on his arm. During the exam, the nurse practitioners asked about a lump noticed on his neck. He hadn’t been concerned about it, but the staff at the Virginia Garcia Clinic persisted until he agreed to have a biopsy. The lump turned out to be lymphoma, so the Virginia Garcia Clinic arranged for his chemotherapy at the Oregon Health and Sciences University, where he was treated successfully.

Without a migrant community health center such as Virginia Garcia Clinic to provide outreach, the outcome of this story would likely not have been so positive.

Spending time at the Virginia Garcia Clinic, I have met with people with stories such as these and whose lives would have changed for the worse without the efforts of the hard-working and dedicated staff.

Truly, these people, these staff workers are health care heroes, and we desperately need them in our quest to ensure that every person in this country has access to health care.

So today, I salute the work and the workers of the Virginia Garcia Clinic, true heroes in the State of Oregon.

IN RECOGNITION OF SERGEANT PHILIP SVITAK

Mr. Nelson of Nebraska. Madam President, this week during the war against terror in Afghanistan America lost eight soldiers and Nebraska lost a native son. These soldiers died valiantly protecting the rights, ideals, values, and way of life that Americans enjoy.

Sgt. Philip Svitak, a member of the Second Battalion, 160th Special Operations Aviation Regiment, was born in Lincoln and raised in Fremont. He graduated from Fremont High School in 1989 and entered the Army where he served in the Gulf War.

Sgt. Svitak’s parents have said that growing up, he dreamed of a career with the military service. His favorite gifts would be colored the familiar green olive drab. But he also enjoyed
fixing things, hunting, and skateboarding. He loved his wife, Laura, and their two young sons, Nolan and Ethan. Before departing for Afghanistan, he told his family that “the terrorists have to be stopped.” Phillip has made the ultimate contribution.

The military is the only SGT at the time who was hit in the face by a bullet. He will be remembered as a hero and a true warrior.

We thank MSG. Sivrik for his service and his sacrifices. Our thoughts and prayers are with his family and the families of other servicemen and women as they endure their loss of their loved ones who have been killed defending our freedom.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred in September 1997 in Tulsa, OK. Two gay men were severely beaten after leaving a bar. After being arrested, the assailants told police they were “only rolling a couple of fags.”

I believe that government’s first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

NOMINATION OF JOE SCHMITZ

Mr. SMITH of New Hampshire. Madam President, I believe that the Department of Defense Inspector General position is among the most important in the Department, because the IG office is responsible for ensuring accountability and efficiency, and therefore is the heart of integrity in the Pentagon.

There have been numerous scandals in the IG office in the recent past, which has been rudderless, without a confirmed nominee for 3 years. With the IG office in disarray, there is the impression left that the Department is without proper and necessary oversight. I am also told that the IG office has been headless for some 10 years over the past couple of decades—which is a disgrace. Without strong leadership, direction and motivation, no office can function efficiently and effectively.

Secretary Rumsfeld needs an Inspector General. We are, after all, at war. Joe Schmitz was the choice of the Secretary of Defense and the choice of President Bush for this important post.

Mr. SCHMITZ of Oregon. Madam President, I rise today to talk about the extraordinary service of Walter “Bud” Johanssen and the extraordinary dedication he has shown to the Lake George, MN community. It is extraordinary in its duration. It is extraordinary in its selflessness. And it is a wonderful example of community service at its best.

Week after week for the past forty years Bud Johanssen has been on call twenty four hours a day, seven days a week as a volunteer firefighter for the Lake George Volunteer Fire Department, the only fire department that services this peaceful north central community and its surrounding area. And week after week he has accepted the risks inherent in a job of this nature, Week after week. For forty years. Voluntarily. Without pay.

He has done this while maintaining a full-time job, raising a family and participating in community affairs. He has done this while demonstrating a positive attitude, a wonderful sense of humor and a willingness to lend a helping hand wherever and whenever needed.

That is dedication. That is the American spirit at its best.

Now I know that Bud Johanssen is not the first individual to ever volunteer his time. Nor will he be the last. But when I hear of such, it always moves me to write about it. When I hear of such, I feel the need to recognize and publicly thank that individual for his service, especially in light of the events of September 11 when we saw all too clearly the sometimes tragic consequences of such courage and commitment.

Today I thank Walter “Bud” Johanssen. I thank his wife Kay and his daughter Tracie for sharing his story with the Lake George community for so many years. And I thank all the members of the Lake George Volunteer Fire Department for the great work that they do. They are all truly inspiring.

TRIBUTE TO DIANE RUMER

Mr. BUNNING. Madam President, today I have the distinct honor of rising to share with my fellow colleagues the poetic work of Diane Rumor of Florence, Kentucky.

The tragic events of September 11 has affected us all in so many different ways. Some have lost loved ones. Some have sacrificed their lives to save others. And some have simply wept. We all have different methods of dealing with such tragic circumstances, and I personally have found a certain degree of solace in Diane Rumor’s poem entitled American Angel. I am honored to share her work with you.

God Bless our country.

And all we hold dear: Faith and our freedom, And life without fear. Guard her and guide her, Protect her, we pray. Send angels among us To show us the way.

Every time I read these beautiful words, I find myself visualizing the American angels Diane so gracefully describes in her poem. I see a soldier fighting at home and abroad to rid the world of terrorism and oppression. I see a fireman racing into a burning building to save the life of a complete stranger. I see a blood donor. I see an aid worker. I see a family raising a flag in their front yard. After reading this, I realize there are angels surrounding us in every aspect of life, trying desperately to show us the way.

I would like to thank Diane for this inspirational piece. Her words are a truly a comfort in times of strife.

MESSAGES FROM THE HOUSE

At 11:12 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1870. An act to provide for the sale of certain real property within the Newlands Project in Nevada, to the city of Fallon, Nevada.

H.R. 1883. An act to authorize the Secretary of the Interior to conduct a feasibility study on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon.

H.R. 1863. An act to amend the National Trails System Act to designate the route taken by American soldier and frontiersman George Rogers Clark and his men during the
Revolutionary War to capture the British forts at Kaskaskia and Cahokia, Illinois, and Vincennes, Indiana, for study for potential addition to the National Trails System.

The message also announced that the House has passed the following joint resolution, without amendment:

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.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 275. Concurrent resolution expressing the sense of the Congress that hunting seasons for migratory mourning doves should be modified so that individuals have a fair and equitable opportunity to hunt such birds.

ENROLLED JOINT RESOLUTION SIGNED

At 2:26 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

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.

The enrolled joint resolution was signed subsequently by the President pro tempore (Mr. BYRD).

At 3:50 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the amendment of the Senate to the bill (H.R. 3090) to provide tax incentives for economic recovery, with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the Speaker had appointed the following members as additional conferees in the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011:

As additional conferees from the Committee on the Budget, for consideration of section 197 of the Senate amendment, and modifications committed to conference: Mr. NUSSELE, Mr. SINGI, and Mr. 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: Mr. CASTLE, Mr. OSBORNE, and Mr. KILDEE.

From the Committee on Energy and Commerce, for consideration of sections 213, 655, 627, 648, 652, 902, 1041, and 1079E of the Senate amendment, and modifications committed to conference: Mr. T Vaczcz, Mr. BARTON of Texas, and Mr. SPRATT.

From the Committee on Financial Services, for consideration of sections 335, and 601 of the Senate amendment, and modifications committed to conference: Mr. OXLEY, Mr. BACHUS, and Mr. LAFAULCE.

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: Mr. HYDE, Mr. SMITH of New Jersey, and Mr. LANTOS.

From the Committee on the Judiciary, for consideration of sections 940-1 of the House bill and sections 902, 1028-9, 1033-9, 1098-9, 1099-9, 1099A 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, 1096, 1097, and 1097E of the Senate amendment, and modifications committed to conference: Mr. HANSEN, Mr. YOUNG of Alaska, and Mr. KINKIN.

From the Committee on Science, for consideration of sections 808, 811, 902-3, and 1097 of the Senate amendment, and modifications committed to conference: Mr. BOEHRLERT, Mr. BALLenger, and Mr. 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: Mr. THOMAS, Mr. HERGER, and Mr. RANGE.

ENROLLED BILL SIGNED

The following enrolled bill, previously signed by the Speaker of the House, was signed today, March 7, 2002, by the president pro tempore (Mr. BYRD):

S. 1857. An act to encourage the negotiated settlement of tribal claims.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1870. An act to provide for the sale of certain real property within the Newlands Project in Nevada, to the city of Fallon, Nevada; to the Committee on Energy and Natural Resources.

H.R. 1875. An act to amend the National Trails System Act to designate the route taken by American soldier and frontiersman George Rogers Clark and his men during the Revolutionary War to capture the British forts at Kaskaskia and Cahokia, Illinois, and Vincennes, Indiana, for study for potential addition to the National Trails System; to the Committee on Energy and Natural Resources.

H.R. 1883. An act to authorize the Secretary of the Interior to conduct a feasibility study on water optimization in the Burnt River, Malheur River basin, and Powder River basin, Oregon.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

S. 1857. An act to encourage the negotiated settlement of tribal claims.

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.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, March 7, 2002, she had presented to the President of the United States the following enrolled bill and joint resolution:

S. 1857. An act to encourage the negotiated settlement of tribal claims.

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.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-5615. A communication from the Deputy Assistant Secretary for Program Operations, Pension and Welfare Benefits Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled “Class Exemption for Cross-Trades of Securities by Index and Model-Driven Funds” (RIN1210-ZA01) received on February 12, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC-5616. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, the Presidential Determination Number 2002-07, relative to major drug transit or major illicit drug producing countries; to the Committee on Foreign Relations.

EC-5617. A communication from the Senior Regulations Analyst, Saint Lawrence Seaway Development Corporation, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Tariff of Tolls” (RIN235- AA14) received on February 14, 2002; to the Committee on Environment and Public Works.

EC-5618. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Endangered and Threatened Plants; Endangered Status for the Buena Vista Lake shrew (Sorex ornatus relictus)” (RIN018-AG06) received on March 6, 2002; to the Committee on Environment and Public Works.


EC–5626. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–268, “Food Regulation Amendment Act of 2002”, to the Committee on Governmental Affairs.


EC–5635. A communication from the Administrator of Tobacco Programs, Agriculture, transmitting, pursuant to law, the report of a rule entitled “Tobacco Inspection; Provisional Administrative Grading” (Doc. No. TB–32–03) received on March 4, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5636. A communication from the Administrator of the Rural Utilities Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “District of Columbia Loan and Grant Program (RIN0572–AB70) received on March 4, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5637. A communication from the Congressional Review Coordinator of Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “District of Columbia Loan and Grant Program (RIN0572–AB70) received on March 4, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5638. A communication from the Congressional Review Coordinator of Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “District of Columbia Loan and Grant Program (RIN0572–AB70) received on March 4, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5639. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Early Winter Wheat; Identification Requirements and Addition of Rust-Resistant Varieties” (Doc. No. 07–053–3) received on March 4, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5640. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Steam Treatment of Golden Nematode-Infested Farm Equipment, Construction Equipment, and Containers” (Doc. No. 01–080–1) received on March 4, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5641. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Change in Disease Status of Greece Because of BSE” (Doc. No. 01–065–2) received on March 4, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5642. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Citrus Canker; Prevention of Rust-Resistant Varieties” (Doc. No. 01–079–2) received on March 4, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5643. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Asian Longhorned Beetle; Addition to Quarantined Areas” (Doc. No. 01–092–2) received on March 6, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5644. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Tart Cherries Grown in the States of Michi- gan; Modifications and Regulations Under the Tart Cherry Marketing Order” (Doc. No. FV01–930–0 FFR) received on March 6, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5645. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Hazelnuts Grown in Oregon and Wash- ington; Establishment of Requirements for Imported Hazelnuts” (Doc. No. FV01–982–0 FFR) received on March 6, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5646. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Olive Oil Judges Day; Oregon; Decreased Assessment Rate” (Doc. No. VG01–036–1 FFR) received on March 6, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5647. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Grading; Fruits and Vegetables” (Doc. No. FV01–990–0 FFR) received on March 6, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5648. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “California; Extension of Redemption Date for Unsold 2001 Diversion Certificates” (Doc. No. FV01–989–0 IFR) received on March 6, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5649. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Fresh Prunes Grown in Designated Counties in Washington and Umatilla County, Oregon; Decreased Assessment Rate” (Doc. No. VG01–028–0 FFR) received on March 6, 2002, to the Committee on Agriculture, Nutrition, and Forestry.

EC–5650. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Fresh Prunes Grown in Designated Coun-
“Fresh Bartlett Pears Grown in Oregon and Washington; Increased Assessment Rate” (Doc. No. FV01–991–1 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5653. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Limes; Suspension of Regulations” (Doc. No. FV01–992–1 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5653. A communication from the Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Tomatoes Grown in Florida; Decreased Assessment Rate” (Doc. No. FV01–966–2 IFR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5662. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Nectarines Grown in California; Increased Assessment Rate” (Doc. No. FV01–916–2 FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5664. A communication from the Acting Administrator of the Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled “Referendum Procedures under the Watermelon Research and Promotion Plan” (Doc. No. FV01–701–FR) received on March 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEAHY, from the Committee on the Judiciary, without amendment and with a preamble.


EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LEAHY for the Committee on the Judiciary.

David C. Bury, of Arizona, to be United States District Judge for the District of Arizona.

Randi Crane, of Texas, to be United States District Judge for the Southern District of Texas.

Ralph R. Beistline, of Alaska, to be United States District Judge for the District of Alaska.

Paul I. Perez, of Florida, to be United States Attorney for the Middle District of Florida, for the term of four years.

Eric F. Melgren, of Kansas, to be United States Attorney for the District of Kansas for the term of four years.

Dennis Cliff Merrill, of Oregon, to be United States Marshal for the term of four years.

John Schickel, of Kentucky, to be United States Marshal for the Eastern District of Kentucky for the term of four years.

William R. Whittington, of Louisiana, to be United States Marshal for the Western District of Louisiana for the term of four years.

Stephen Gilbert FitzGerald, of Wisconsin, to be United States Marshal for the Western District of Wisconsin for the term of four years.

J.C. Rafferty, of West Virginia, to be United States Marshal for the Northern District of West Virginia for the term of four years.

James Anthony Rose, of Wyoming, to be United States Marshal for the District of Wyoming for the term of four years.

James Loren Kennedy, of Indiana, to be United States Marshal for the Southern District of Indiana for the term of four years.

Theophile Alceste Duroncelet, of Louisiana, to be United States Marshal for the Eastern District of Louisiana for the term of four years.

James Thomas Plousis, of New Jersey, to be United States Marshal for the District of New Jersey for the term of four years.

Charles R. Reavis, of North Carolina, to be United States Marshal for the Eastern District of North Carolina for the term of four years.

Timothy Dewayne Welch, of Oklahoma, to be United States Marshal for the Northern District of Oklahoma for the term of four years.

Michael Robert Regan, of Pennsylvania, to be United States Marshal for the Middle District of Pennsylvania for the term of four years.

Jesse Seroyer, Jr., of Alabama, to be United States Marshal for the Middle District of Alabama for the term of four years.

Gregory Allyn Forest, of North Carolina, to be United States Marshal for the Western District of North Carolina for the term of four years.

John R. Edwards, of Vermont, to be United States Marshal for the District of Vermont for the term of four years.

(Nominations without an asterisk were reported with the recommendations that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SMITH of New Hampshire (for himself, Mr. ENZI, and Mr. THOMAS):

S. 1996. A bill to amend title 26, United States Code, to protect citizens’ rights under the Second Amendment to obtain firearms for legal use, and for other purposes; to the Committee on the Judiciary.

By Mrs. CARNAHAN:

S. 1997. A bill to require a pilot program to assess the adoption of the Air Force Expeditorial Medical Support System by the Air National Guard; to the Committee on Armed Services.

By Mr. ENSIGN (for himself and Mr. ALLARD):


By Mr. JOHNSON (for himself and Mr. DASCALI):

S. 1999. A bill to reauthorize the Mni Wiconi Rural Water Supply Project; to the Committee on Energy and Natural Resources.

By Ms. STABENOW:

S. 2000. A bill to amend the Internal Revenue Code of 1986 to provide for a special de-recapitalization allowance for certain property acquired after December 31, 2001, and before January 1, 2004; to the Committee on Finance.

By Mr. CAMPBELL:

S. 2001. A bill to require the Secretary of Defense to report to Congress regarding the
requirements applicable to the inscription of veterans’ names on the memorial wall of the Vietnam Veterans Memorial; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CRAIG (for himself, Mr. CLELAND, Mr. ALLEN, Mr. BAYH, Mr. KINGMAN, Mrs. BOXER, Mr. BREAUX, Mr. BURNS, Mr. CAMPBELL, Ms. CANTWELL, Mr. GRAHAM, Mr. DASCHLE, Mr. DEWINE, Mr. DOMENICI, Mr. EDWARDS, Mr. ENZI, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. FEIST, Mr. HAGEL, Mr. HELMS, Mr. HUTCHINSON, Mr. INHOFE, Mr. INOUYE, Mr. JOHNSTON, Mr. KENNEDY, Mr. KIRBY, Mr. KOHL, Ms. LANDRIEU, Mrs. LINCOLN, Mr. McCONNELL, Ms. MIKULSKI, Mr. NICKLES, Mr. SESSIONS, Mr. SPECTER, Mr. STEVENS, Mr. VINOVICH, and Mr. DAYTON:

S. Res. 218. A resolution designating the week beginning March 17, 2002, as “National Safe Place Week”; to the Committee on the Judiciary.

By Mr. GRAHAM (for himself, Mr. HELMS, Mr. DEWINE, and Mr. TORRICELLI):

S. Res. 219. A resolution expressing support for the democratically elected Government of Colombia and its efforts to counter threats from United States-designated terrorist organizations; to the Committee on Foreign Relations.

By Mr. GRASSLEY:

S. Res. 220. A resolution expressing the sense of the Senate regarding the continued attacks on the democratically elected Government of Colombia and the efforts to counter threats from United States-designated terrorist organizations; to the Committee on Foreign Relations.

By Mr. CAMPBELL (for himself, Mr. LEAHY, Mr. HATCH, Mr. ALLARD, Ms. CANTWELL, Mr. GREGG, Mr. ROCKEFELLER, Mr. KINGMAN, Mr. BURDEN, Mr. BUNNING, Mr. COCHRAN, Mr. ALLEN, Mr. THOMAS, and Mr. HUTCHINSON):

S. Res. 221. A resolution to commemorate and acknowledge the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 412
At the request of Mr. CAMPBELL, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 412, a bill to exempt qualified current and former law enforcement officers from State laws prohibiting the carrying of concealed firearms and to allow States to enter into compacts to recognize other States’ concealed weapons permits.

S. 540
At the request of Mr. DEWINE, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 540, a bill to amend the Internal Revenue Code of 1986 to allow, as a deduction in determining adjusted gross income, the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes.

S. 885
At the request of Mr. HUTCHINSON, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 885, a bill to amend title XVIII of the Social Security Act to provide for national standardized payment amounts for inpatient hospital services furnished under the medicare program.

S. 913
At the request of Ms. SNOWE, the name of the Senator from Maryland (Ms. MUKULSKI) was added as a cosponsor of S. 913, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of all oral anticancer drugs.

S. 952
At the request of Mr. GREGG, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 952, a bill to provide collective bargaining rights for public safety officers employed by States or their political subdivisions.

S. 1108
At the request of Mr. HATCH, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 1140, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1123
At the request of Mr. DURBIN, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1152, a bill to ensure that the business of the Federal Government is conducted in a manner that provides for public accountability, efficient delivery of services, reasonable cost savings, and prevention of unwarranted Government expenses, and for other purposes.

S. 1199
At the request of Mrs. FEINSTEIN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1523, a bill to amend title II of the Social Security Act to repeal the Government pension offset and windfall elimination provisions.

S. 1899
At the request of Mr. BROWNBACK, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 1899, a bill to amend title 18, United States Code, to prohibit human cloning.

S. 1935
At the request of Mrs. LINCOLN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1915, a bill to amend the Internal Revenue Code of 1986 to treat natural gas distribution lines as 10-year property for depreciation purposes.

S. 1977
At the request of Mr. JEFFORDS, the names of the Senator from Texas (Mrs. HUTCHISON), the Senator from North Carolina (Mr. HEMEL), the Senator from Kansas (Mr. ROBERTS), the Senator from West Virginia (Mr. BYRD), and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 1917, a bill to provide for highway infrastructure investment, a balanced and fair allocation of funding level contained in the Transportation Equity Act for the 21st Century.

S. 1983
At the request of Mr. SHELBY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1933, a bill to amend the Securities Exchange Act of 1934 and the Securities Act of 1933, to address liability standards in connection with violations of the Federal securities laws, and for other purposes.

S. 1991
At the request of Mr. KERRY, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1967, a bill to amend title XVIII of the Social Security Act to improve outpatient vision services under part B of the medicare program.

S. 1964
At the request of Mr. THURMOND, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1977, a bill to amend chapter 37 of title 28, United States Code, to provide for appointment of United States marshals by the Attorney General.

S. 1981
At the request of Mr. BUNNING, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 1984, a bill to authorize the Secretary of Human Services to make grants to nonprofit tax-exempt organizations for the purchase of ultrasound equipment to provide free examinations to pregnant women needing such services, and for other purposes.

S. J. RES. 33
At the request of Mr. HOLLINGS, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. J. Res. 33, a joint resolution proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections.
At the request of Mr. BINGAMAN, the names of the Senator from Connecticut (Mr. DODD), the Senator from New Mexico (Mr. DOMENICI), the Senator from New York (Mr. SCHUMER), and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. Res. 207, a resolution designating March 31, 2002, and March 31, 2003, as “National Civilian Conservation Corps Day.”

AMENDMENT NO. 2979

At the request of Mr. CORZINE, his name was added as a cosponsor of amendment No. 2979 supra.

At the request of Mr. MCCAIN, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of amendment No. 2979 supra.

At the request of Mr. MUKOWSKI, his name was added as a cosponsor of amendment No. 2979 supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. CARNAHAN:

S. 967. A bill to require a pilot program to assess the adoption of the Air Force Expeditionary Medical Support System by the Air National Guard; to the Committee on Veterans' Affairs.

Mrs. CARNAHAN. Mr. President, as the last few months have shown, America's citizen soldiers and airmen are vital to Homeland Security.

Air Guard fighter pilots have patrolled our nation's airspace, and Army Guard units police our air terminals and ports of entry.

These brave men and women stand sentry over our Nation. They are making America safer.

But we must be ready to respond if terrorists again succeed in bringing harm to American people. We must be ready to rescue the victims, care for the sick, and aid the injured. This will take cooperation from every level of government—local, State, and Federal agencies.

Dr. Jeffery Lowell is the St. Louis County's Chief of a special team called the Medical Critical Incident Response Group. He is responsible for determining how the region's 33-plus hospitals will provide medical aid to the 2½ million residents of the St. Louis metropolitan area.

Dr. Lowell reports only that 70 to 80 percent of critical care beds are available at any one time. He is concerned that we need to come from other cities, other States. This would take time, many hours, even days. In situations like this, lost time means lost lives.

There is an answer to this problem, and it involves the same Guard men and women I mentioned earlier.

The answer is the Expeditionary Medical System, or EMEDS. EMEDS is a new rapid response medical system. It was created by the Air Force to rush its medical teams to the scene of a disaster anywhere in the world the nation is needed, at a moment's notice.

Our military relies on this life-saving capability, but it could prove just as valuable to the civilian community here, in America.

The legislation I am introducing today would establish an EMEDS program in the Air Guard. This bill gives the Air Guard an EMEDS program so that we are prepared for any disaster or attack on the home front, as our troops have been on the war front.

Our Guard soldiers and airmen pride themselves on being light, lean, and lethal. EMEDS will make our Guard medics light, lean, and life-saving, able to react within minutes to an attack.

The new equipment and training that EMEDS would provide the Guard will allow it to respond to attacks or disasters within minutes on site. Guard EMEDS will be able to remain there for days without re-supply, they are self-sustaining. They would assist local responders.

EMEDS will care for sick, provide emergency medicine to wounded, even perform life-saving surgery. Additionally, Guard EMEDS would be able to perform in a biological, chemical, or radiological warfare environment.

If the pilot program is successful, I would hope each State's Guard will acquire EMEDS capability. America needs this capability as its citizens grapple with the emerging threats facing them within the United States.

The National Guard is the perfect organization to provide Americans this valuable homeland defense initiative.

This bill is supported by the U.S. Air Force Surgeon General as well as several other national military organizations such as the Sergeants Association, National Guard Association, and the Air Force Association.

I am proud to offer this bill. Guard EMEDS is a ground-breaking initiative. This first step toward ensuring that each Guard unit, can medically respond to disasters and terrorist attacks with live-saving immediacy.

I believe this measure is of vital importance to our national security.

I urge my colleagues to support this bill's passage.

By Ms. STABENOW:

S. 2000. A bill to amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004; to the Committee on Finance.

Ms. STABENOW. Mr. President, recently we passed legislation to protect families hurt in this recession by extending unemployment protection for an additional 13 weeks.

It was a necessary step. Now we're finishing the job by helping them get back to work. Let's pass a stimulus bill that will jump start the economy and create more employment.

I am introducing a bill that will encourage business investment in new equipment and technology by offering a 30-percent depreciation bonus on capital goods with a depreciation life of 20 years for less as defined by IRS.

This legislation would make purchases made by the end of 2003 to encourage spending now, not years from now.

This depreciation bonus is a broad-based incentive that would help businesses both large and small in almost every sector of our economy.

The IRS list of qualifying industries and equipment runs nine pages in very small type and there's not much that isn't covered.

It would help industries from autos to agriculture, from construction to computers, from energy to electronics, and more.

And not only would this bill help the manufacturing industries that make these products, spurring employment, but it would also help the businesses that buy these products by making their workers more productive.

I count this as a win/win situation. Let me give you an example of how this depreciation bonus would work. To keep the math simple, let's talk about a product that buys a computer for $1,000. Under IRS regulations, computers have a 5-year depreciation life.

With the depreciation bonus, the business would immediately take a 30-percent deduction on the $1,000 computer, putting the computer now worth $700.

Now the business would take all the standard depreciation deductions allowed over the 5-years, but at the $700 value. For a computer that would mean another 20-percent deduction in the first year. That's another $140.

That means a total deduction of $440, or 44 percent, in just the first year.

I support this bill because it is not targeted to specific industries or companies or individuals. Almost every business in America, large, small and in between, can benefit from this depreciation bonus.

I support this bill because it would be a needed short-term shot in the arm for the economy, without shooting holes in our long-term goal of fiscal responsibility.

I support this bill because it would create jobs, and support existing jobs, bolstering the consumer economy, while two-thirds of our Gross Domestic Product is spent buying goods made within our borders.

I ask unanimous consent that a copy of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2000

Be it enacted by the Senate and House of Represent-atives of the United States of America in Congress assembled,

(a) In General.—Section 168 of the Internal Revenue Code of 1986 (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 December 31, 2001, and Before January 1, 2004.—

"(1) Additional Allowance.—In the case of any property described in subparagraph (b), if the acquisition was in effect before January 1, 2004, or, in the case of property described in subparagraph (c), if the acquisition was in effect before January 1, 2005.

"(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 90 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) to which this section applies which has a recovery period of 20 years or less or

"(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 qualified leasehold improvement property, or

"(IV) which is eligible for depreciation under section 167(g),

"(i) the original use of which commences with the taxpayer after December 31, 2001,

"(ii) which is—

"(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004,

"(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

"(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), and

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

"(iii) which is subject to section 283A by reason of clauses (ii) or (iii) of subsection (f)(1)(B) thereof.

"(II) Only Pre-January 1, 2004, Basis Eligible for Additional Allowance.—In the case of property which is qualified property solely by reason of clause (i), paragraph (i) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 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.

"(IV) Exceptions.—

"(A) ALTERNATE DEPRECIATION PROPERTY.—The term ‘qualified property’ shall not include any property to which the alternate depreciation system under subsection (g) applies, determined—

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

"(II) after application of section 263A(b) (relating to listed property with limited business use).

"(B) EXAMPLES.—If a taxpayer makes an election under this subsection with respect to any class of property for any taxable year, this subsection shall not apply to all property in that class placed in service during such taxable year.

"(D) Special Rules.—

"(i) Self-constructed Property.—In the case of property which is manufactured, 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 December 31, 2001, and before January 1, 2004.

"(ii) Sale-Leasebacks.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after December 31, 2001, by a person, and

"(II) sold and leased back by such person within 9 months after such 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 leaseback referred to in clause (ii).

"(E) Coordination With Section 263A.—For purposes of section 263A—

"(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 263A(b)(5) 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).

"(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—

"(I) such improvement is made under or pursuant to a lease (as defined in subsection (g) (relating to election to have system apply) and any subsequent taxable year.

"(2) Sale-Leasebacks.—For purposes of this subsection shall not apply to all property placed in service after December 31, 2001, in taxable years ending after such date.

By Mr. CAMPBELL:

S. 2001. A bill to require the Secretary of Defense to report to Congress regarding the requirements applicable to the inscription of veterans’ names on the memorial wall of the Vietnam Veterans Memorial; to the Committee on Armed Services.

Mr. CAMPBELL. Mr. President, today I introduce the Fairness to All Fallen Vietnam War Service Members Act of 2002. Almost forty years ago, our country started sending a generation of young men off to fight in Vietnam. Over 58,000 American soldiers gave their lives to their country in Vietnam. It is now time to correct that omission. On the morning of June 3, 1969, the United States destroyer, U.S.S. Frank E. Evans, was cut in half during a training exercise by the Australian aircraft carrier, Melbourne. The front half of the destroyer sank in three minutes claiming the lives of seventy-four men. While these men were not lost due to enemy fire, they were involved in serious combat only days before this tragedy. At the time of the accident, the U.S.S. Frank E. Evans was taking part in Operation Sea Spirit in the South China Sea which involved over 40 ships from Southeast Asia Treaty Organizations. These brave men were instrumental in forwarding American objectives in Vietnam. The fact is these men died while serving their country and are due the
ordered to be printed in the Record as
All Fallen Vietnam War Service Members
Inc., (the
SEC. 2. FINDINGS.
Congressman STEVE HORN.
sacrifice many of our brave men and personally understand the ultimate
Vietnam Veterans Memorial Wall re-
zations that originally constructed the
our Nation but whose names were ex-
memorial wall to be more in-
requirements considered under subsection (a)(3); and
(4) the conclusions and recommendations of the Secretary of Defense with regard to the feasibility and equitability of each alternative considered.
(c) CONSULTATIONS.—In conducting the study under subsection (a) and preparing the report under subsection (b), the Secretary of Defense shall consult with—
(1) the Secretary of Veterans Affairs;
(2) the Secretary of the Interior;
(3) the Vietnam Veterans Memorial Fund, Inc.;
(4) the American Battle Monuments Commission;
(5) the Vietnam Women’s Memorial, Inc.; and
(6) the National Capital Planning Commission.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 218—DESERATING THE WEEK BEGINNING MARCH 17, 2002, AS “NATIONAL SAFE PLACE WEEK”

Mr. CRAIG (for himself, Mr. CLELAND, Mr. ALLEN, Mr. BAYH, Mr. BINGAMAN, MRS. BOXER, Mr. BRAUOH, Mr. BURNS, Mr. CASSIDY, Mr. CANTWELL, Mr. COCHIN, Mr. CAMPBELL, Mrs. DEWE, Mr. DOMENICI, Mr. EDWARDS, Mr. ENZI, Mr. FIENGOLD, Mrs. FEINSTEIN, Mr. Frist, Mr. HAGEL, Mr. HELMS, Mr. HUTCHINSON, Mr. INHOFFE, Mr. INOUYE, Mr. JOHNSON, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Ms. LANDRIEU, Mrs. LINCOLN, Mr. McCOLLIN, Ms. MIKULSKI, Mr. NICKLES, Mr. SESSIONS, Mr. SPECTER, Mr. STEVENS, Mr. Voinovich, and Mr. DAYTON) submitted the following resolution; which was referred to the Committee on the Judiciary:
S. RES. 218
Whereas today’s youth are vital to the preservation of our country and will be the future bearers of the bright torch of democracy;
Whereas youth need a safe haven from various negative influences such as child abuse, substance abuse and crime, and they need to have resources readily available to assist them when faced with circumstances that compromise their safety;
Whereas the United States needs increased numbers of community volunteers acting as positive influences on the Nation’s youth;
Whereas the Safe Place program is committed to protecting our Nation’s most valuable asset, our youth, by offering short term “safe places” at neighborhood locations where trained volunteers are available to counsel and advise youth seeking assistance and guidance;
Whereas Safe Place combines the efforts of the private sector and non-profit organizations uniting to reach youth in the early stages of crisis;
Whereas Safe Place provides a direct means to assist programs in meeting performance standards relative to outreach/community relations, as set forth in the Federal Runaway and Homeless Youth Act guidelines;
Whereas the Safe Place placard displayed at businesses within communities stands as a beacon of safety and refuge to at-risk youth;
Whereas over 641 communities in 39 states and more than 11,000 locations have established Safe Place programs;
Whereas over 53,000 young people have gone to Safe Place locations to get help when faced with crisis situations;

Whereas through the efforts of Safe Place coordinators across the country each year more than one-half million students learn that Safe Place is a resource if abusive or neglectful situations exist;

Whereas increased awareness of the program’s existence will encourage communities to establish Safe Places for the Nation’s youth throughout the country; Now, therefore, be it

Resolved, That the Senate—
(1) proclaims the week of March 17 through March 23, 2002 as “National Safe Place Week”; and
(2) request that the President issue a proclamation calling upon the people of the United States and interested groups to promote awareness of and volunteer involvement in the Safe Place programs, and to observe the week with appropriate ceremonies and activities.

SENATE RESOLUTION 219—EXPRESSING SUPPORT FOR THE DEMOCRATICALLY ELECTED GOVERNMENT OF COLOMBIA AND ITS EFFORTS TO COUNTER THREATS FROM UNITED STATES-DESIGNATED FOREIGN TERRORIST ORGANIZATIONS

Mr. GRAHAM (for himself, Mr. HELMS, Mr. DEWINE, and Mr. TORRICELLI) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 219

Whereas the democratically elected Government of Colombia, led by President Andres Pastrana, is the legitimate authority in the oldest representative democracy in South America;

Whereas the Secretary of State, in consultation with the Attorney General and the Secretary of the Treasury, is required to designate as foreign terrorist organizations those groups whose activities threaten the security states nationals or the national security interests of the United States pursuant to section 219 of the Immigration and Nationality Act;

Whereas the Secretary of State has designated 3 Colombian terrorist groups as foreign terrorist organizations, including the Revolutionary Armed Forces of Colombia (FARC) and the United Self-Defense Forces of Colombia (AUC), and the National Liberation Army (ELN);

Whereas all 3 United States-designated foreign terrorist organizations regularly engage in criminal acts, including murder, kidnapping, and extortion perpetrated against Colombian civilians, government officials, security forces, and foreign nationals, including United States citizens;

Whereas the FARC is holding 5 Colombian legislators, a presidential candidate, and Colombian police and army officers and soldiers as hostages and has recently escalated bombings against civilian targets, including a foiled attempt to destroy the city of Bogota’s principal water reservoir;

Whereas, according to the Colombian government, the FARC has received training in terrorist techniques and technology from foreign nationals;

Whereas, since 1992, United States-designated foreign terrorist organizations in Colombia have committed serious crimes against Colombian citizens, kidnapping more than 50 Americans and murdering at least 10 Americans;

Whereas the Drug Enforcement Administration believes that members of the FARC and the AUC directly engage in narcotics trafficking;

Whereas individual members of Colombia’s security forces have collaborated with illegal paramilitary organizations by, inter alia, in some instances allowing such organizations to pass through roadblocks, sharing tactical information with such organizations, and providing such organizations with supplies and ammunition;

Whereas while the Colombian government has made progress in its efforts to combat and capture members of illegal paramilitary organizations and taken positive steps to break links between individual members of the security forces and such organizations, further steps by the Colombian government are warranted;

Whereas in 1998, Colombian President Andres Pastrana began exhaustive efforts to negotiate a peace agreement with the FARC and implement confidence-building measures to advance these negotiations, including establishing a 16,000-square-mile safe haven for the FARC;

Whereas the Government of Colombia has also undertaken efforts to negotiate a peace agreement with the ELN;

Whereas the United States has consistently supported the Government of Colombia’s protracted efforts to negotiate a peace agreement with the FARC and supports the Government of Colombia in its continuing efforts to reach a negotiated agreement with the ELN;

Whereas the United States would welcome a negotiated, political solution to end the violence in Colombia;

Whereas, after the FARC hijacked a commercial airplane and took Colombian Senator Jorge Eduardo Gechem Turbay as a hostage into the government-created safe haven, President Pastrana ended his government’s sponsorship of the peace negotiations with the FARC and ordered Colombia’s security forces to reestablish firm governmental control in the safe haven;

Whereas President Pastrana has received strong expressions of support from foreign governments and international organizations, including the United States, and for his decision to end the peace talks and dissolve the FARC’s safe haven; and

Whereas the Government of Colombia’s negotiations with the ELN are continuing despite the end of the negotiations with the FARC: Now, therefore, be it

Resolved, That—
(1) the Senate—
(A) expresses its support for the democratically elected Government of Colombia and the Colombian authorities in their efforts to protect their democracy from terrorism and the scourge of illicit narcotics; and
(B) deplors the continuing criminal terrorist acts of the FARC and the ELN, and the actions carried out by all United States-designated foreign terrorist organizations in Colombia against United States citizens, the Colombian population, and Colombian authorities;
(2) it is the sense of the Senate that the President, without undue delay, should transmit to Congress for its consideration proposed legislation, consistent with United States law regarding the protection of human rights, to assist the Government of Colombia to protect its democracy from United States-designated foreign terrorist organizations and the scourge of illicit narcotics.


Mr. GRASSLEY submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. Res. 220

Whereas Colombia, long the oldest democracy in Latin America and has consistently been a friend of the United States;

Whereas Colombia has been affected by the violence generated by the terrorist acts of illegal armed groups;

Whereas the largest of these groups, the Revolutionary Armed Forces of Colombia (FARC), has used kidnapping, extortion, terrorism, and narcotics trafficking to raise money for its activities;

Whereas those most affected by the targets of these activities have been the people of Colombia;

Whereas in October 1997, almost 10,000,000 Colombians voted for a mandate for peace that asked all presidential candidates to find a negotiated political solution to the ongoing conflict between the Government of Colombia and the insurgency groups operating within the borders of Colombia;

Whereas the Government of Colombia put forth several proposals for peace and made sacrifices in sovereign territory and commitments in funding in hopes of achieving peace in Colombia only to have these overtures repeatedly rejected;

Whereas, on January 20, 2002, the Government of Colombia and the FARC were able to agree on a schedule to be followed in order to define the future of the peace process;

Whereas, since this accord was signed by the FARC, the FARC has consistently and repeatedly taken violent actions against the people and the Government of Colombia in the form of terrorist attacks, including—
(1) car bombs; (2) attacking government installations; (3) mining new fields; (4) homicides, including women and children; (5) destroying electric pylons; (6) bombing oil pipelines; (7) destroying bridges; and (8) attacks on the dam that provides water to Bogotá;

Whereas five democratically elected representatives of the Colombian Congress are currently being held against their will after being kidnapped by the FARC, including—
(1) Representative Oscar Tulio Lizcano, a member of the Conservative Party and elected to the Congress of Colombia in the municipality of Riosucio, Province of Caldas, on August 5, 2000, by members of the “Aurelio Rodriguez Front” of the “José Maria Cordoba Block” of the FARC; (2) Senator Luis Eladio Perez, a member of the Liberal Party and elected by the people of Colombia, while visiting several municipalities in a political campaign, was kidnapped in the town of Ipiales, Province of Nariño, on June 10, 2001, by elements of the
FARC, as a second attempt to kidnap Senator Eladio, the first occurring at the end of May 2001, and frustrated by his security detail;

(3) Representative Orlando Beltran, a member of the Liberal party from the Province of Huila and elected by the people of Colombia, who was kidnapped by the FARC in the municipality of Giajane, Province of Huila, on August 28, 2003;

(4) Representative Consuelo Gonzalez de Perdomo, a member of the Liberal Party from the Province of Huila and elected by the people of Colombia, who was kidnapped by the FARC in the municipality of Hobo, Province of Huila, on September 11, 2002; and

(5) Senator Jorge Eduardo Gechem Turbay, a member of the Liberal Party from the Province of Huila, elected by the people of Colombia, who was kidnapped by the FARC during the Senator’s Peace Commission, who was kidnapped on February 20, 2002, when four members of the FARC hijacked a commercial AIRFR aircraft traveling from Neiva to Bogota with 30 passengers on board and who was removed from the aircraft after it was forced to land on a rural road in the municipality of Hoba, Province of Huila, and

Whereas Saturday, February 23, Presidential Candidate Ingrid Betancourt and her campaign manager Clara Rojas were kidnapped as she traveled to San Vicente del Caguan: Now, therefore, be it Resolved, That the Senate—

(1) expresses its strong support for the democratically elected Government of Colombia and the Colombian people in their struggle to protect their democracy from terrorism and the scourge of illicit narcotics;

(2) deplors the continuing criminal terrorist acts of murder, abduction, and extortion carried out by illegal armed groups in Colombia against the civilian population of Colombia and Colombian authorities;

(3) condemns the kidnapping of elected representatives of the people of Colombia by the FARC and extends its sympathy to the families and friends of the kidnapped members of the Colombian Congress; and

(4) urges the President to develop a comprehensive strategic policy proposal, consistent with United States law regarding human rights and the environment, to assist the Government in defending its democracy and rule of law from illegal armed groups and the scourge of illicit narcotics.

Mr. FRAASLEY. Mr. President, I am sending to the desk a sense-of-the-Senate resolution on the current situation in Colombia.

The resolution expresses outrage over the current attacks on democracy and democratic institutions in Colombia by a gang of vicious thugs. The most recent outrage, in a long history of outrages, was the hijacking of a commercial airliner filled with innocent people that was forced to land, and then the kidnaping at gun point of a distinguished Colombian Senator. That Senator remains a prisoner, his fate unknown and uncertain. Four other members of the Colombian Congress are also prisoners, and now six is one of the candidates for president in Colombia’s upcoming elections. Other members have been murdered, their families threatened, their children terrorized. These are only the most public sadly beating victims of Colombia’s guerrilla thug.

There can be no clearer testimony, if further evidence was called for, of the vicious nature of the actions of Colombia’s insurgent movement, the FARC. They have branded themselves, if it was not clear before, as outright terrorists, their actions an assault on the rule of law and on democracy.

My resolution expresses the concern over the fate of those in a companion institution. Our sympathies must go to their families, our concern to their countrymen in their time of threat an anxiety. I hope that other members will join me in expressing our unanimous concern for the fate of democracy and the rule of law in Colombia. The other body has passed a resolution expressing its concern. I hope we will as well.

SENATE RESOLUTION 221—TO COMMEMORATE AND ACKNOWLEDGE THE DEDICATION AND SACRIFICE MADE BY THE MEN AND WOMEN WHO HAVE LOST THEIR LIVES WHILE SERVING AS LAW ENFORCEMENT OFFICERS

Mr. CAMPBELL. Mr. President, I am planning to submit this resolution to the Committee on the Judiciary:

S. Res. 221

Whereas the well-being of all citizens of the United States is preserved and enhanced as a direct result of the vigilance and dedication of law enforcement personnel;

Whereas more than 700,000 men and women, at great risk to their personal safety, presently serve their fellow citizens as guardians of peace;

Whereas peace officers are on the front line in preserving the rights of the children of the United States to receive an education in a crime-free environment that is all too often threatened by the insidious fear caused by violence in schools;

Whereas 31 peace officers died at the World Trade Center in New York City on September 11, 2001, the most peace officers ever killed in a single incident in the history of this country. Thirty-seven of those fallen heroes served with the Port Authority of New York and New Jersey Police Department; twenty-three were New York City police officers; three worked for the New York Office of Court Administration; five were with the New York Office of Tax Enforcement; one was a FBI special agent; and one was a master special officer with the U.S. Secret Service. Before this event, the greatest loss of law enforcement like in a single incident occurred in 1917, when nine Milwaukee police officers were killed in a bomb blast at their police station. In 2001, more than 200 Federal, State and local law enforcement officers gave their lives in the line of duty. This represents more than a five-fold increase in police fatalities over the previous year. And, in total, nearly 15,000 men and women have made the supreme sacrifice.

The chairman of the National Law Enforcement Officers Memorial Fund, Craig W. Floyd, reminds us:

The level of public support and appreciation for our law enforcement officers has increased dramatically since September 11. But the incredible bravery and selfless sacrifice our officers displayed that day was no different than every other day of the year in communities across America. One of our police officers a huge debt of gratitude for the invaluable work they do.

On May 15, 2002, more than 15,000 peace officers are expected to gather in Washington, D.C. to join with the families of their recently fallen comrades to honor those comrades and all others who went before them: Now, therefore, be it Resolved, That the Senate—

(1) recognizes May 15, 2002 as Peace Officers Memorial Day, in honor of Federal, State, and local officers killed or disabled in the line of duty; and

(2) calls upon the people of the United States to participate in appropriate ceremonies and respect.

Mr. CAMPBELL. Mr. President, today I am joined by the chairman and ranking member of the Senate Judiciary Committee, Senators LEAHY and HATCH, along with several other Senators in submitting this resolution to keep alive in the memory of all Americans the sacrifice and commitment of the men and women who lost their lives serving their communities. Specifically, this resolution would designate May 15, 2002, as National Peace Officers Memorial Day.
I urge my colleagues to join us in supporting this important resolution.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2983. Mr. VOINOVICH (for himself, Mr. BINGAMAN, Mr. SMITH of New Hampshire, Mr. DOMENICI, Ms. LANDRIEU, Mr. MURKOWSKI, Mr. HAGEL, Mr. CRAPO, Mr. THOMAS, Mr. INHOFE, Mr. THOMPSON, Mr. BOND, Mr. CAMPBELL, Mr. Frist, Mr. KYL, Mr. CRAIG, Mrs. LINCOLN, Mr. HUTCHINSON, and Mr. Sessions) proposed an amendment to amendment SA 2917 proposed by Mr. Daschle (for himself and Mr. Bingaman) to the bill (S. 517) to authorize the funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

On page 115, strike line 5 and all that follows through page 119, line 10 and insert the following:

Subtitle A—Price-Anderson Act Reauthorization

SEC. 501. SHORT TITLE. This subtitle may be cited as the “Price-Anderson Amendments Act of 2002.”

SEC. 502. EXTENSION OF INDEMNIFICATION AUTHORITY.

(a) INDEMNIFICATION OF NUCLEAR REGULATORY COMMISSION LICENSEES.—Section 170 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended—

(1) in the subsection heading, by striking “LICENSEES” and inserting “LICENSEES’;

and

(2) by striking “August 1, 2002” each place it appears and inserting “August 1, 2012.”

(b) INDEMNIFICATION OF ENERGY CONTRACTORS.—Section 170 d.1(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d.1)(A)) is amended by striking “, until August 1, 2002.”

(c) INDEMNIFICATION OF NONPROFIT EDUCATIONAL INSTITUTIONS.—Section 170 k. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(k)) is amended by striking “August 1, 2002” each place it appears and inserting “August 1, 2012.”

SEC. 503. DEPARTMENT OF ENERGY LIABILITY LIMIT.

(a) INDEMNIFICATION OF DEPARTMENT OF ENERGY CONTRACTORS.—Section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)) is amended by striking paragraph (2) and inserting the following:

“(2) In agreements of indemnification entered into under paragraph (1), the Secretary—

(A) may require the contractor to provide and maintain financial protection of such type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity; and

(B) shall indemnify the persons indemnified against such liability above the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection.”

(b) LIABILITY.—Section 170 e.1(B) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e.1)(B)) is amended—

(1) by striking “the maximum amount of financial protection required under subsection b. or” and

(2) by striking paragraph (3) of subsection d. whichever amount is more.

and inserting “paragraph (2) of subsection d.”

SEC. 504. INCIDENTS OUTSIDE THE UNITED STATES.

(a) AMOUNT OF INDEMNIFICATION.—Section 170 d.5 of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d.5)) is amended by striking “$100,000,000” and inserting “$500,000,000.”

(b) LIABILITY LIMIT.—Section 170 e.1(C) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(e.1)) is amended by striking “$100,000,000” and inserting “$500,000,000.”

SEC. 505. REPORTS.

Section 170 p. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(p)) is amended by striking “August 1, 1998” and inserting “August 1, 2008.”

SEC. 506. INFLATION ADJUSTMENT.

Section 170 t. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(t)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by adding after paragraph (1) the following:

“(A) The Secretary shall adjust the amount of indemnification provided under an agreement of indemnification under subsection d. not less than once during each 5-year period beginning on July 1, 2002, in accordance with the aggregate percentage change in the Consumer Price Index since—

(1) that date, in the case of the first adjustment under this paragraph; or

(2) the previous adjustment under this paragraph.”

SEC. 507. CIVIL PENALTIES.

(a) GENERAL AUTHORITY.—Section 234A b.(2) of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(b)(2)) is amended by striking the last sentence.

(b) PENALTIES FOR NONPROFIT INSTITUTIONS.—Subsection d. of section 234A of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(d)) is amended to read as follows:

“(d) VIOLATIONS.—(1) Each person (A) who is a for-profit contractor, subcontractor, or supplier, or who supplies a service of which the fair value exceeds $100,000,000, with respect to which the person is a violator under subsection d. of this section, is subject to a civil penalty of not more than $500,000,000.

(2) In computing the amount of a civil penalty under subparagraph (A), credit shall be given for any payment made by the contractor, subcontractor, or supplier, under any settlement agreement, where the violation was not caused by the contractor, subcontractor, or supplier, but instead by another natural or legal person.”

(c) EFFECTIVE DATE.—The amendments made by this section shall not apply to any violation of the Atomic Energy Act of 1954 occurring under a contract entered into before the date of enactment of this section.

SEC. 508. TREATMENT OF MODULAR REACTORS.

Subsection b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by adding at the end the following:

“(b) For purposes of this section, the term ‘modular reactor’ means a nuclear reactor with a total gross electric output of 100,000 electrical kilowatts or more.

(b) CONSTRUCTION OF FACILITIES.—In the case of any modular reactor, the Commission shall consider the factors described in subsection (b) before granting a license and shall not grant a license under subsection (b) of this section unless the Commission finds that the factors described in subsection (b) are met.”

SEC. 509. EFFECTIVE DATE.

The amendments made by sections 503(a) and 504 do not apply to any nuclear incident.
that occurs before the date of the enactment of this subtitle.

SA 2984. Mr. REID proposed an amendment to amendment SA 2983 proposed by Mr. Voinovich (for himself, Mr. Bingaman, Mr. Smith of New Hampshire, Mr. Domenci, Ms. Landrieu, Mr. Murkowski, Mr. Hagel, Mr. Bunning, Mr. Akaka, Mr. Thomas, Mr. Bond, Mr. Campbell, Mr. Frist, Mr. Kyi, Mr. Craig, Mrs. Lincoln, Mr. Hutchinson, and Mr. Sessions) to the amendment SA 2917 proposed by Mr. Daschle (for himself and others) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows: In lieu of the matter to be inserted, insert the following:

SEC. 5. FINANCIAL PROTECTION FOR LICENSEES.

(a) STANDARD DEFERRED PREMIUM.—Section 170b.(1) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(1)) is amended in the third sentence by striking "$63,000,000, subject to adjustment under subsection (t), but not more than $10,000,000 in any 1 year" and inserting "$88,000,000, subject to adjustment for inflation under subsection (t), but not more than $13,000,000 in any 1 year (subject to adjustment for inflation under subsection (t))."

(b) FINANCIAL HARDSHIP.—Section 170b.(2)(A) of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)(2)(A)) is amended by striking "paragraph (1)" and all that follows and inserting "subparagraph (1) for any facility if more than 1 nuclear incident occurs in any 1 calendar year.".

(c) NEW LICENSEES.—Section 170c. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(c)) is amended—

(1) by striking "The Commission" and inserting the following:

'(1) licenses issued on or before August 1, 2002—' The Commission'; and

(2) by adding at the end the following:

'(2) LICENSES ISSUED AFTER AUGUST 1, 2002.—After August 1, 2002, a person acquiring a license to receiving a license for a utilization facility under this Act, the applicant, before receiving the license, shall obtain insurance coverage from the prescribed insurance market for the full potential liability (including the public liability and any other liability) of the person that might arise as a result of a nuclear incident at the utilization facility.

SEC. 5. GUARANTEE OF DEFERRED PREMIUM; FINANCIAL QUALIFICATIONS.

Section 170b. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(b)) is amended by adding at the end the following:

'(5) GUARANTEE OF DEFERRED PREMIUM.—Not later than 180 days after the date of enactment of this paragraph, and not less frequently than once each year thereafter, the Commission, in consultation with the Securities and Exchange Commission, shall, as a condition of indemnification, require each licensee to demonstrate that the licensee has the financial ability to pay the full potential retrospective premium for each reactor through 1 or more of—

(i) a surety bond;

(ii) a letter of credit or loan;

(iii) an insurance policy; or

(iv) maintenance of an escrow deposit of government securities in reserves, a trust, or an equivalent instrument.

(B) REORGANIZATION PROCEEDINGS.—If a licensee or creditors of a licensee file a petition under chapter 11 of title 11, United States Code, for reorganization of the licensee, the Commission—

(i) shall review the ability of the licensee to—

(I) pay the full amount of prospective and standard deferred premiums; and

(II) ensure that adequate funds will be available for safe operation of the licensed facility; and

(ii) if the Commission determines that the licensee is unable to meet the requirements of clause (i), shall not renew any indemnification of the licensee under this section.

(1) financial qualifications.—

(A) IN GENERAL.—The Commission, in consultation with the Securities and Exchange Commission, shall establish criteria and procedures for determination of the minimum financial qualifications for new licensees (including license transferees) to ensure that the new licensee has the resources and infrastructure necessary to—

(I) operate safely if it becomes necessary to shut down a reactor for 12 months or longer; and

(II) ensure payment of prospective and deferred premiums under this subsection.

(B) CONDITION.—A license shall be conditioned on meeting and maintaining the minimum financial qualifications established under subparagraph (A).

(2) financial qualifications.—

(A) IN GENERAL.—The Commission, in consultation with the Securities and Exchange Commission, shall establish criteria and procedures for determination of the minimum financial qualifications for new licensees (including license transferees) to ensure that the new licensee has the resources and infrastructure necessary to—

(I) operate safely if it becomes necessary to shut down a reactor for 12 months or longer; and

(II) ensure payment of prospective and deferred premiums under this subsection.

(B) CONDITION.—A license shall be conditioned on meeting and maintaining the minimum financial qualifications established under subparagraph (A).

(3) DUTIES.—

(A) IN GENERAL.—The study commission shall conduct a comprehensive study of the economic, public health, environmental, and social impacts of nuclear incidents that may result in a nuclear incident scenario and any other liability (including the public liability and any other liability) of the person that might arise as a result of a nuclear incident at the utilization facility.

(B) Inputs.—The study commission shall conduct a sensitivity analysis based on various modeling input assumptions to determine the maximum potential consequence of a worst-case nuclear incident.
HYDRAULIC FRACTURING.

SEC. 610. HYDRAULIC FRACTURING.

Section 1421 of the Safe Drinking Water Act (42 U.S.C. Sec. 300h) is amended by adding at the end the following:

"(e) HYDRAULIC FRACTURING FOR OIL AND GAS PRODUCTION.—

"(1) STUDY OF THE EFFECTS OF HYDRAULIC FRACTURING.—

"(A) IN GENERAL.—As soon as practicable, but in no event later than 24 months after the date of enactment of this subsection, the Administrator shall complete a study of the known and potential effects on underground drinking water sources of hydraulic fracturing, including the effects of hydraulic fracturing on underground drinking water sources on a nationwide basis, and within specific regions, States, or portions of States.

"(B) CONSULTATION.—In planning and conducting the study, the Administrator shall consult with the Secretary of Energy, the Ground Water Protection Council, the States, and appropriate Federal, State, local, and private groups and organizations, and other relevant parties.

"(C)入りment of Energy contractors and subcontractors who are covered under agreements entered into under this subsection for operations at Department of Energy nuclear facilities. Such regulations shall provide a level of protection of worker health and safety that is substantially equivalent to or identical to the requirements established by the Occupational Safety and Health Administration and all contracts and subcontracts for the performance under this subsection shall be subject to the requirements of the regulations issued under subparagraph (B), and inspections required in the course thereof, shall be conducted by the Occupational Safety and Health Administration. The Secretary shall amend regulations under this subparagraph as necessary.

"(D) Enforcement of regulations issued under subparagraph (B), and inspections required in the course thereof, shall be conducted by the Administrator. The Secretary shall transmit to the Congress an annual report on the implementation of this paragraph.

SEC. 611. AUTHORIZATION OF APPROPRIATIONS.

Nothing in this subsection shall apply to any State which has a program for the regulation of hydraulic fracturing that is approved by the Administrator under this part prior to the effective date of this subsection.

"(C) EXISTING REGULATIONS.—A determination by the Administrator under paragraph (3) that regulation is unnecessary will relieve all States (including those with existing approved programs for the regulation of hydraulic fracturing) from any further obligation to regulate hydraulic fracturing as an underground injection part.

"(D) DEFINITION OF HYDRAULIC FRACTURING.—For purposes of this subsection, the term "hydraulic fracturing" means the process of creating a fracture in a reservoir rock, and injecting fluids and propelling agents, for the purposes of recovery or disposal related to oil and gas production activities.

"(E) SAVINGS.—Nothing in this subsection shall in any way limit the authorities of the Administrator under section 1441 (42 U.S.C. 3001).

SEC. 611. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Administrator for the National Academy of Sciences $100,000 for fiscal year 2003, to remain available until expended, for a grant to the State of Alabama to assist in the implementation of an underground injection control program under section 1425 of the Safe Drinking Water Act.

SA 2987. Mr. CRAIG proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and
amended by striking subsection (g) and inserting the following:

"(g) EXEMPT TRANSACTIONS.—

(1) APPLICABILITY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), this section shall not apply to any agreement, contract, or transaction in a commodity other than an agricultural commodity if the agreement, contract, or transaction

(i) is between persons that are eligible contract participants at the time at which the agreement, contract, or transaction is entered into;

(ii) is subject to individual negotiation by the parties to the agreement, contract, or transaction; and

(iii) is not executed or traded on an electronic trading facility.

(B) EXCEPTIONS.—

(1) In general.—An agreement, contract, or transaction described in subparagraph (A) (other than an agreement, contract, or transaction in an excluded commodity) shall be subject to—

(I) sections 4b, 4c(b), 4o, and 5b; and

(II) subsections (c) and (d) of section 6, 6c, 6d, and 8a, to the extent that those provisions

((aa) provide for the enforcement of the requirements specified in this paragraph and paragraphs (2), (3), and (4); and

(bb) prohibit the manipulation of the market price of any commodity in interstate commerce or for future delivery on or subject to the rules of any contract market;

(III) sections 6c, 6d, 8a, and 9a(2)(A), to the extent that those provisions prohibit the manipulation of the market price of any commodity in interstate commerce or for future delivery on or subject to the rules of any contract market;

(IV) section 12(e)(2); and

(V) section 22(a)(4).

(II) EXCLUDED COMMODITIES.—An agreement, contract, or transaction described in subparagraph (A) in an excluded commodity shall be subject to—

(I) sections 5a (to the extent provided in subsection (g) of that section), 5b, and 5d; and

(II) section 12(e)(2).

(II) Bilateral energy markets.—

(A) IN GENERAL.—A person or group of persons that constitutes, maintains, administers, or provides a physical or electronic facility or system in which a person who has the ability to offer, execute, trade, or confirm the execution of an agreement, contract, or transaction (other than an agreement, contract, or transaction in an excluded commodity) by making or accepting the bids and offers of all other participants on the facility or system (including facilities or systems described in clauses (i) and (iii) of section 1a(33)(B)), may offer to enter into, enter into, or confirm the execution of any agreement, contract, or transaction under paragraph (1) (other than an agreement, contract, or transaction in an excluded commodity) if the person or group of persons meets the requirement of subparagraph (B).

(B) Requirement of this subparagraph is that a person or group of persons described in subparagraph (A) shall—

(1) register with the Commission in any capacity that the Commission requires by rule, regulation, or order;

(2) file with the Commission any reports (including financial reports) that the Commission requires by rule, regulation, or order;

(3) maintain sufficient net capital, as determined by the Commission;

(4) maintain books and records consistent with section 4c; and

(II) make those books and records available to representatives of the Commission and the Department of Justice for inspection at all times; and

(III) make available to the public any information that the Commission determines to be appropriate for public disclosure.

(3) REPORTING REQUIREMENTS.—On request of the Commission (or a participant that trades on a facility or system described in paragraph (2)(A)) shall provide to the Commission, within the time period specified in the request and in such form and manner as the Commission may require, any information relating to the transactions of the eligible contract participant on the facility or system that the Commission determines to be appropriate.

(4) TRANSACTIONS EXEMPTED BY COMMISSION ACTION.—Any agreement, contract, or transaction exempt under paragraph (1) (other than an agreement, contract, or transaction in an excluded commodity) that would otherwise be exempted by the Commission under section 4(c) shall be subject to—

(A) sections 4b, 4c(b), and 4o; and

(B) subsections (c) and (d) of section 6, 6c, 6d, and 9a(2)(A), to the extent that those provisions prohibit the manipulation of the market price of any commodity in interstate commerce or for future delivery on or subject to the rules of any contract market;

(5) EFFECT.—This subsection does not affect the power of the Federal Energy Regulatory Commission to regulate transactions described in paragraph (1) under the Federal Power Act (16 U.S.C. 791a et seq.)."

(a) PROHIBITION.—It shall be unlawful for any member of a registered entity, or for any correspondent, agent, or employee of any member, in or in connection with any order or transaction in an exempt commodity (as defined in section 3(b)(10)), to

(1) to cheat or defraud or attempt to cheat or defraud any person;

(2) willfully to make or cause to be made to any person any false report or statement, or willfully to enter or cause to be entered any false record;

(3) willfully to deceive or attempt to deceive any person by any means; or

(4) to bucket the order, or to fill the order by offset against the order of any person, or willfully, knowingly, and without the prior consent of any person, buy in or sell in any contract market, sell in any contract market, or buy in or sell in any contract market, or take any other action that would otherwise be proh"
SEC. 3. JURISDICTION OF THE FEDERAL ENERGY REGULATORY COMMISSION OVER ENERGY TRADING MARKETS.

Section 206 of the Department of Energy Organization Act (42 U.S.C. 7172) is amended by adding at the end the following:

'(i) JURISDICTION OVER DERIVATIVES TRANSACTIONS.

'(1) IN GENERAL.—To the extent that the Commission determines that any contract under the jurisdiction of the Commission is not in its jurisdiction, the transaction shall be under the jurisdiction of the Commodity Futures Trading Commission.

'(2) MEETINGS.—A designee of the Commission shall meet with a designee of the Commodity Futures Trading Commission, the Securities Exchange Commission, the Federal Trade Commission, and the Federal Reserve Board to discuss—

'"(A) conditions and events in energy trading markets; and

'"(B) any changes in Federal law (including regulations) between the United States and Mexico.

'"(3) LIAISON.—The Commission shall, in cooperation with the Commodity Futures Trading Commission, Office of Energy Efficiency and Renewable Management, maintain a liaison between the Commission and the Commodity Futures Trading Commission."

SA 2991. Mr. BINGAMAN (for himself and Mr. DOMENICI) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; as follows:

Strike section 1702 and insert the following:

SEC. 1702. ASSESSMENT OF DEPENDENCE OF STATE OF HAWAII ON OIL.

(a) ASSESSMENT.—The Secretary of Energy shall assess the economic implications of the dependence of the State of Hawaii on oil as the principal source of energy for the State, including—

(1) the short- and long-term prospects for crude oil supply disruption and price volatility and potential impacts on the economy of Hawaii;

(2) the economic relationship between oil-fired generation of electricity and refined petroleum products consumed for ground, marine, and air transportation;

(3) the technical and economic feasibility of increasing the contribution of renewable energy resources to generation of electricity, on an island-by-island basis, including—

(A) the availability of supply;

(B) the fuel and facility configuration; and

(C) the environmental, operational, and safety considerations;

(4) the availability of technology;

(D) the effects on the utility system, including reliability;

(E) infrastructure and transport requirements;

(F) community support; and

(G) other factors affecting the economic impact of such an increase and any effect on the economic relationship described in paragraph (2);

(5) the technical and economic feasibility of using liquefied natural gas to displace residual fuel oil for electric generation, including neighboring island opportunities, and the effect of such displacement on the economic relationship described in paragraph (2), including—

(A) the availability of supply; and

(B) the fuel and facility configuration for onshore and offshore liquefied natural gas receiving terminals; and

(C) the factors described in subparagraphs (B) through (F) of paragraph (3); and

(D) other economic factors;

(6) the technical and economic feasibility of using renewable energy sources (including hydrogen) for ground, marine, and air transportation energy applications to displace the use of refined petroleum products, on an island-by-island basis, and the economic impact of such displacement on the relationship described in paragraph (2); and

(7) the principal sources of energy for the State.

(b) PROGRAM.—The program shall meet quarterly with a designee of the Commodity Futures Trading Commission, Office of Energy Efficiency and Renewable Energy, Energy Efficiency and Renewable Energy Program staff, and a designee of the Department of Energy Carlsbad Environmental Management Office to carry out the assessment under this section.

(c) REPORT.—The Secretary, through the Office of Energy Efficiency and Renewable Energy shall submit a report of the assessment to the Committees on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives not later than 180 days after the beginning of the first session of the 108th Congress.
part, through 1 or more contracts with qualified public or private entities.

(c) **Report**.—Not later than 300 days after the date of enactment of this Act, the Secretary shall prepare, in consultation with agencies of the State of Hawaii and other stakeholders, as appropriate, and submit to Congress, a report detailing the findings, conclusions, and recommendations resulting from the assessment.

(d) **Authorization of Appropriations**.—There are authorized to be appropriated such sums as are necessary to carry out this section.

**AUTHORITY FOR COMMITTEES TO MEET**

**COMMITTEE ON ARMED SERVICES**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 7, 2002, at 9:30 a.m., in open session to receive testimony on the defense authorization request for fiscal year 2003 and the future years defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 7, 2002, at 10 a.m. to conduct an oversight hearing on the “The Semi-Annual Report on Monetary Policy of the Federal Reserve.”

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON ENERGY AND NATURAL RESOURCES**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to hold a hearing during the session of the Senate on Thursday, March 7, at 2:30 p.m. in SD-366. The purpose of this hearing is to receive testimony on the following bills:

S. 213 and H.R. 37, to amend the National Trails System Act to update the feasibility and suitability studies of 4 national historic trails and provide for possible additions to such trails.

S. 1069 and H.R. 834, to amend the National Trails Systems Act to designate the route in Arizona and New Mexico which the Navajo and Mescalero Apache Indian Tribes were forced to walk in 1863 and 1864, for study for potential addition to the National Trails System.

S. 1946, to amend the National Trails Systems Act to designate the Old Spanish Trail as a National Historic Trail.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON FINANCE**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, March 7, 2002, at 10:15 a.m. to hold a hearing on the children’s protocols.

**Agenda**

**Witnesses**

Panel 1: The Honorable Michael Southwick, Deputy Assistant Secretary for International Organization Affairs, Department of State, Washington, DC; Mr. Marshall Billingslea, Deputy Assistant Secretary for Negotiations Policy, Department of Defense, Washington, DC; Mr. John Mccorm. Deputy Assistant Attorney General, Criminal Division, Department of Justice, Washington, DC.

Panel 2: Ms. Jo Becker, Children’s Rights Advocacy Director, Human Rights Watch, New York, NY; RADM (Ret.) Eugene Carroll, Jr., USN, Vice President Emeritus, Center for Defense Information; RADM (Ret.) Timothy O. Fanning, Jr., USNR (ret.), National President of the Navy League of the United States, Washington, DC.

**COMMITTEE ON FOREIGN RELATIONS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 7, 2002 at 2:30 p.m. to hold a hearing on trafficking.

**Agenda**

**Witnesses**

Panel 1: The Honorable Paula Dobriansky, Undersecretary for Global Affairs, Department of State, Washington, DC; Mr. Viet D. Dinh, Assistant Attorney General, Office of Legal Policy, Department of Justice, Washington, DC.

Panel 2: Ms. Nancy Ely-Raphel, Senior Advisor, Office to Monitor and Combat Trafficking in Persons, Department of State, Washington, DC; Dr. Nguyen Van Hanh, Director, Office of Refugee Resettlement, Department of Health and Human Resources, Washington, DC.

Panel 3: Ms. Hae Jung Cho, Coalition to Abolish Slavery and Trafficking, Los Angeles, CA; Mrs. Ann Jordan, Director, Initiative Against Trafficking in Persons, International Human Rights Law Group, Washington, DC; Mrs. Carol Smolensky, Coordinator, End Child Prostitution and Trafficking—USA, New York, NY.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON GOVERNMENTAL AFFAIRS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, March 7, 2002 at 9:30 a.m. to hold a hearing entitled “Public Health and Natural Resources: A Review of the Implementation of our Environmental Laws.”

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON INDIAN AFFAIRS**

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Thursday, March 7, 2002, at 10 a.m. in room 485 of the Russell Senate Office Building to conduct an oversight hearing on the President’s budget request for Indian Programs for fiscal year 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON THE JUDICIARY**

Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, March 7, 2002 at 10:00 a.m., in SD 226.

**Final Agenda**

**I. Nominations**

Charles W. Pickering, Sr. to be U.S. Circuit Court Judge for the 5th Circuit, Ralph Bealstine to be U.S. District Court Judge for the District of Alaska, David Charles Bryan to be U.S. District Court Judge for the District of Arizona, Randy Crane to be U.S. District Court Judge for the Southern District of Texas.

To be United States Attorney: Eric F. Melegren for the District of Kansas and Paul I. Perez for the Middle District of Florida.


**II. Bills**

S. 1615, Federal-Local Information Sharing Partnership Act of 2001 [Schunk/Match]

S. 1356, The Wartime Treatment of European Americans and Refugees Act [Feingold/Glassley/Kenney]

**III. Resolutions**

S. Res. 214, a resolution designating March 25, 2002, as “Greek Independence Day: A National Day of Celebration of
Mr. REID. Mr. President, I ask unanimous consent that the Committee on Veterans’ Affairs be authorized to meet during the session of the Senate on Thursday, March 7, 2002, for a joint hearing with the House of Representatives’ Committee on Veterans Affairs, to hear the legislative presentations of the Paralyzed Veterans of America, Jewish War Veterans, Blinded Veterans Association, the Non-Commissioned Officers Association, and the Military Order of the Purple Heart.

The hearing will take place in room 345 of the Cannon House Office Building at 10 a.m.

Mr. REID. Mr. President, I ask unanimous consent that the subcommittee on Strategic of the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, March 7, 2002, at 2:30 p.m., in open session to receive testimony on the Ballistic Missile Defense Program and budget in review of the Defense authorization request for fiscal year 2003.

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:15 a.m., Friday, March 8; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the message from the House on H.R. 3090.

Mr. REID. Madam President, we expect two rollcall votes beginning at 9:30 a.m., first on the stimulus bill, and second in relation to the McCain amendment to the energy reform bill.

Mr. REID. Madam President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:43 p.m., adjourned until Friday, March 8, 2002, at 9:15 a.m.
STATIONARY FOR THE INTRODUCTION OF THE WORK ENTITLED
WE SHALL RISE BY DAVID STANCLIFF

HON. DON YOUNG
OF ALASKA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. YOUNG. Mr. Speaker, I wish to recognize Mr. David Stancliff of Tok, Alaska, for his contribution in helping our nation heal after the tragic events of September 11th, 2001. Mr. Stancliff wrote the song “We Shall Rise” in his Tok log cabin and has since traveled to Gettysburg, Pennsylvania, where he joined up with American roots singer Scott Ainslie. Mr. Ainslie performed “We Shall Rise” to its first audience at the Gettysburg National Cemetery on November 19th, 2001, the anniversary of the Gettysburg Address.

Lincoln gave birth to the healing of the nation in Gettysburg and Mr. Stancliff’s words sung by Mr. Ainslie in the same place will hopefully help heal society. On this single day, November 19th, 2001, “We Shall Rise” was performed multiple times in Pennsylvania. “We Shall Rise” became the first song ever sung on the floor of the Pennsylvania House of Representatives. It was also performed at the Emergency Services Banquet in Harrisburg, Pennsylvania for the Governor and a thousand emergency service workers, and later that day at Gettysburg College.

We will never forget those who lost their lives on September 11th, 2001. As the battle against terrorism carries on, we are forever indebted to those who fight for our great nation. New challenges at home and abroad continue to test our faith, hope, and resiliency. In this time of mourning and war, we can take comfort and inspiration from the words of David Stancliff’s “We Shall Rise.” Here are the words to the song that will help us to renew our hopes as well as our faith in people as we face the aftermath of the plane crashes in Pennsylvania, New York, and Washington, DC, as well as the new battle against terrorism abroad.

“We Shall Rise”

“Here we are—left behind—when our loved ones had to go. Here we are—left to fill—lonely spaces here below. But we shall rise, we shall rise—past mighty towers tall. We shall rise, we shall rise—we shall rise up from the fall. Along our streets, when we miss their daily smiles. Along our streets, we’ll be lifted from our trials. Along our streets, with our memories great and small. We will rise up from the fall. We shall rise, rise up from the fall. We shall rise on the wings they’ve given us all. We shall rise, over every hateful wall. We shall rise up from the fall. With their lives, we’ll be taken to new heights.

With their lives, we’ll turn to darkness into light. With their lives, when we hear the trumpet’s call We will rise up from the fall. We shall rise, rise up from the fall. We shall rise, on the wings they’ve given us all. We shall rise, over every hateful wall. We will rise up from the fall. They’ll all be waiting—up around the bend. They’ll be waiting—the circle never ends. They’ll all be waiting—and when we hear them call, We will rise up from the fall. We shall rise, rise up from the fall. We shall rise, on the wings they’ve given us all. We shall rise, over every hateful wall. We will rise up from the fall—We will rise.”

THE HEALTH CARE
IMPROVEMENTS ACT OF 2002

HON. JOHN CONYERS, JR.
OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CONYERS. Mr. Speaker, I am pleased to introduce, along with Congressman BARR, the Health Care Improvement Act of 2002. This is the successor legislation to the Campbell/Conyers bill from last Congress, which passed the House by an overwhelming 276-136 vote. We have drafted a more narrow legislative response this Congress in the hope that the bill will be more likely to move in the Senate.

The legislation responds to two alarming anti-consumer trends—the ever increasing level of concentration among health insurers and exclusionary contracting practices by health insurance companies. The last five years have seen a massive consolidation in the health insurance and managed care market as more than a dozen health insurance competitors have been eliminated through mergers and acquisitions.

The dangers posed by this ever increasing market consolidation are exacerbated by the practice of health insurers engaging in heavy-handed negotiating tactics and requiring exclusionary contractual commitments from health care providers. Such restrictive contractual terms are frequently proffered on a “take it or leave it” basis to health care providers, under the threat of the loss of the provider’s patients or exclusion from their access to other patients.

Our legislation responds to the problem by allowing physicians or other health care professionals to collectively negotiate with a health plan over contractual terms or plan policies. Presently, joint negotiations with a health plan by physicians or other health care professionals who are not financially integrated are illegal per se under the federal antitrust laws if they involve fees or prices. Under this legislation, such collective negotiations would be subject to review based on a more liberal “rule of reason” analysis, which could take quality of health care into account.

I have taken a particular interest in this legislation because of the unfairness of the current market situation on African American doctors. I am aware of a number of incidents in Detroit and around the country of minority physicians being threatened that they will lose all of their business unless they enter into one-sided service contracts. This bill gives physicians the ability to respond to these abuses on a collective basis.

The legislation is strongly supported by a wide array of health care professional and trade organizations, including several speaking today.

PERSONAL EXPLANATION

HON. LYNN C. WOOLSEY
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. WOOLSEY. Mr. Speaker, I was absent from the House yesterday and part of today due to California’s primary elections on March 5, 2002. Had I been present, I would have voted:

Rollcall No. 47—“yea”.
Rollcall No. 48—“yea”.
Rollcall No. 49—“nay”.
Rollcall No. 50—“yea”.

INTRODUCTION OF PROTECT OUR WOMEN FROM OVARIAN CANCER ACT OF 2002

HON. STEVE ISRAEL
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. ISRAEL. Mr. Speaker, currently, around three-quarters of women with ovarian cancer are diagnosed in advanced stages of the disease, when they have only about a 20 percent chance to surviving five years. However, if the disease is caught early, the five-year survival is around 95 percent. So providing a way to routinely identify the disease in its “Stage 1” phase could have a dramatic impact in what is now a very deadly cancer.


In the study, scientists used serum proteins to detect ovarian cancer, seven at early stages. using test that can be completed in 30 minutes using blood that can be obtained from a finger stick, researchers were able to differentiate between serum samples taken from
patients with ovarian cancer and those from unaffected individuals.

However, despite the success of this preliminary research, it is only the first step in the testing process. It is incumbent that we find out as soon as possible whether protein screening is an effective preventive health-screening technique for this devastating disease. Therefore I am introducing legislation which will instruct the Secretary of the Department of Health and Human to immediately conduct or support research on the effectiveness of the medical screening technique of using proteomic patterns in blood serum to identify ovarian cancer, including the effectiveness of so using proteomic patterns in combination with other screening methods for ovarian cancer.

If the testing finds the test effective, this legislation would require that Medicare cover the cost of this preventive health-screening tool. Medicare will treat proteomic screening at the same reimbursement rate and under the same rules and restrictions as a Pap smear test. Therefore, Medicare will cover this test for all women at the age of 50 once every two years and will reimburse health care providers at exactly the same rate as pap smears.

Mr. Speaker, those of us who have been elected to Congress have been entrusted with enormous responsibility and enormous power. We must use our power wisely, for the common good. There is no issue of more importance to the people of the United States than health care, and no more poignant issue than the health of our women. Ovarian cancer is a heartbreaking disease that strikes surreptitiously and long before any symptoms are manifest. Waiting for symptoms means our mothers and sisters and daughters are extremely vulnerable to unacceptably high fatality rates. By detecting the disease in Stage 1, we will save thousands of lives. In the development of national priorities, can there be anything more important than saving lives? I think not. Let us proceed with the research, and if successful, let us implement effective early screening for ovarian cancer.

Mr. Speaker, this is medical breakthrough. Now let us break through government and bureaucracy and start saving lives.

PERSONAL EXPLANATION

HON. BARBARA LEE
OP CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Ms. LEE. Mr. Speaker, I was not present for votes Tuesday or Wednesday, due to official business in my district. Had I been present, I would have voted:

Tuesday, March 5, 2002: “Yea” on H. Con. Res. 305, Permitting The Use Of The Rotunda For An Inaugural Ceremony For A Congressional Gold Medal To Former President Ronald Reagan And Nancy Reagan.

Wednesday, March 6, 2002: “Yea” on the Journal vote; “nay” on House Resolution 354, the rule for considering seven suspension bills, because I believe we should be passing meaningful unemployment insurance relief for laid-off workers first; and “Yea” on S.J. Res. 32—Congratulating the U.S. Military Academy at West Point On Its Bicentennial Anniversary.

HONORING RICHARD GONZALES, 2001 RECIPIENT OF THE YMCA DISTINGUISHED SERVICE AWARD

HON. KEN CALVERT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. CALVERT. Mr. Speaker, my congressional district in Riverside, California is extremely fortunate to have a dynamic and dedicated group of community leaders who willingly and unselfishly give of their time and talents to ensure the well-being of our cities and county. These individuals work tirelessly to develop voluntary community action to improve the region’s economy, its education, its environment and its overall quality of life. One individual, who is a member of this group, is Richard Gonzales. He has been active in so many community groups and activities that it is hard to imagine how he found the time to become a career law enforcement officer with the Los Angeles Police Department (LAPD), as the Chief of Police for the City of Corona, a husband and a father of two.

On the 9th of March, Mr. Gaonzales will be honored with the Ira. D. “Cal” Calvert Distinguished Service Award by the Corona-Norco Family YMCA. The award is given in memory of my father. “Cal” Calvert, and his innumerable philanthropic gifts to the community and his efforts to encourage others to serve their community in a similar fashion. The award recognizes Mr. Gonzales for his exceptional devotion to developing community voluntarism.

Richard’s career with the LAPD lasted for an impressive 26 years where he commanded many divisions. During those years, he served as a police officer, detective, sergeant, lieutenant and captain. After retiring from LAPD, Richard was named the police chief of Corona in 1998. Richard holds a Master of Arts in Public Administration and a Bachelor of Science in Criminal Justice, both from California State University, Long Beach. He is a graduate of the FBI National Academy in Quantico, Virginia and holds a POST certificate for Command Development. He is also an adjunct professor at Golden West College, where he teaches a POST Discipline course at the Criminal Justice Training Center.

With all of these career and family commitments, Richard’s unselfish giving of time and energy to volunteering is all the more impressive and serves as a model to his community, neighbors and own children. His strong commitment to the Inland Empire is displayed in his participation in the Corona Police Community Partnership, Family Preservation, Corona Rotary, as a board member for UNITY which deals with community youth sports and the Corona-Norco YMCA. Chief Gonzales has actively instituted partnerships with our local school district, ministerial groups and other services in keeping our community safe and raising the quality of life in Corona.

Mr. Speaker, I take this opportunity to thank Richard Gonzales for his dedication, influence and involvement in our community. I know that we will continue to benefit from his long time experience in the 43rd congressional district and deep commitment to the region. It is a great pleasure for me to congratulate Richard on his outstanding career with the LAPD and his lifelong devotion to the community.

IN MEMORY OF MICHELE MILLS

HON. EDOLPHUS TOWNS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. TOWNS. Mr. Speaker, I rise in honor of a wonderful woman who was taken from us well before her time. Michele Mills was called home on Monday, November 12. She was aboard American Airlines flight 587, from New York to the Dominican Republic, which seconds after take off tragically fell out of the sky and crashed into a residential neighborhood in Queens, New York.

Michele Mills was born to Priscilla and Eugene Mills on June 4, 1955 in St. Mary’s Hospi- tal in Brooklyn, New York. She was a proud resident of Brooklyn for many years living in Red Hook and Crown Heights. After graduating from the Franklin D. Roosevelt High School in 1973, she continued her education at the Fashion Institute of Technology where she majored in merchandising/buying. With encouragement from her sister, Tricia, Michele moved on to an aviation career working for Overseas National Airlines. In 1978, Michele joined American Airlines. She worked there for her remaining twenty-three years.

Michele always kept her priorities in order: God, family, work and hobbies. She realized God’s presence in her life at a very early age and joined Brownsville Community Baptist Church, where she served as a faithful member. She was a very spiritual person who routinely began her day with meditation and spiritual readings.

Michele’s family and friends were an extremely important part of her life. Her home was in gathering place for festive occasions. She took great pride in graciously serving others and did so with a warm smile. Her colleagues became her extended family.

Michele was an avid reader, a gourmet cook, an interior decorator and a thrifty shopper. She was rarely seen at work or around the house without her “book of the week,” never far from her. She became very close to her JKF co-workers, family and friends for her famous, “Michele’s Fried Chicken.” Every aspect of her life was orderly; and her attire was always impeccable. She took little to nothing for granted.

Michele is survived by her parents, Priscilla and Eugene Mills; her siblings, Tricia and Kenneth Mills; her fiancé, Bob Mallory; and two uncles: Bob Mills of Edison, New Jersey and Freddie Holmes of Columbia, South Carolina; five aunts, Albertha Bell of Brooklyn, New York, Dezel Mallory of North Carolina, Doris Mills of Edison, New Jersey, Lysine Holmes of South Carolina, Irene Holmes of Brooklyn, New York, a great aunt, Lucille Wilkins of Brooklyn, New York, one god-daughter, Stephanie Holmes of Brooklyn, and a host of cousins and friends throughout the United States.

Mr. Speaker, Michele Mills was a woman who enjoyed her religion, her family, her work, and her hobbies. She worked hard, no matter which part of her life was her focus at any particular moment. As much as I hope that my colleagues will join me in honoring the memory of this woman who was at the beginning of a truly remarkable life.
IN HONOR OF BRUCE HOCHMAN

HON. ADAM B. SCHIFF
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. SCHIFF. Mr. Speaker, I rise today to honor the late Bruce Hochman. Mr. Hochman will be greatly missed, as he was a devoted and outstanding member of the Southern California community. Through his civic involvement, he helped affect positive change in the lives of many.

Bruce Hochman received his Bachelor of Arts degree from the University of California, Los Angeles. He later received his Juris Doctorate degree from the same university. Throughout his life, he served as an attorney in many capacities, earning acceptance to practice before the Supreme Court of the United States, Ninth Circuit Court of Appeals, United States District Court, United States Claims Court, and United States Tax Court.

Bruce was an active author and lecturer over the years, speaking on tax law and accounting at a number of prestigious universities and institutes throughout the nation. He has spoken both at the University of California, Los Angeles and the University of Southern California. He also addressed the Southern Tax Institute, Alabama Tax Institute, and the North West Tax Institute.

Bruce was set apart from so many because he devoted himself to the improvement of the lives of others. As the Chairman of the Board of the Foundation for People, Inc., he helped the organization assist federal parolees and probationers with vocational opportunities. For his work with the Anti-Defamation League as a past Regional Board President, National Commissioner and Executive Committee Member, he was honored as an Honorary National Vice Chairman.

So I ask all Members of the United States House of Representatives to pause to honor a great man who helped so many people. He will be missed not only by his family, but by all of those fortunate enough to cross his path.

TRIBUTE TO REVEREND DR. JULIUS RICHARD SCRUGGS

HON. ROBERT E. (BUD) CRAMER, JR.
OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. CRAMER. Mr. Speaker, I rise today to recognize Reverend Dr. Julius Richard Scruggs of the First Missionary Baptist Church in Huntsville, Alabama. This year he celebrates his 42nd pastoral anniversary and his 25th anniversary with First Missionary Baptist.

Dr. Scruggs is an incredible asset to this church and the City of Huntsville and deserves the 25th anniversary with First Missionary Baptist. Dr. Scruggs is an incredible asset to this church and the City of Huntsville and deserves the 25th anniversary with First Missionary Baptist. Dr. Scruggs is an incredible asset to this church and the City of Huntsville and deserves the 25th anniversary with First Missionary Baptist. Dr. Scruggs is an incredible asset to this church and the City of Huntsville and deserves the 25th anniversary with First Missionary Baptist.

Rev. Dr. Julius Scruggs was born in Elkon, Tennessee and grew up in Toney, Alabama. He began his pastoral career at the age of 18 at Pine Grove Missionary Baptist Church in Harvest, Alabama, and has continued his work in the ministry for forty-two years. Dr. Scruggs has been at the First Missionary Baptist Church since 1977 and has seen more than 2,500 new members unite with the church during that time. Under his esteemed leadership, the church has begun witnessing and evangelism teams, jail ministry teams, scholarship funds, health and recreation ministries, and has greatly enhanced its Christian Education ministry. The church has also built and paid for a house with Habitat for Humanity and the congregation continues to donate their time and money to help build more Habitat homes for the surrounding community.

Mr. Speaker, I want to express my sincere appreciation of Dr. Scruggs’ service to our community in Huntsville. Dr. Scruggs is an important and active member of the national and local Christian community. He is a member and former president of the Greater Huntsville Interdenominational Ministerial Fellowship and was the 1998 recipient of their Dr. Martin Luther King, Jr. Award. Dr. Scruggs’ many other accomplishments and community services include being elected Vice President at Large of the National Baptist Convention, U.S.A., Inc. in 1999. First Missionary Baptist and the Huntsville community have been very blessed by his 25 years at First Missionary Baptist Church in Huntsville.

PERSONAL EXPLANATION

HON. DIANE E. WATSON
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. WATSON of California. Mr. Speaker, on Tuesday, March 5, and Wednesday, March 6, I was absent due to the California State Primary Elections. During that period, I missed four recorded votes: S.J. Res. 32, Congratulating the United States Military Academy at West Point on its Bicentennial Anniversary, and Commending its Outstanding Contributions to the Nation; H. Res. 354, Providing for consideration of motions to suspend the rules; On Approving the Journal; and H. Con. Res. 305, 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.

Had I been present, I would have voted “yea” for S.J. Res. 32, H. Con. Res. 305, and Approving the Journal. I would have voted “nay” for H. Res. 354.

RECOGNIZING THE LIFE OF THE LATE DR. JOHN HOLLOMAN

HON. CHARLES B. RANGEL
OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. RANGEL. Mr. Speaker, I rise today to recognize a great humanitarian, health executive, physician and civil rights leader—the late Dr. John Holloman who passed away on February 27, 2002.

For many years, as president of the New York City public hospital corporation in the mid-1970s, Dr. Holloman battled for increased accessibility to health care for the poor in the city. At the time he was the country’s highest-ranking African-American person in health care.

Duly committed to health care for all, he served as Associated Director of Health Services of the William F. Ryan Community Health Center up until the time of his death—a job he held for the past 21 years. Many remember, that on his desk sat a plaque with the simple, but powerful motto that represented the goal of most of his life’s work: “Health Care is Right.”

During his years as an advocate and physician, he managed to influence policies to increase better health care for prison inmates and the inclusion of more minorities in the American Medical Association. He was instrumental in the civil rights movement, where I remember him taking care of people’s feet during the voting rights march from Selma to Montgomery, Alabama. The medical attention he gave to many was a necessity during the long journeys in the fight for civil rights.

His medical and humanitarian efforts, numerous at last count, have been recognized by organizations such as the Urban League, state and private universities, and the Bar Association.

For 50 years, Dr. Holloman political activism, community and national leadership, and provision of both care and concern to the most hard to reach and vulnerable population exemplify the will of a man to accomplish great
deeds for the benefit of all human beings. I ask my colleagues to join me in celebrating the life of Dr. John Holman a man who today we owe a great deal of gratitude for his work on ensuring equitable access to health care.

A TRIBUTE TO HADASSAH
HON. WM. LACY CLAY
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. CLAY. Mr. Speaker, I would like to take this opportunity to pay a special tribute to one of our nation’s most outstanding organizations, a group recognized as both the largest women’s and the largest Jewish membership organization in the United States, Hadassah. Hadassah is a name that has come to be synonymous with strength of purpose and humanitariansim. The women of Hadassah are a force for change with an unchanging commitment to serving human needs.

Hadassah, the Women’s Zionist Organization of America, recently celebrated its 90th anniversary. Throughout its long history, the women of Hadassah have exemplified the highest ideals of civic awareness and action. They have long combined an agenda of vital international and domestic issues. Proponents of a strong Israeli nation and a peaceful Middle East, they are also champions of fundamental social and domestic programs.

In many ways, Hadassah exemplifies the heart and soul of our democratic society—active involvement in public policy making and civic life. The Hadassah members have successfully channeled their remarkable energies toward an agenda that spans from education and health care, to religious freedom and social justice, to energy and the environment. They are genuinely devoted to serving the human cause.

In so many fundamental ways our nation changed forever last September 11, and we have begun a new chapter in our history. As leaders in Congress, we strive to restore the strength of the American spirit and confidence that was eclipsed by the terrorist events. In this role I am inspired by the women of Hadassah. They have long exercised a very special and unique commitment to domestic and international issues. They are an organization of courageous women whose faith, perseverance and strength of purpose flourishes and thrives in the face of challenge and adversity.

I salute Hadassah for its longstanding commitment to enhancing the quality of life for both the people of the United States and the people of Israel. Hadassah members are a source of inspiration and guidance for all Americans as we strive to meet the challenges of achieving peace and domestic security in the years ahead.

INTRODUCTION OF THE “RESTORATION OF FAIRNESS IN IMMIGRATION ACT OF 2002”
HON. JOHN CONYERS, JR.
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. CONYERS. Mr. Speaker, I am pleased to introduce the “Restoration of Fairness in Immigration Law Act of 2000,” a bipartisan bill that is supported by the leaders of the Congressional Hispanic, Black and Asian Pacific Caucuses as well as over 60 immigration advocacy groups.

Since this nation’s founding, more than 55 million immigrants from 175 countries have settled in the United States. Immigrants work hard to make ends meet and pay taxes every day. They have lived in this country for decades, married U.S. citizens, and raised their U.S.-citizen children. Laws that single these people out for no other reason than their status as immigrants violate their fundamental right to fair treatment.

Yet, for too many years, Congress has witnessed a wave of anti-immigrant legislation, playing on our worst fears and prejudices. Since 1994, we have considered proposals to ban birthright citizenship, ban bilingual ballots, and slash family and employment based immigration, as well as to limit the number of asylees and refugees. In 1996 we passed laws denying legal residents the right to public benefits and denying immigrants a range of due process and legal protections.

Recently we have seen the tragedy of September 11th used as an excuse for even more assaults on the rights of immigrants. The Justice Department is now holding deportation hearings in secret and detaining immigrants even after the Supreme Court has declared the Attorney General is reducing both the independence and number of judges that handle the appeals of immigration cases. We are fending off legislation almost daily intended to reduce if not eliminate immigration to this country.

Those who urge us to restrict the due process rights of immigrants forget the reason these rights were established in the first place. We grant due process rights to citizens and non-citizens alike; not out of some soft-hearted sentimentality, but because we believe that these rights form an important cornerstone to maintaining civilized society.

The “Restoration of Fairness in Immigration Act of 2002” furthers this proud legacy by restoring our nation’s longstanding compassion for individuals seeking to build a better life and reunite with their families.

The bill restores fairness to the immigration process by making sure that each person has a chance to have their case heard by a fair and impartial decision maker. No one here is looking to give immigrants a free ride; just a fair chance.

Our work will not stop with the introduction of this legislation. While this bill lays the benchmark for future Congresses of what our immigration policy should be, I believe that much of the legislation that has been passed into law, including the restoration of section 245(i), Congressman Frank’s Family Reunification Act and Senator Kennedy’s Immigrant Fairness Restoration Act.

Justice and fairness, as well as our own economic interests, demand that we take these actions.

HONORING RICHARD “DICK” DAY
HON. LYNN C. WOOLSEY
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Ms. WOOLSEY. Mr. Speaker, I rise today to honor the memory of Richard “Dick” Day, a man who walked his talk with both integrity and good humor, and whose life should encourage every citizen working for a better community.

Born in Idaho of a large and boisterous family 67 years ago, Dick Day matured in the hot political atmosphere of the California of the 60s. In 1964 he joined the Peace Corps and the young Dick Day chaired John F. Kennedy’s presidential campaign in the Republican heartland of Orange County. Later, Day attended U.C. Berkeley’s Boalt School of Law balancing his studies with a whimsical campaign for a seat in the California legislature, which he lost handily.

After graduation in 1968, the 32-year-old lawyer moved to the fast growing city of Rohnert Park in Sonoma County. The next year, Day moved to Santa Rosa and won election to the Sonoma County Board of Education. In 1970 he lost election to the Sonoma County Board of Supervisors. In 1979, Day was selected by Governor Jerry Brown to fill a vacancy on the Sonoma County Municipal Court, a position he lost in a mid-year election a year later.

Dick Day’s destiny was not to be an officeholder, but to be a man who seized on important issues from the grassroots. Day joined with Bill Kortum, Chuck Rheinehart and others to fight against an attempt by private developers to block 13 miles of spectacular coast from coastal access. As the attorney for Californians Organized to Acquire Access to State Tidelands (COAAST), Day was able to convince the state Supreme Court to overturn a county supervisor decision favorable to developers; and later become instrumental in the passage of a statewide measure that guaranteed public access to beaches in the state and formed a new agency, the California Coastal Commission which is charted to protect California’s coastline from overdevelopment.

In an ongoing fight against unrestrained growth, Day served on the board of Sonoma County Tomorrow; was a founder of a coalition of Santa Rosa neighborhood groups and became chair of the Committee to Oppose Warm Springs Dam. Later he helped form Concerned Citizens for Santa Rosa, which became an influential player in Santa Rosa politics and a training ground for several future leaders, including current California Assemblywoman Pat Wiggins. Day was also a founder of the Sonoma County Environmental Action, an effective grassroots political organization that helped elect numerous environmental progressives to Sonoma County city and county government. Fighting against sprawl, Day pushed for city-centered transit as a founder of the Sonoma County Transportation Coalition and for downtown revitalization as a member of Heart of Santa Rosa.

Dick Day provided both legal advice and political savvy to all of these groups. Always outspoken, he learned he was most effective in a background role. When there was a press release or a letter to the editor, Dick always challenged to be written. Dick Day was always ready to serve. He didn’t always carry the day, but working with others, he won significant victories in protecting the Russian River against dredging, limiting campaign contributions in local elections, creating greenbelts around the county’s cities, and defeating measures to widen highways without developing public transit. Representing the Sierra Club he won a settlement from the Santa Rosa City Council
in the early 90’s, after charging that the Council acted improperly in providing tax incentives to the developers of a shopping center.

Dick Day had many opponents, but no real enemies. It was clear that he was coming from a place of integrity. He was a gregarious man, always armed with a quip. He loved to hold court in Mac’s Delicatessen in downtown Santa Rosa, advise and josh his friends, and debate and trade barbs with folks of other political persuasions. Politics was play to Dick as much as it was serious business.

He was blessed with a long and loving relationship with his wife, Jean, who was a partner in all of his endeavors, and helped provide a home for the annual convention of the economists at the annual convention of the economists every year. Jean died last year, and Dick carried on bravely though his heart was broken.

We will miss Dick Day. His activism showed us that dedicated, informed citizens can make democracy work. And clearly, for all who knew him, Dick Day has been elected to our hearts for life.

BREAKING THE CONTRACT

HON. STEVE ISRAEL
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. ISRAEL Mr. Speaker, here is an article that I would like to submit for the RECORD.

[From the New York Times, Mar. 5, 2002]

BREAKING THE CONTRACT
(By Paul Krugman)

If converting Social Security to a system of private retirement accounts is such a good idea, why can’t advocates of that conversion try, just once, to make their case without insisting that 1 + 1 = 4?

Last week George W. Bush did it again, contrasting Social Security benefits with what retiring workers would have if they had invested all that Social Security taxes in the stock market instead. As an article in The Times pointed out, this was a misleading scenario even on its own terms, financial planners strongly advise against investing solely in stocks, and diversified retirement accounts wouldn’t have risen nearly as much in the 1990’s bull market.

But there’s something much more serious wrong with Mr. Bush’s story. Indeed, the latest remarks perfectly illustrate how he uses bogus comparisons to make private accounts sound like a much better idea than they really are. For by emphasizing what today’s 65-year-old could have done if they hadn’t paid Social Security taxes, Mr. Bush has forgotten something rather important. Without those taxes, who would have paid for their parents’ benefits?

The point is that when touring its plan to privatize Social Security, the Bush administration conveniently fails to mention the system’s existing obligations, the debt it owes to older Americans. As with so many other administration proposals, private accounts are being sold with deceptive advertising.

The truth—which Mr. Bush’s economists understand perfectly well—is that Social Security has never been run like a simple pension fund. It’s really a social contract: each generation pays taxes that support the previous generation’s retirement, and expects to receive the same treatment from the next generation.

You may believe that Franklin Roosevelt never should have created this system in the first place. I disagree, but in any case Social Security exists, and older Americans have upheld their end of the bargain. In particular, baby boomers have spent their working years paying quite high payroll taxes, which were used mainly to support their elders, and only secondarily to help Social Security build up a reserve. And they expect to be supported in their turn.

Mr. Bush proposes to allow younger workers to place their payroll taxes in private accounts—in effect, to break this ongoing contract. But then what happens to older workers, who have already paid their dues?

There are only two possibilities. One is death, and the other is buying into private accounts by slashing the baby boomers’ benefits. The other is to buy the baby boomers out—that is, to use money from other sources to replace the diverted funds.

Those really are the only alternatives. Last year the special commission on reform of Social Security, which was charged with producing a plan for private accounts, came to an ignominious end—it issued a deliberately confusing report, then slunk quietly out of town. But wade through its menu of options, and you’ll find that in the end the commission grudgingly rediscovered the obvious: Private accounts won’t “save” Social Security. On the contrary, they will create a financial crisis second to none. The government is in no position to inject new money into Social Security, and the government at large is now borrowing from Social Security at a furious pace.

So why is the Bush administration reviving its push for private accounts right now? Did it really learn nothing from the implosion of this special commission? I doubt it; the administration’s economists aren’t fools, though loyalty often requires that they pretend otherwise.

A more likely interpretation is that this is entirely cynical. War frenzy is subsidizing the Bush domestic agenda is stalled, and early indications for the November election aren’t as good as Karl Rove expected. So it’s fantasy time: fantasize the public with visions of sugarplums, then blame Democrats for snatching the goodies away. And it doesn’t matter that the numbers don’t add up, because the plan will never be tested by reality.

SOCIAL SECURITY

HON. BARBARA LEE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Ms. LEE. Mr. Speaker, I rise today in strong support of preserving Social Security and protecting millions of seniors and individuals with disabilities from the dangers of privatization, and from the problems of raiding the Social Security Trust Fund.

Today, there are approximately 45 million Americans who receive Social Security benefits in our nation. Over 4 million of these individuals reside in the state of California but Americans all over our nation depend on this benefit as a major source of retirement income.

Currently, Social Security provides guaranteed, lifelong benefits. No matter what the stock market does the day you retire or in the months leading up to your retirement, your benefits will be unaffected.

While the Bush Administration’s budget proposes to raid the Social Security Trust Fund, they also believe in privatizing parts of Social Security.

Unfortunately, privatization plans and cuts to the Social Security budget will hit women the hardest. Poverty among American women over 65 is already twice as severe as among men over 65. Women are also more likely to earn less than men and are more likely to live longer.

While the Bush Administration’s budget proposes to divert the Social Security budget will hit women the hardest. Poverty among American women over 65 is already twice as severe as among men over 65. Women are also more likely to earn less than men and are more likely to live longer.

Women also lose an average of 14 years of earnings due to time out of the workforce (to raise children or to care for ailing parents or spouses) and since women generally have a higher incidence of part-time employment, they have less of an opportunity to save for retirement.

The current Social Security program recognizes this problem; however, most privatization proposals make no provision for these differences and would thus make poverty among women even worse.

Many women depend on Social Security income to survive. What will happen to these individuals when the Social Security Trust Fund is completely raided and substituted by a destructive privatization plan?

This Congress has an obligation to strengthen Social Security because working people have earned and deserve Social Security.

We must work to ensure that Social Security survives for our seniors today as well as for our future generations. We owe it to the American people who have paid into the system for so long. We must increase the flow of funds into Social Security, not divert funds from it.

The Bush Administration’s budget specifically proposes to divert $1.5 trillion of the Social Security Trust Fund surplus to other programs over the next ten years, effectively raiding the Social Security Trust Fund.

While the budget provides a $48 billion increase in defense spending, it calls for a $15.8 billion decrease in domestic programs. Providing for our homeland security is critical, but it cannot come at the expense of our seniors.

President Bush’s proposals on Social Security directly harm our seniors’ entitlement to retirement benefits.

The Bush Administration must understand that privatization does not eliminate the challenges Social Security must confront, it exacerbates them and puts millions of people at risk. If the Bush Administration proposes to spend the surplus unwisely and promote privatization, our seniors will be without a retirement program. President Bush, please don’t raid the Social Security Trust Fund. Our seniors are depending on you.
HONORING ROY VANDER KALLEN
2001 RECIPIENT OF THE YMCA
DISTINGUISHED SERVICE AWARD

HON. EDOLPHUS TOWNS
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. TOWNS. Mr. Speaker, I rise in honor of “What Shall I Render Ministries” and their Pastor, Lucille P. Farrell-Scott, in recognition of their first year of ministering to the Brooklyn community.

“What Shall I render Ministries” was founded on March 1, 2001 with seven members and a mission to nurture families and restore them to wholeness. After only a year, they are fifty-three active members strong and have helped welfare mothers obtain employment by working with those in need on a case-by-case basis. In one instance, the church paid for a nurse’s assistants’ course and supplied the forms for a mother to become a Nurse’s Assistant.

In addition, “What Shall I Render Ministries” established education as a top priority. To demonstrate their commitment, they established a scholarship fund which has already assisted four students with a total of $9,600 in tuition assistance. They have also worked with other community organizations to hold monthly events. In March of 2001, they celebrated Women’s History Month by holding a health and wellness seminar for the community. Over one hundred families received free blood pressure screening and literature on breast cancer, lupus, and high blood pressure. Last May, they joined with Alpha Kappa Sorority Sigma Psas Omega Chapter and contributed 60 shoeboxes filled with school supplies that were sent to the school children in Africa. They celebrated Father’s Day in June with a celebration honoring black fathers in our community. In August, school day was celebrated by presenting eight high school students with $500 scholarship awards. The students were selected by their student’s clothing. On September 11, 2001, “What Shall I Render Ministries” opened their hearts and hands with the assistance of Kinko’s, on Queens Boulevard, and distributed over 2,000 prayer cards. In October, “What Shall I Render . . .” once again reached out to those in need by contributing $500 to the Annual Lupus walk which was sponsored by the Philadelphia Church of Universal Brotherhood in Brooklyn. In November, they went into the community with $300 gift certificates for needy families so that they would be able to have Thanksgiving dinner. During the Christmas holidays, the church sponsored a new clothing and toy drive to help five families in need. In February of this year, they sponsored three events all designed to help the community: a home buying seminar, a stewardship seminar, and a parenting skills workshop.

Mr. Speaker, in one year “What Shall I Render Ministries” and Pastor Lucille P. Farrell-Scott have built an organization of vast importance.

HON. BART STUPAK
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. STUPAK. Mr. Speaker, I’d like to say a few words about a great small university in my congressional district—one of the nation’s newest universities, as a matter of fact.

Finlandia University in Hancock, Michigan, up on the beautiful Keweenaw Peninsula, is less than a year old. That age is deceiving, however. Finlandia is actually a new name for Soumi College, a school founded by Finnish immigrants in 1896 to ensure their children would have a better life through advanced education.

One of the qualities of Finnish culture is a respect for the quality of “sisu,” translated variously as persistence, determination, drive, or stamina. The Finlandia Lions, the university’s basketball team, recently demonstrated the characteristic of sisu by capturing the National Small College Athletic Association national championship in basketball.

The team entered the tournament with a 14-14 record and came up in the first round against St. Mary’s College of Ave Maria University, an Orchard Lake, Mich., school. After defeating St. Mary’s by a score of 76-50, Finlandia University next faced the tournament’s No. 1 seed, Northwest Christian College from Eugene, Ore. In a comeback victory, 69-66, Finlandia won the right to meet Southern Virginia College of Buena Vista, Va., which it defeated 98-84 to take the title.

The Finlandia Lions basketball team was led by second-year coach Art Van Damme and assistant coach Duane Snell. Nine Michigan students and one student from Finland make up the roster of the National Small College Athletic Association championship team. Team members are Nick Forgette and Jacob Pollus of Carney; Jeffrey Stiefel of Capac, Jeremy Guardiana of Gwinn; John Abramson, Petoskey; Mark Nosek of Watton, Jon Paul Katona, Negaunee, Pete Flaata, Ishpeming, Bill Loeks, Iron Mountain; Marcus Ylalnen of Helsinki, Finland, and Michael O’Donnell, Negaunee, the tournament MVP.

Mr. Speaker, Finlandia University is the only private university in Michigan’s Upper Peninsula and one of only 28 colleges and universities in the U.S. affiliated with the Evangelical Lutheran Church in America. In its vision statement, Finlandia University says it is “committed to offering liberal arts based, globally connected, international, ecologically sensitive, spiritually engaged and career focused baccalaureate and associate degree programs as well as community education opportunities.”

Clearly, Mr. Speaker, Finlandia is also offering its students an opportunity to cheer for one heck of a basketball team. I ask you and my House colleagues to join me in offering the warmest congratulations to Coach Van Damme and the Finlandia Lions for their success in capturing the NSCAA basketball crown.
HON. ADAM B. SCHIFF
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. SCHIFF. Mr. Speaker, I rise today to honor an outstanding citizen of California’s 27th Congressional District, Mrs. Susan LaCombe. Mrs. LaCombe has served on the South Pasadena Unified School District Board of Education for nearly seventeen years and has been a positive force in my Congressional District for much longer.

Mrs. LaCombe began her journey with the South Pasadena Unified School District Board of Education in May of 1985, fresh from volunteer stints as PTA President at Arroyo Vista Elementary School and PTA Council President. When she was elected to the board, her five children were all attending South Pasadena public schools, one of whom now teaches at Eagle Rock Elementary School in Eagle Rock, California.

The consummate board member, Mrs. LaCombe has worked with fourteen board members and four superintendents during her tenure, serving as board President three times. Under her leadership, some of the board’s finest accomplishments include the transition of the junior high to a middle school program eleven years ago, the formation and bonding of today’s administrative team under Superintendent Adelson, and the passage of the bond measure, Measure L, in 1995.

Mrs. LaCombe is most proud of her efforts to build an excellent administrative and teaching team, establishing exceptional training programs for the teachers, and maintaining the commitment to excellence in academic programs, “so that families continue to seek out South Pasadena as a wonderful place to live and send their children to the public schools.”

The South Pasadena community she served for so long will truly miss her. At this time, I ask all Members to join me in extending congratulations to Mrs. LaCombe for her dedicated service to the South Pasadena community. I am sure that each person positively affected by Mrs. LaCombe’s service will also join me in wishing her much joy in the years to come, and for her, her time, her energy, and her efforts.

HON. ROBERT E. (BUD) CRAMER, JR.
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. CRAMER. Mr. Speaker, I rise today to honor Sparkman High School from Harvest, Alabama for winning the statewide “We the People . . .” program administered by the Center for Civic Education, providing students with a working knowledge of our Constitution, Bill of Rights, and the principles of democratic government. The three-day national competition is modeled after hearings in the United States Congress. The assemblages of oral presentations by high school students before a panel of constitutional scholars. The students’ testimony is followed by a period of questioning by the judges to explore their depth of understanding and ability to apply their constitutional knowledge.

It is inspiring to see these young people advocate the fundamental ideals and principles of our government in the aftermath of the tragedy on September 11th. These are ideas that identify us as a people and bind us together as a nation. It is important for our next generation to understand these values and principles that we hold as standards in our endeavor to preserve and realize the promise of our constitutional democracy.

The class from Sparkman High School is currently conducting research and preparation for their upcoming participation in the national competition in Washington, D.C. I wish these young “constitutional experts” the best of luck at the We the People . . . national finals. They represent the future leaders of our nation.

END DOMESTIC VIOLENCE WEEK

HON. DIANE E. WATSON
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Ms. WATSON of California, Mr. Speaker, I’d like to commend Lifetime Television for all their efforts in putting together End Domestic Violence Week, and I thank you for inviting my colleagues in the Women Caucus to participate and lend our voices and support to this important cause. As we celebrate Women’s History Month and commemorate International Women’s Day tomorrow, March 8, we must applaud the progress women have made globally as we address the problems that continue to impede this progress.

The issue of domestic violence is a great concern. In the 32nd Congressional District of California, I have worked diligently with the Jenesse Center, the oldest sustaining domestic violence intervention program in South Central Los Angeles. I recently commended the Center, on the occasion of their 21 years of dedicated service to women and children.

While in the State Senate, one of my first pieces of legislation addressed domestic violence. I authored the first domestic violence training legislation, which required law enforcement officers to maintain a written report when responding to domestic violence calls. My concern was to make law enforcement sensitive to the cultural, social, economic and personal issues that complicate domestic violence cases. Today, California has implemented laws that remove the abuser from the home and to provide assistance to the victim. But Mr. Speaker, domestic violence is more than a criminal offense, it is an attack on our families and our communities.

Without question the violence in our homes has contributed to the violence on our streets. It is contributing to health care costs that are escalating, and it is tearing apart our communities.

Mr. Speaker, I encourage you to work with the House and the Senate to continue funding programs that ensure the protection of women and children, provide adequate health care for domestic violence victims and to ensure that local law enforcement has the monetary resources to tackle this problem.

Let us rededicate ourselves to continuing the fight against domestic violence.

CONGRATULATIONS TO BECKY MOWRER ON BEING NAMED OUTSTANDING COMMUNITY CITIZEN BY THE SHAVERS CREEK GRANGE

HON. BILL SHUSTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. SHUSTER. Mr. Speaker, I rise today to congratulate Becky Mower of Petersburg, Pennsylvania, on being named Outstanding Community Citizen by the Shavers Creek Grange. Becky was crowned as Huntington County’s Dairy Princess last June. She was then named Pennsylvania State Dairy Princess in September. Becky has the honor of being the first Huntington County princess to also be named Pennsylvania State Dairy Princess.

Becky was chosen for the Outstanding Community Citizen award based on her leadership, her integrity, and her community involvement. The Shavers Creek Grange has been giving the Outstanding Community Citizen award annually for many years. The award is often given out to older recipients, but the grange members felt Becky was so deserving that they gave her the award, making her one of the youngest recipients. I commend Becky for being an active citizen in her community, and I wish her continued success in the future.

INTRODUCTION OF DUTY SUSPENSION LEGISLATION

HON. MICHAEL N. CASTLE
OF DELAWARE
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. CASTLE. Mr. Speaker, I rise today to introduce several duty suspension bills for materials used in the production of environmentally sensitive herbicides and insecticides that improve the quality of our living environment.

These duty suspension bills lower the cost of producing these products thereby lowering the cost to consumers and helping U.S. industries compete in the global marketplace. When American companies make the active ingredients for these chemicals, they are in a proper role for duties to exist. However, when the active ingredients are only made by foreign companies, we needlessly increase product costs for...
American consumers by imposing duties on their importation. By introducing these bills, I am triggering a careful review of these proposals by the House Ways and Means Committee and the International Trade Commission to make sure there are no domestic producers of these active ingredients so no U.S. jobs will be negatively affected. In fact, these duty suspensions will make U.S. products more competitive, thus creating jobs in the U.S.

Mr. Speaker, let me take this opportunity to highlight the beneficial uses of the final products these chemicals will produce. Triflusulfuron Methyl formulated product is used for the control of a postemergence herbicide for sugar beets. Postemergence herbicides have the advantage of low application rates. The herbicide is only needed if weeds emerge around the sugar beets. Many other herbicides must be applied ahead of time to prevent weeds from developing regardless of whether they would have emerged naturally, needlessly introducing toxins into the environment. Benzyl Carbazate is a general fruit and vegetable insecticide. It has the unique ability to kill certain pests while leaving beneficial insects unharmed. Furthermore, Benzyl Carbazate is well within the margins of safety to mammalian, avian and aquatic organisms. Esfenvalerate Technical is used in the production of pyrethroid insecticide. This environmentally sound product has significant use in Integrated Pest Management (IPM) programs offering broad-spectrum insect control across a wide range of crops. Finally, the single active ingredient, (S)-methyl 7-chloro-2, 5-carboxylic acid, and its oxadiazine 4a-[3(trifluoromethoxy)phenyl] amino]-7-chloro-2, 5-carboxyl]indeno [1,2-e] [1,3,4] oxadiazine 4a- (3H)carboxylate and application adjuvants, produces a proprietary insecticide for use on cotton, vegetables and fruit. The formulated products demonstrate good efficacy on target insects, while preserving beneficial insects and mites, and offer a very favorable environmental profile.

Duty suspension bills often pass with universal bipartisan support because they are common sense for consumers, for the environment, and for enhancing the competitiveness of our domestic industries. I urge support for these proposals after the appropriate committees and agencies have thoroughly vetted these measures.

INTERNET FREEDOM AND BROADBAND DEPLOYMENT ACT OF 2001

SPEECH OF HON. SPENCER BACHUS OF ALABAMA IN THE HOUSE OF REPRESENTATIVES Wednesday, February 27, 2002

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1542) to deregulate the Internet and high speed data services, and for other purposes:

Mr. BACHUS. Mr. Chairman, I am in full support of H.R. 1542 including the Manager’s Amendment, which includes an antitrust savings clause. That clause reaffirms that regulatory and antitrust laws play important but different roles in promoting competition in the telecom industry. The Telecommunications Act of 1996 governs the transition of local telecommunications from a heavily regulated environment historically dominated by incumbent carriers to a competitive environment in which new entrants and incumbents compete vigorously with each other. The 1996 Act imposes on carriers special duties that do not exist under the antitrust laws and compels them to take actions firms in an unregulated environment would not undertake. Antitrust laws serve a different function. They protect competition by preventing firms from entering into agreements that prevent or restrain competition. They also prevent firms from unlawfully obtaining monopoly power or unlawfully extending existing monopolies into new lines of business. There should be no confusion about the differences in these laws or the roles they play in bringing the benefits of competition to American consumers.

These laws are compatible and complementary for two reasons. First, they promote the same goal: vigorous competition in the marketplace. Second, to the extent that any potential inconsistencies may arise in the administration of these antitrust laws or antitrust doctrines adopted by the courts under those laws.

Neither this Act nor the 1996 Act change the manner in which the antitrust laws are enforced by antitrust enforcement agencies and courts. Rights, duties and remedies under the antitrust laws are preserved and not diminished in any way. Also preserved are the traditional antitrust defenses, exemptions, and immunities crafted by the courts to balance antitrust and regulatory objectives for more than 100 years.

This savings clause does not repeal any portion of the Seventh Circuit decision in the Goldwater case. This savings clause is fully consistent with the learned opinion in that case.

By not modifying antitrust laws, rights, remedies, defenses, exemptions, immunities, and procedures, we make it plain that antitrust courts should continue to do what they have always done—manage potential conflicts between the administration of antitrust and regulatory laws on a case-by-case basis with due regard for the intent of Congress in establishing specific regulatory processes. This savings clause achieves that effect.

IN HONOR OF ROBERT “BOB” HODGES

HON. WALTER B. JONES OF NORTH CAROLINA IN THE HOUSE OF REPRESENTATIVES Thursday, March 7, 2002

Mr. JONES of North Carolina. Mr. Speaker, today I speak in honor of an incredible man: A man who is believed to be our Nation’s oldest veteran, a man who in 1918 joined the military so that he could serve our country during WWI, a man who worked from the time he was 8 years old, a man who has served his community well, and a man, who, above all else, has loved the Lord his God with all his heart, mind and soul. That man is Mr. Robert Hodges, of Stonewall, North Carolina. I am proud, honored and, quite frankly, privileged to speak in his honor today on the House floor.

Mr. Hodges has led a remarkable life. Considering he has seen the turn of two centuries, recounting all of his milestones would take hours. Instead, I will attempt to highlight just a few of the high points in Mr. Hodges life.

Mr. Hodges was born on June 18, 1891, in a small community called North Creek, just between Bath and Belhaven, North Carolina. His grandparents were slaves, and his mother, born into slavery, was later freed in New Bern, NC. At the age of 8, Mr. Hodges began working, just as his parents had done.

In 1918, Mr. Hodges joined the United States Army where he proudly wore the uniform of heroes as he served in France with the 702 Stevedore Battalion. A lifelong Eastern North Carolinian, Mr. Hodges returned to Beaufort County after his discharge where he married Malinda Boyd.

After moving to Pamlico County, Mr. Hodges worked his way from bookkeeper, to farm foreman, to landowner of a farm of his very own. He continued to work the land until his eyesight forced him to retire in the 1950’s. His retirement, however, did not keep him from participating in his community. Mr. Hodges has remained a vital part of his hometown in Stonewall, North Carolina and his church home of Mt. Sinai Missionary Baptist Church. Church has been a part of Mr. Hodges’ life since he was a young child. Growing up, young Robert used to walk 12 miles to church and back . . . barefoot.

Some of you may ask, “What is the secret to Mr. Hodges long and healthy life?” Well, my friends, I must tell you I believe it is the scripture he has clung to for so many years. Mr. Hodges says he gives God the glory for his long life, claiming the 5th commandment as his own. The verse reads, “Honor thy father and mother; that thy days may be long upon the land which the Lord thy God giveth thee.” Mr. Hodges’ life has certainly been very “long upon the land.” His very history, quite frankly, illustrates what it means to live a life pleasing to the Lord, and to in turn see His blessings.

In closing, Mr. Speaker, let me say that Mr. Hodges joins so many of the men and women who served our Nation during wartime and asked so little in return. And today, those people who know him best are here to honor him, not only for his service to our great Nation but for the incredible impressions he has made on the lives of so many people as husband, father, grandfather, and a citizen of North Carolina.

It is because of the dedication and heroic courage of men like Robert Hodges that we can enjoy the many freedoms of this great land. On behalf of a grateful Nation, please accept my deepest appreciation.
Mr. HILL. Mr. Speaker, I rise to support H.R. 1963 and note that a George Rogers Clark Northwest Campaign Trail would not be complete without the inclusion of Clarksville, Indiana and the surrounding Falls of the Ohio area.

George Rogers Clark and his troops arrived at the Falls of the Ohio in late May of 1778, where they took possession of Corn Island. It was here that Clark trained his troops and first told them of a secret plan to attack British forts in the Illinois country. On June 24, 1778, Clark and his troops left the Falls to begin the Illinois campaign to take Kaskaskia, Cahokia and Vincennes.

Indiana takes great pride in General George Rogers Clark. State law directs the Governor to proclaim each February 25 as “George Rogers Clark Day” to mark the anniversary of the surrender of Fort Sackville at Vincennes. Not only did this great victory occur on what would later become part of Indiana, but General Clark and his men were granted 150,000 acres of land for their service by the state of Virginia in what is now Clark and Floyd counties, Indiana. One thousand acres overlooking the Falls of the Ohio River became Clarksville, Indiana. General Clark lived in Clarksville from 1803 to 1809.

Just recently, through a grant from the Ogle Foundation and individual contributions from community members, a representation cabin was placed on the site where Clark’s original cabin overlooked the Falls of the Ohio. The significance of this site goes beyond General Clark. In 1803, Meriwether Lewis met General Clark’s younger brother, William. In 1984. Among his many accomplishments during this period was the completion of a mural at Glen Cove High School which serves the students of my district. This mural has brought international attention to the school and the community it serves, and I am grateful for his kind contribution.

I urge my colleagues to join me in commending Vincent “Jimmy” Suozzi for his long-life dedication to the Glen Cove Community.

Ms. SOLIS. Mr. Speaker, I rise today to mark the 87th birthday of Maestro Raul Anguiano, a prolific Mexican painter and muralist whose career has spanned 68 years. Born in 1915 in Guadalajara, Mexico, Mr. Anguiano began studying painting at an early age. In 1934, he moved to Mexico City to begin his artistic career as a muralist and instructor. He quickly became part of the second generation of 20th century Mexican muralists known as the Mexican School of Painting, which attempted to make art accessible to the people and depict their reality.

Mr. Anguiano’s murals portray the true heart of Mexico by depicting the indigenous people as well as the workers of the country. His murals can be found throughout North and South America and Europe, and one entitled “Cru cifixion” was recently acquired by the Vatican. He has participated in both individual and public exhibitions internationally, including in Mexico, the United States, Chile, Germany, Russia, France and Cuba.

His talent led Mr. Anguiano to become not only a celebrated painter and muralist but also a literary illustrator and teacher. He has illustrated several books and taught at renowned art schools throughout Mexico, as well as in France and the United States.

In 1952, Mr. Anguiano completed one of his most famous paintings called “La Espina” or “The Thorn”, which was influenced by his travels throughout the Mayan regions of Mexico. The painting portrays a woman with Indian features who is working intently to remove a thorn from her foot. Although the scene depicted is not extraordinary in and of itself, Mr. Anguiano’s stunning depiction reveals the importance of everyday activities.

This acclaimed muralist’s most recent work is a mural for East Los Angeles College, a community college which serves the students of my district. This mural has brought international attention to the school and the community it serves, and I am grateful for his kind contribution.

I urge my colleagues to join me in recognizing this incredible Mexican artist.
THE JUDICIAL IMPROVEMENTS ACT OF 2002

HON. HOWARD COBLE
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. COBLE. Mr. Speaker, I rise today to introduce the “Judicial Improvements Act of 2002.” This legislation constitutes a noncontroversial fine-tuning of an existing statute, the “Judicial Conduct and Disability Act of 1980” (the 1980 Act), which permits individuals to file complaints against federal judges for inappropriate behavior.

Mr. Speaker, the Subcommittee on Courts, the Internet, and Intellectual Property conducted an oversight hearing on the operations of federal judicial misconduct statutes on November 29, 2001. The witnesses at the hearing were united in their general praise for the Third Branch. Their respect for the federal judiciary is also shared by the members of the Subcommittee. Still, no federal entity is immune from periodic evaluation.

Consistent with our obligations to conduct oversight, the Ranking Member of the Subcommittee, Representative HOWARD BERMAN, and I are introducing this bill that will reorganize the 1980 Act by recodifying it as a new section. The legislation will also clarify the responsibilities of a circuit chief judge in making initial evaluations of a complaint. In addition, section 3 of the bill resolves an existing conflict governing recused judges and whether their votes should count in determining a majority by a circuit to sit en banc.

The changes set forth in the “Judicial Improvements Act of 2002” are largely based on procedures that the judges themselves have developed over the years. The construct for the bill, based as it is on self-regulation, indicates that Congress and the American people retain great confidence in the ability of federal judges to identify and correct misconduct among their own colleagues.

Finally, Mr. Speaker, I would be remiss if I failed to highlight the contributions of three individuals who drafted this bill. They are Professor Arthur Hellman of the Pittsburgh School of Law; Mike Remington, former Chief Counsel of our Subcommittee; and Sandy Stroff of the Office of Legislative Counsel. The Subcommittee appreciates the energy, time, and talent that they invested in this project.

In closing, I urge my colleagues to support the “Judicial Improvements Act of 2002,” and I thank the Speaker.

HONORING THE 70TH ANNIVERSARY OF LOCAL 318 INTER-NATIONAL UNION OF OPERATING ENGINEERS

HON. JERRY F. COSTELLO
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in recognizing the 70th Anniversary of Local 318, International Union of Operating Engineers in Marion, Illinois.

Local 318 has 1125 members, which represents most of southernmost Illinois. Ron Herring, who is currently the Business Manager for 318, oversees the operations of the union. For Ron, being an operating engineer is more than just a job; it is a way of life. Ron’s father, who is not retired, has been a member of the union for 53 years.

Back in 1932, during the Great Depression, a construction company came to Saline County, Illinois to do drainage work on the Saline River. They hired local people, some of them out of work coal miners. Working conditions were terrible. Two workers on the job, brothers Ted and Prentiss Carathurs of Indiana, encouraged local men hired for the job to apply for an Operating Engineers Charter. It took seven names to apply, and since there were only 5 local men, the five split the fee in order to include the Carathurs brothers name to make the seven names needed for the application.

Soon, others joined in and on June 1, 1932, Laborer’s International Representative William “Whitey” Stuhr came to Harrisburg, Illinois and presented the Union’s charter. Local 318 was born.


Over the years, 318 has seen plenty of changes especially in equipment. From the days of mules pulling scrapers to the use of modern computerized systems in dozers, cranes and trucks. They have come from the days of Bloody Williamson County when the UMWA was battling for workers’ rights from 1949 through 1959 when this country was almost 85% union. 318 met in local kitchens, halls and rooms throughout southern Illinois. They participate in hundreds of projects across the southern portion of the state. Local 318’s service area has been 100% union and continues to be under 318’s leadership.

From the first project in the 30’s on the Saline River, flood aid assistance in Harrisburg in 1937, construction of the Illinois Ordnance plant, the “Big Inch” pipeline project, the Joppa Power Plant, construction of Interstates 57, 24, and 64, the Dog Island Dam project and cleanup work at Crab Orchard, Local 318 has continued to provide quality work.

Founded in 1896, the International Union of Operating Engineers today has 400,000 members nationwide in some 170 local unions. It is the 12th largest union in the AFL-CIO. Further, nearly 100 apprenticeships and training programs ensure that union members are highly trained and highly skilled. The union offers employment and training opportunities to all.

Local 318, like other Building Trades, are involved in many community activities and educational programs for children. 318 has a program that begins introducing students, even at the grade school level, to the trade in hopes that they develop another dedicated operator prepared to assist southern Illinois. It was the first labor union in Illinois to take this step.

Mr. Speaker, I ask my colleagues to join me in honoring the 70th Anniversary of Local 318 of the International Union of Operating Engineers and wish their members and their families the very best for the future.

HON. JOSEPH M. HOEFFEL
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. HOEFFEL. Mr. Speaker, I rise today to congratulate Amanda Wetzol, who was recently named a George Mitchell Scholarship recipient for 2002–2003. Amanda was 1 of only 12 scholars nationwide selected for this prestigious award. The scholarship will include a year of postgraduate study in Northern Ireland.

The George Mitchell Scholarship is awarded to American students who have demonstrated the highest standards of academic excellence, leadership, and community service. Since its inception in 1998, the Mitchell scholarship is recognized among the most prestigious fellowships for international study. The program is named in honor of former Senator George J. Mitchell and is administered by the United States-Ireland Alliance, a nonprofit organization based in Washington, DC.

In May, Amanda will receive her bachelor’s degree in International Politics from Penn State University. While attending Penn State, Amanda has served as director of the Innovation and Quality Team Program at the Schreyer Institute for Innovative Learning. She directed groups who provided feedback and policy based recommendations to improve meaningful teaming in Penn State classes. She also interned at the U.S. Consulate in Belfast and as intern in the European Affairs Bureau at the State Department.

Amanda is a hard-working, dedicated student and American. I am pleased to have this opportunity to recognize Amanda Wetzol for her commitment and achievement.

PERSONAL EXPLANATION

HON. LUCILLE ROYBAL-ALLARD
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. ROYBAL-ALLARD. Mr. Speaker, due to the California State primary on March 5, 2002, I was in my congressional district and unable to be present for rollcall votes 47–50. Had I been present I would have voted “yea” on rollcall votes 47, 48, and 50; and “nay” on rollcall vote 49.

RECOGNIZING CIVIL AIR PATROL FOR 60 YEARS OF SERVICE TO UNITED STATES

SPEECH OF

HON. BOB BARR
OF GEORGIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 28, 2002

Mr. BARR of Georgia. Mr. Speaker, I am pleased to rise in support of H. Con. Res. 311, recognizing the Civil Air Patrol for 60 years of service to the United States.
The Civil Air Patrol has been involved in airborne and ground-based search and rescue for over half a century. Founded on December 1, 1941, to counter the threat of enemy submarines operating off the east coast, the Civil Air Patrol has evolved into a highly trained emergency response team of volunteer members, responding to needs of emergency preparedness agencies throughout the nation.

With more than 53,000 members, CAP manages the world’s largest fleet of light, single-engine aircraft—totaling 530—which fly more than 85 percent of inland search and rescue missions.

The Civil Air Patrol also aggressively and heroically performs its other two missions mandated by the Congress: Aerospace Education and Cadet Programs. In fulfilling these missions, the CAP serves as an important liaison between today’s planners of our Nation’s air strength and tomorrow’s pilots and air navigators.

Not only does the CAP fulfill all these missions, it also provides disaster relief services, and assists in humanitarian services and counterdrug efforts; CAP also performs many other missions in direct support of the U.S. Air Force. Many CAP members serve as aerospace education instructors, ground team members, and observers during search and rescue missions. They also serve as radio operators, mission coordinators, public affairs officers, and cadet mentors. To prepare volunteers to serve their communities, CAP provides training in 20 different specialties tracks, including technical instruction in flight operations, emergency services, and communications. In addition, members can participate in management and executive leadership training that complements Air Force professional development.

The Civil Air Patrol is structured around the core values of Integrity, Volunteer Service, Excellence, and Respect. The core values reflect the commitment to voluntary community service essential in solving our nation’s most pressing problems. By reaching out to those in need, they set an outstanding example to all Americans; especially our young people.

**Expressing Support for Democratically Elected Government of Colombia and Its Efforts to Counter Threats from U.S.-Designated Foreign Terrorist Organizations**

**SPEECH OF HON. TAMMY BALDWIN OF WISCONSIN**

*IN THE HOUSE OF REPRESENTATIVES*

**Wednesday, March 6, 2002**

Ms. BALDWIN. Mr. Speaker, I rise in opposition to H. Res. 358. We are all deeply troubled by the ongoing civil war in Colombia. Efforts to attain a peace agreement have not been successful so far, but the recent setbacks to the peace process do not change the fundamental nature of the conflict and should not result in a rush to radically revise U.S. policy.

This conflict did not arise from drug trafficking. It is a forty-year-old conflict stemming from fundamental economic, political, and social tensions in Colombia. All parties have been implicated in drug trafficking. And all parties have been responsible for serious and repeated human rights abuses. The Revolutionary Armed Forces of Colombia (known by its Spanish acronym FARC), the United Self-Defense Forces of Colombia (AUC), and the National Liberation Army (ELN) have all contributed to the murder, kidnapping and extortion now endemic in Colombia. This Congress is clearly on record condemning these actions.

While Congress and the United States have condemned the revolutionaries, the paramilitaries and the Colombian government for human rights abuses, we have been very careful to avoid becoming entangled in the Colombian civil war. As a very large and geographically diverse country, military action in Colombia is quite difficult and could easily drag our nation into a quagmire like Vietnam. We have wisely recognized this risk and have limited military assistance to anti-narcotic activities.

In addition to limiting the use of U.S. military assistance to anti-drug efforts, Congress has taken numerous steps to try to break the links between the Colombian military and the paramilitary forces of the AUC. U.S. and Colombian non-governmental organizations have clearly and definitively documented significant and ongoing collaboration between the paramilitaries and the Colombian military. Paramilitary violence has increased as well as the record of the Colombian military has improved. Most estimates indicate the paramilitaries account for more than 75% of the non-combatant killings.

The resolution under consideration by the House states that the “Colombian Government has made progress in its efforts to combat and capture members of illegal paramilitary organizations and taken positive steps to break links between individual members of the security forces and such organizations.” Well, saying it does not make it so. This simply isn’t the reality. A report last month from Human Rights Watch (HRW), Amnesty International (AI), and the Washington Office on Latin America (WOLA) concluded exactly the opposite. Their report noted that President Pastrana has “failed to take effective action to establish control over the security forces and break the persistent ties to paramilitary groups.” The report further noted that high-ranking officers “failed to take steps necessary to prevent killings by suspending security force members suspected of abuses, ensuring that their cases were handed over to civilian judicial authorities for investigation and prosecution, or pursuing and arresting paramilitary leaders.” Despite our efforts, we have not seen any significant progress.

As part of the FY02 Foreign Operations Appropriations bill, signed by the President on January 10, 2002 (Public Law 107-115), the Secretary of State must certify that Colombia has met certain human rights conditions in order for aid to be released (Section 567). According to the HRW, AI and WOLA report, the conditions required for certification have not been met. I am very concerned that approval of this resolution by the House will be a signal to the Colombian Government and the U.S. Secretary of State that we believe these conditions have been met. I do not believe that they have been and certification should not take place at this time.

Rushing this resolution to the floor is unnecessary and a mistake. As my colleague from Massachusetts, Mr. Delahunt, has said, we need to have comprehensive hearings on Colombia. Using the war on terrorism to justify legislation that leads us to leap into a forty-year-old civil war with little debate or consideration is the wrong thing to do. We must step back and evaluate our policy toward Colombia. The United States has become embroiled in civil wars in the past, and we’ve come to regret those actions. Let’s not let that happen with Colombia.

**Tribute to E. L. “Bert” Pooser**

**HON. JAMES E. CLYBURN OF SOUTH CAROLINA**

*IN THE HOUSE OF REPRESENTATIVES*

**Thursday, March 7, 2002**

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to E. L. “Bert” Pooser, of South Carolina, a renowned man and respected leader of hotel development and management throughout the southeastern United States. Mr. Pooser grew up in Myrtle Beach, SC, during the 1940s where he learned the value and need of hard work at an early age. He invested in his first hotel at the age of 28. Since then, his hotel empire has expanded to 33 hotels throughout six southeastern States. Many in the industry consider him a hotel giant.

Currently, Mr. Pooser is president and CEO of Interstate Management and Investment Corporation (IMIC) hotels. Mr. Pooser’s company includes 1,500 employees that handle all aspects of the business from sales and marketing, to a design and property management team. IMIC assets include Sheraton Hotels, Hampton Inns, Comfort Inns, and Quality Suites. Throughout IMIC’s 20 years of existence, they have purchased or built nearly 40 hotels. This past year, Mr. Pooser’s firm opened two more hotels in Myrtle Beach, SC. Mr. Pooser has received numerous awards during his building career. The University of South Carolina’s School of Hotel, Restaurant and Tourism Management has honored him as the Hospitality Leader of the Year. Today, at 63, Mr. Pooser has no plans for retirement anytime soon.

Mr. Speaker, I ask you and my colleagues to join me today in honoring Mr. E. L. “Bert”
Pooser for his achievements and commitments to the hotel industry in the southeastern States. I sincerely thank Mr. Pooser for his outstanding contributions, and congratulate him on becoming a recipient of the 2002 South Carolina Hospitality Leader of the Year Award, and wish him well in all of his future endeavors.

RECOGNIZING THE AMERICAN CENTURY THEATER

HON. TOM DAVIS
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to acknowledge the American Century Theater, which is located in northern Virginia. Since 1995, this Arlington-based theater has been overwhelmingly successful in bringing different genres of theater to the stage, and in turn has greatly enhanced the quality of life for northern Virginians.

When the American Century Theater realized the lack of visibility American playwrights have in the Washington DC area, it strove to encourage Americans to rediscover the extraordinary vision and wisdom of our past American playwrights. Regardless of the countless masterpieces created by our country's great writers, only a handful of classics could be found in local theaters. The American Century theater recognized the lack of family-oriented shows available, and subsequently set the theater's mission to become an experience for the whole family to enjoy.

The American Century Theater focuses on plays that are at least 25 years old, under produced, and contain a variety of form and content. The plays do not contain offensive language or graphic sexual behavior, and they frequently deal with current social issues—making them suitable for the entire family. The theater has also shown itself to be non-partisan and apolitical.

In addition to providing northern Virginia with extraordinary plays, the Theater also maintains a strong dedication to serving our community in many other ways. StageThought is a special educational program for high school students and other youth groups that provide study guides, pre- and post-show discussions, and drastically reduced group rates that enable these students to attend plays that might otherwise be outside their means.

Mr. Speaker, in closing, I would like to congratulate the American Century Theater for its continued efforts to preserve American Culture. The American Century Theater is a local treasure and should be recognized for its integrity and laudable mission. I hope all my colleagues will join me in applauding them for their hard work in bringing American heritage to the theater.

VIOLENCE AGAINST WOMEN

HON. JOE KNOLENBERG
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. KNOLENBERG. Mr. Speaker, since the first celebration of International Women's Day on March 19, 1911, women have come to realize opportunities about which they then could only dream. And they have taken advantage of those opportunities, excelling in every field and task put before them. As the world has become more aware of the abilities and talents of women throughout the globe, we also have become more aware of the very real issue of violence against women and its devastating effects.

While our consciousness of violence against women has risen, the problem has not evaporated. There is still much work to do. Cases of violence against women continue to persist in our own nation and throughout the world. These vicious crimes often happen within the home and have devastating consequences for the victims personally, as well as for their families and for society as a whole.

We must continue to work together to empower women from an early age by teaching them that any form of abuse is unacceptable and encouraging them to speak out. We must also ensure that those who commit these heinous acts are appropriately punished for the crimes they commit.

I serve on the Appropriations Subcommittee on Foreign Operations where I am proud to support many foreign assistance programs that benefit women, including the microcredit program for the very poor. These programs empower women by giving them the capacity to provide for themselves and become self-sufficient. Economically empowering women not only reduces poverty, it also creates a sense of self-worth and importance with which women can address the many challenges they face.

Mr. Speaker, we must continue to build upon the achievements that have been made in reducing violence against women and I look forward to working with my colleagues to accomplish this goal.

PERSONAL EXPLANATION

HON. JEFF MILLER
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. JEFF MILLER of Florida. Mr. Speaker, I was unavoidably detained earlier today while attending a closed hearing for Schism v. the United States in the U.S. Court of Appeals, here in Washington, D.C. Being a closed hearing, I was unable to leave when this afternoon's vote was called and further, had the understanding that the vote would not occur until a time certain. I respectfully request the RECORD to reflect that, had I been here, I would have voted "yea" on S.J. Res. 32.

GENERATING OPPORTUNITIES BY FORGIVING EDUCATIONAL DEBT FOR SERVICE (GOEDS)

HON. DANNY K. DAVIS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. DAVIS of Illinois. Mr. Speaker, listening to the inspiring thoughts of Darin Johnson, I can't help but reflect on the words uttered over 40 years ago by President John F. Kennedy:

"In the long history of the world, only a few generations have been granted the role of defending freedom in its hour of maximum danger. I do not shrink from this responsibility—I welcome it. I do not believe that any of us would exchange places with any other people or any other generation. The energy, the faith, the devotion which we bring to this endeavor will light our country, and all who serve it—and the glow from that fire can truly light the world.

And so, my fellow Americans: ask not what your country can do for you—ask what you can do for your country.

There was perhaps no more eloquent a call to government service than this speech by President Kennedy. Even though our enemies may be different than they were in 1961, we are still charged with defending freedom in its hour of maximum danger.

In the aftermath of 9-11, many Americans, like Darin Johnson, are looking for ways to serve and "make a difference" for their country. In fact, according to data collected by the Partnership for Public Service, in the three months after September 11th, the number of applications for federal jobs received by the U.S. Office of Personnel Management's service centers increased by 14 percent. We need to seize this opportunity to hire a diverse group of the best and brightest women and men this country has to offer.

However, we can't do this using outdated recruitment methods and incentives that penalize those who choose Federal service.

That's why we are here today. With college tuition costs spiraling, many college graduates are left with huge loans to repay following graduation. Even those who are attracted to government employment out of necessity, gravitate toward the higher salaries of the private sector in order to repay their personal debt.

Although we are standing here on Capitol Hill, this is not just an "inside the Beltway issue." The reach of our Federal government is evident across our great nation. In Cook County, Illinois, for example, my home state, there are over 20,000 Federal employees. I am, therefore, pleased to be a cosponsor of the Generating Opportunities for Forgiving Educational Debt (GOEDS) Act. Currently, when Federal agencies repay student loans for employees, these payments are taxable to the employees. However, many educational institutions have instituted similar loan repayment benefits to encourage graduates to go into government service or to work for nonprofit organizations—and these payments are not taxable. This bill will erase this disparity.

However, let us not see this bill as an ending, but rather, a beginning—one in a series of initiatives we need to take to ensure that our Federal government is a model employer—we own the American people no less.

SAINT PATRICK'S DAY 2002 DEMONSTRATES REAL PROGRESS IN NORTH OF IRELAND

HON. BENJAMIN A. GILMAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Mr. GILMAN. Mr. Speaker, yet another glorious Saint Patrick's Day will soon be upon us, and all of the good, warm Irish people here,
and all around the globe, will be celebrating the patron saint of the Emerald Isle on this day when the wearing of the green means something special.

Today, in the long, difficult struggle for lasting peace and justice in the north of Ireland there is also much to celebrate. The assembly and local governing bodies are up and running. All of the people of Northern Ireland are making their own judgments on many of the contentious issues of the past, and deciding their own future through new and democratically accountable institutions as established under the Good Friday accord.

One of the most important and difficult issues for many in the nationalist community is a new beginning for policing, and in particular the issue of the new police service and the new policing board, as well as a new ombudsman along with the democratic accountability of these new institutions over the police service, once viewed by many as just a unionist dominated force.

Recently, the Irish News in Belfast published my opinion piece on the need for all those in the nationalist community to join and support the new police service and support the policing board in order that they help select a new chief constable, and further make these institutions even more democratically accountable. We must continue to struggle for protection of human rights and the redress of past injustices in the new north of Ireland as we make these changes and bring about long overdue reforms.

For your consideration, I ask that my Irish News piece, be reprinted below for the benefit of my colleagues, and all those who are concerned that progress in Northern Ireland which we are witnessing, to continue to move forward:

[From the Irish News Limited, Feb. 25, 2002]

WE MUST ALL JOIN THE SOLUTION FOR POLICING

(BY BEN GILMAN)

“It’s time for the nationalist community to seize on policing reform and fully participate in the new Northern Ireland Police institutions,” says Congressman Ben Gilman.

The newly constituted Policing Board established under the Pattern reforms, which is now overseeing the Police Service of Northern Ireland (PSNI), will soon have a history of how to help select the new chief constable to replace the long serving Sir Ronnie Flanagan.

The often tragic and troubling history of many in the nationalist community with policing in the north is hopefully coming to an end.

Our International Relations Committee in the House has initiated hearings and investigated this past and troubling record.

We know well the problems and anxieties in that past among the community with difficult policing issue, and we will continue to push for even more democratically accountable policing in the north.

The chief constable appointment, however, can become a historic crossroads on the nationalist community’s relationship with the police service—once viewed by many as merely an arm of unionist domination in the north.

The selection of a new chief constable, with whom the nationalist community, its leadership, and all will have to communicate and interact for years to come on organized crime, parades, protests, illicit drugs, and all of the fundamental rule of law problems in a democratic society, will help define the new policing relationship well into the 21st century.

All of the leaders in the nationalist community must raise their voices and be heard on the vital selection of the new police chief, as surely and rightfully the unionist community will as well. The police service is in every essence of democratic accountability for policing. The key selection decision will be made by the policing board, and Sinn Fein should be part of it.

Not only should the nationalist leadership help choose a qualified, understanding and sensitive chief constable, the time has also come for all of the leaders in the nationalist community to consider a rewarding police career in the new PSNI. There they can help serve all of the citizens in the north of Ireland, irrespective of tradition, location, or station in life.

Policing is very often the average citizen’s only interaction with his or her government on a daily basis. It is vital that both communities be adequately represented in the police service and that the face of citizen contact should truly represent the entire community.

The “new beginning” for policing that the Good Friday agreement wisely envisioned is now becoming a reality in Northern Ireland. We have seen a new name, new badge, new flag, and new police recruits from both traditions. The GAA’s island-wide vote to drop its longstanding policy of excluding Northern Ireland police officers from playing Gaelic athletic games was a reflection of that new reality.

Change has occurred in policing, and it is broadly welcomed. Along with the new police leadership in Northern Ireland, at of these new policing efforts will wide and serve both communities under the new democratically accountable community policing, especially through the new policing board and district boards, for decades to come.

We in the Congress, and President George Bush in the White House, acknowledged and recognized this new beginning when the administration, at the request of myself and others finally restored our world-renowned FBI police training for the new PSNI in Northern Ireland.

In doing so, President Bush made it clear the US government officially and formally concurs with the British and Irish governments and the Roman Catholic Church in the north, that the new PSNI meets the spirit and intent of the recommendations of the Patten commission police reforms. It was a major vote of confidence on the future.

In our nation, earlier immigrant to America often faced isolation, mistreatment and hostility. It is likely in many of our major US cities where they embarked or journeyed in an unknown and sometimes hostile land. They did not remain isolated and withdrawn from the police functioning in their newly adopted land, but rather they worked for and brought about change and reform from within these vital institutions.

These courageous Irish immigrants to America used our political process and policing to play a key role in improving their lives and bringing themselves, their children, and future generations into the mainstream.

As a result, they have prospered and grown apart of the American melting pot, and today they staff, and in many cases lead, major police departments in several American big cities.

The lessons of Irish emigrants in the US can serve as an example to the nationalist community in the new north of Ireland in dealing with their difficult and challenging police question. The time to sit on the side lines is over.

I strongly urge young people in the north to join the new police service, without fear or favor, and become part of the solution. I also urge, as the Bush administration has urged, that Sinn Fein now in the assembly, forgoing its atheistic and anti-unionist community, the Patrick Finucane murder, and the Omagh bombing investigate shortcomings, among other legitimate areas of rightful concern to the nationalist community.

All of the friends of the good, hardworking people of Northern Ireland of both traditions see the future for their children and communities as unlimited. We note that they can help ensure that continuing success by becoming part of the peace process and the new, shared governing institutions, such as the police board. The solutions now lie from within.

We here on our side of the Atlantic will continue to cheer the progress we see daily in Northern Ireland and will work to see it continue. We have helped and encouraged on that front but it is now up to all of the good people of Northern Ireland to fulfill this promise.

OVERCOMING PHYSICAL HURDLES

HON. JANICE D. SCHAKOWSKY
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Thursday, March 7, 2002

Ms. SCHAKOWSKY. Mr. Speaker, I want to extend my congratulations to Taina Rodriguez, a Chicago resident and member of my staff who was recently featured in “Latina” magazine. Her boundless energy and enthusiasm make Taina a star. Taina has Marfan’s syndrome which has overcome a tremendous number of physical obstacles. This has made her a powerful advocate. Taina was an intern at Access Living, a Chicago group fighting for people with disabilities, and now I am proud to have her as a member of my staff. I am proud that Taina will be able to use her fighting spirit to benefit the residents of the 9th district. I urge all of my colleagues to read the inspirational article about Taina in the January/February issue of “Latina” magazine.

REAL LOVE STARTS WITH YOU

(By Anamary Pelayo)

Some people have a knack for blaming everyone but themselves when things go wrong. Others have a flair for always finding fault in something that they think they did wrong, then feel burdened by guilt. What would it take to release all of that guilt? The answer may lie in learning to love yourself, experts say. “You have to be ready to look in the mirror and see all the positives and the negatives,” says Araceli Perez-Salas, a domestic-violence counselor in southern California. But that’s not always easy. Once self-love disappears, it takes a lot of reflection and determination to get it back, says psychologist and author Dr. Ph.D. “The key is within yourself to find your good qualities and build from there. If
Mr. GILMAN. Mr. Speaker, I rise today to introduce H.R. 3890, a bill to facilitate the posthumous awarding of a long overdue medal of honor to Sergeant Henry Johnson, of Albany, NY, for actions he performed in the First World War. Additionally, the legislation requests that the Secretary of the Army review the cases of other African-American veterans from World War I, who have had their accomplishments overlooked due to racism.

This legislation is not without precedent. During the 100th Congress, my former colleagues Joe Dioguardi and Mickey Leland first introduced the bill of racism in the awarding of medals of honor to national prominence. In 1997, after years of study, the Secretary of the Army finally recommended that seven Black veterans from World War II have their prior Distinguished Service Cross Awards upgraded to Medals of Honor. Likewise, a similar decision was taken regarding Asian-American veterans from World War II, including that of our esteemed colleague in the Senate, Daniel Inouye. Furthermore, last year, I joined my colleague from Florida, Bob Wexler, in introducing legislation to reconsider the records of several prominent Jewish veterans from World War II and Korea, who had been previously denied Medals of Honor. I was gratified that this bill, H.R. 606, was included in the fiscal year 2002 Defense Authorization Act.

Yet, despite this important progress, Henry Johnson and his colleagues from the Great War still await due recognition for their service to their country. The sole exception to this shameful legacy was the example of Corporal Freddie Stowers, who was posthumously awarded the Medal of Honor in 1991, in large part due to the tireless efforts of former Congressman Dioguardi in promoting his case to the Department of Defense from 1987-1991.

Unlike more recent conflicts, which have been promoted heavily through print and televised media, the First World War has largely receded into the mists of time. What was originally known as the ‘Great War’ has been largely forgotten in the pages of history. Indeed, the First World War is the most widespread, destructive and costly conflict the world had ever seen. Just four in ten women in every three have been beaten, coerced into sex, or otherwise abused in her lifetime. Most often the abuser is a member of her own family. Increasingly, gender-based violence is recognized as a major public health concern and a violation of human rights.

The Center for Health and Gender Equity (CHANGE) at the Johns Hopkins School of Public Health found that:

Around the world at least one women in every three has been beaten, coerced into sex, or otherwise abused in her lifetime. Most often the abuser is a member of her own family. Increasingly, gender-based violence is recognized as a major public health concern and a violation of human rights.

The dimensions of this issue were illustrated in a joint study by the Jacobs Institute of Women’s Health and the Henry J. Kaiser Family Foundation, which made the following conclusions:

In 1998 there were approximately 2.8 million assaults on women. The Journal of the American Medical Association estimated that those most at risk are “...younger, separated or divorced, of lower socioeconomic status and unemployed.” The risk of assault by an intimate partner increases when a woman is pregnant.

Just four in ten women who are physically injured by a partner seek professional medical treatment.

Women are more likely to be the victim of rape or sexual assaults by an intimate partner or acquaintance, rather than by a stranger.

The National Violence Against Women Survey found that one out of every 12 women, a total of 8.2 million women, has been stalked at some point in their lives.

Women are more likely to be men to be killed by someone they know and nearly one-third of women are killed by an intimate partner, compared to approximately four percent of men, according to the Bureau of Justice Statistics.

Black women are more likely than White or Hispanic women to be the victims of nonlethal violent crimes.

These statistics are appalling. Just as we have come together with our allies to declare war against terrorism, so too must we unite and declare war against this form of terrorism—violence against women.
The American veterans of World War I have almost all departed. The VA estimated that approximately 1,000 remained alive at the start of fiscal year 2002. It is long past time for us to recognize the service of Henry Johnson and his fellow African-American soldiers in World War I. When he first brought this issue before this House in 1987, my former colleague from New York, Representative Doggett, in criticizing the Pentagon’s aversion to review the cases of Black veterans from the World Wars for possible medal upgrades, stated that “The statute of limitations was established for criminals, not war heroes.”

With this legislation, we have an opportunity to correct a longstanding injustice, a glaring blot on the noble and historic legacy of the United States Army. These cases have been referred to by some as the last loose ends of World War I. It is now time to close out this unfinished business.

TRIBUTE TO TRaverse CITY West SENIOR HIGH SCHOOL

HON. BART STUPAK
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. STUPAK. Mr. Speaker, I rise today to pay tribute to the administration, staff, and students of Traverse City West Senior High School, a school in northern Michigan. In just four years Traverse City West has distinguished itself through the academic success of its students and through national recognition of the school’s visual and performing arts programs.

Barbara M. White, a distinguished former president at Mills College in Oakland, California, is quoted as saying, “The basic purpose of a liberal arts education is to liberate the human being to exercise his or her potential to the fullest.” Upon hearing those words, I’m sure most listeners would immediately think of a college or university education, but Traverse City West Senior High is preparing its students for a successful life at the high school level.

The school’s fine arts curriculum includes a choral program with six performing groups, bands, orchestras, an award-winning newspaper, theater arts, video and production; there are classes in photography, pottery, ceramics, metals, jewelry, drawing and painting, sculpture, computer art and traditional American arts.

For those students not taking formal arts classes, the Humanities program includes extensive exposure to painting, sculpture, music, dance and film. The arts are incorporated into the science, math and language areas, according to the expertise of the teacher and in collaboration with the arts department. Finally, the school itself is decorated with art murals and stained glass windows designed by students, and music is incorporated into classroom study and even staff meetings.

The study of other cultures, other peoples and other times is part of the school’s comprehensive learning environment. Mr. Speaker, these programs have strong parental support for projects and field trips. Accustomed as we may be to booster clubs for sports programs, this “booster” spirit for the study of arts, crafts and humanities should be viewed as unique at the high school level.

I do not rise today, Mr. Speaker, to propose that Traverse City West Senior High be taken as the model for all high schools. I rise merely to point out that a combination of hard work and a rich environment can produce academic success. For example, in 2000 Traverse City West received the Governor’s Cup for the top ten schools, listed and it had the highest percentage of students on the free and reduced lunch program.

Consider, too, that in the four years Traverse City West Senior High has been open, its students have scored above the state and national average on the ACT test. In 1999/2000 its composite ACT score was 21.8, compared to a Michigan average of 21.3 and a national average of 21.0. As I mentioned earlier, the school’s newspaper and yearbook have been honored statewide, its theater department recognized nationally, and its music department a finalist in an international competition.

Mr. Speaker, the efforts of the administration, staff, parents and students at Traverse City West High School to acknowledge the arts as an essential part of education has now been recognized nationally. The school was recently notified it is the winner of the “Creative Ticket National School of Distinction Award” from the John F. Kennedy Center for the Performing Arts. As a result of this award, a representative group of students has been invited to travel here to Washington to perform at the Kennedy Center and to perform at a congressional breakfast celebrating National Arts Day.

Mr. Speaker, I ask you and my House colleagues to join me in praise of the hard work and dedication of the administration, staff, parents and students of Traverse City West High School, a young school with a classical notion of a well-educated community.
in our war against the British. There, along the west bank of the Hudson River, during the founding of our Nation, West Point was born.

Further recognizing our national need to develop an institution dedicated to the arts and sciences of warfare, Thomas Jefferson signed legislation establishing the U.S. Military Academy in 1802. Over the last two centuries, West Point’s Military Academy has grown to become one of the most revered institutions of its kind, training young men and women to become great leaders and proud soldiers. Among the distinguished list of Academy graduates are names which have changed the history of our Nation and our world, including Grant, Sherman, Jackson, Eisenhower, MacArthur, Bradley, Arnold, Clark, and Patton.

In these trying times for our Nation, as many of the service men and women are defending freedom in Afghanistan and elsewhere around the world, it is a fitting tribute to celebrate the 200th anniversary of the U.S. Military Academy at West Point, the citadel of freedom.

The leadership which West Point has provided to our Nation and which will continue to provide for years to come is an inspiration to every American. West Point is more than just an Academy, it is a pillar of our Nation, and a symbol of our Nation’s rich past and fruitful future.

This prestigious Academy is a tribute to the strength of America and our right as free people to pursue life, liberty, and happiness.

The history of West Point is the story of America—a distinguished tale to tell. God bless West Point and God bless America.

ADDITIONAL MATERIALS REGARDING AMENDMENTS TO FISCAL YEAR 2002 APPROPRIATIONS LEGISLATION AFFECTING THE RIGHTS OF THE WYANDOTTE TRIBE OF OKLAHOMA

HON. DENNIS MOORE
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, March 7, 2002

Mr. MOORE. Mr. Speaker, on March 4, I placed in the CONGRESSIONAL RECORD an extension of remarks, that included a letter from Leaford Bearskin, the chief of the Wyandotte Tribe of Oklahoma, concerning congressional actions last year that affected his Tribe. Due to space limitations, I was unable to include correspondence from organizations in the Third District of Kansas supporting the Wyandotte Tribe Settlement Act, referred to by Chief Bearskin, I have included the nine letters below.

The successful passage of H.B. 1533 will create significant benefits for the Kansas City Metropolitan Area, not to mention specifically the working class community of Kansas City, Kansas and Wyandotte County. In a unique area of our metro-plex where employment opportunities are needed most, Kansas City, Kansas and its residents will significantly benefit from your efforts towards H.B. 1533’s successful passage.

On behalf of the rank and file of the Greater Kansas City Building & Construction Trades Council, AFL-CIO I urge your continued diligence on H.B. 1533.

Sincerely,

GARRY KEMP,
Exec. Sec./Business Manager, Greater Kansas City Building & Construction Trades Council.

AFL-CIO TRI-COUNTY LABOR COUNCIL OF EASTERN KANSAS UNION LABEL & SERVICE TRADES—AREA COPE.

Hon. Congressman DON YOUNG,
Chairman, House Resources Committee, Rayburn House Office Building, Washington, DC.

DEAR CONGRESSMAN YOUNG: I am writing this letter in support of House Bill 1533, regarding the Wyandotte Tribe of Oklahoma’s request for due compensation from Congress for lands and rights issues pertaining to the Treaty of 1855.

The successful passage of H.B. 1533 will create significant benefits for the Kansas City Metropolitan Area, not to mention specifically the working class community of Kansas City, Kansas and Wyandotte County. In a unique area of our metro-plex where employment opportunities are needed most, Kansas City, Kansas and its residents will significantly benefit from your efforts towards H.B. 1533’s successful passage.

On behalf of the rank and file of the AFL-CIO Tri-County Labor Council of Eastern Kansas, I urge your continued diligence on H.B. 1533.

Sincerely,

JIM HADEL,
President, Tri-County Labor Council.

Wyandotte Nation of Kansas, Inc.,

Re Wyandotte Nation of Kansas and the Wyandotte Tribe of Oklahoma Settlement.

Hon. DON YOUNG,
Rayburn House Office Building, United States House of Representatives, Washington, DC.

DEAR CONGRESSMAN YOUNG. On May 19, 1998, Congressman Vincent Snowbarger and Holly Zane, Attorney General of the Wyandotte Nation of Kansas, authored letters which reference a controversy between the Wyandotte Tribe of Oklahoma and the Wyandotte Nation of Kansas regarding the use of the Huron Cemetery. This letter advises you that this controversy has been resolved by the Wyandotte Tribe of Oklahoma and the Wyandotte Nation of Kansas the settlement agreement prohibits the use of the Huron Cemetery for any use other than religious, cultural or those compatible with the use of the land as a burial ground.

Thank you very much for your attention to this matter.

Sincerely,

Wyandotte Nation of Kansas, Inc.
Dearest Chairman Young,

The House Resources Committee has approved H.B. 1533 which allows the Wyandotte Tribe of Oklahoma to redeem “lost” tribal rights to land in Wyandotte County. This Bill is now awaiting action by the full House. The Minority Contractors Association would like to help educate you on the Bill’s impact with this letter and ask you to support it. As you may recall last year the Senate imposed a restriction on the Tribe’s use and rights of their own land. H.B. 1533 restores those rights without infringing on last year’s Senate action and helps meet critical needs in our community. The members of this association believe that this Bill will greatly enhance economic development and construction in our community.

As you know the by-product of this legislation will have a significant impact not only on the economic well being of the Wyandotte Tribe of Oklahoma, but certainly for the people of Wyandotte County as well. The entire region in and around Kansas City and the Wyandotte Nation would return tribal rights in our County to allow our community to compete for tourism and gaming revenues on a regional basis and will create significant employment opportunities for our residents.

We believe that the passage of H.B. 1533 will allow the Wyandotte Nation the opportunity to open a gaming facility at the Woodlands. Should that occur, it would allow the Wyandotte Tribe to exercise their rights to own and operate a Tribal Casino in our community under the authority of the Indian Gaming Act of 1988. The citizens of Kansas City overwhelmingly in an advisory vote to endorse legalized gaming by nearly 80 percent. Additionally, the Wyandotte Tribe has entered into a memorandum of understanding with the Unified government of Wyandotte County, Kansas City, Kansas for the purchase and operation of the Woodlands Greyhound and thoroughbred par-mutual racetrack to negotiate an agreement for a Tribal Casino. The Woodlands will be enhanced greatly by this arrangement and will be revitalized to add value to our community. The citizens of Wyandotte County, the Kansas City Kansas Area Chamber of Commerce and the members of the Minority Contractors Association have gone on record of continually supporting this issue and casino-style gaming at the Woodlands. Chairman Young, you know legalized games of chance and casino gaming are not strangers to our community nor the State of Kansas, Missouri, Nebraska or Iowa. There is already wide-spread gaming with several Tribal Casino operations within the State of Kansas. We believe that H.B. 1533 will allow for a win-win situation for our community as well as the Wyandotte Tribe of Oklahoma. To that end the Minority Contractors Association humbly urges you to review this legislation before the adjournment of the 106th Congress. I appreciate your time and interest in this matter and look forward to hearing from you as you review this critical issue facing this community.

Sincerely,

MIK HUGHES,
Executive Director.

The Hispanic Chamber of Commerce of Greater Kansas City, Kansas City, MO, October 21, 1999.

Hon. DON YOUNG,
Chairman, House Resources Committee, House of Representatives, Rayburn House Office Building, Washington, DC.

Dear Chairman Young: On behalf of the Hispanic Chamber of Commerce of Greater Kansas City, I would like to thank you for your efforts in sponsoring H.R. 1533, The Wyandotte Tribe Settlement Act. The Hispanic Chamber strongly urges you to continue your efforts to move this critical piece of legislation through Congress before it adjourns. The citizens of Kansas City overwhelmingly endorsed gaming at the Woodlands by an 80 percent vote in 1997. The passage of H.R. 1533 and similar legislation in the Senate would allow the Wyandotte Nation the opportunity to open a gaming facility at the Woodlands. This in turn would improve the economy of the City and Wyandotte County. We are pleased to hear about the Wyandotte Tribe’s commitment to diversity. We are certain that through the passage of this bill, that the Hispanic community will be provided economic opportunities in the areas of construction, services and employment. Your continued efforts are greatly appreciated and if I can be of any assistance, please do not hesitate to call me.

Sincerely,

WILLIAM TORRES,
First Vice President.


Hon. DON YOUNG,
Chairman, House Resources Committee, Rayburn House Office Building, House of Representatives, Washington, DC.

Congressman Young: I am writing on behalf of Wyandotte Development, Inc., which serves as the lead private economic development agency for Wyandotte County Kansas serving the communities of Edwardsville, Bonner Springs, and Kansas City. I am writing to encourage your continued efforts to pass House Resolution 1533, which would return tribal rights in our County to the Wyandotte Nation. As you know, our community and this organization are committed to the viable economic operation of the Woodlands para-mutual racetrack in our community. This organization believes that H.R. 1533 provides a unique potential for casino style gaming to be conducted at the Woodlands. Should that occur, it would allow our community to compete for tourism and gaming revenues on a regional basis and will create significant employment opportunities for our residents. Please continue your fine efforts on House Resolution 1533.

Sincerely,

GARY D. GRABLE,
Chairman, Board of Directors, Wyandotte Development Incorporated.


Hon. DON YOUNG,
Chairman, House Resources Committee, Rayburn House Office Building, House of Representatives, Washington, DC.

Dear Congressman Young: Thank you for your efforts to expedite the passage of H.R. 1533: The Wyandotte Tribe Settlement Act of 1999. I again request that you continue to support this worthy cause.

The by-product of this legislation will have a significant impact on only the economic well being of the Wyandotte Nation, but certainly for our community as well. I believe that the passage of H.R. 1533 will allow the Wyandotte Nation to exercise certain rights afforded to them via the Indian Gaming Act of 1988. This also would create an opportunity for the Wyandotte Nation and the current ownership of the Woodlands greyhound and thoroughbred para-mutual race-track to negotiate an agreement for a Tribal Casino. The Woodlands would be greatly aided by this arrangement. The board of directors of the Kansas City Kansas Women’s Chamber of Commerce has continually supported casino-style gambling at the Woodlands since 1995.

There are legalized casinos just across the state line in metropolitan Kansas City, Missouri, and there are several Tribal Casino operations in the State of Kansas. I believe that H.R. 1533 would benefit our own community with jobs and economic opportunities.

These opportunities would have a positive effect on my community, the State of Kansas and the Wyandotte Nation.

Thanking you in advance for your support and sponsorship of H.R. 1533.

Sincerely,

LORETTA MORTON,
President, Kansas City, Kansas Women’s Chamber of Commerce.
HIGHLIGHTS

House agreed to the Senate amendment to H.R. 3090, to provide tax incentives for economic recovery, with an amendment, the Job Creation and Worker Assistance Act of 2002.

Senate

Chamber Action

Routine Proceedings, pages S1621–S1688

Measures Introduced: Six bills and four resolutions were introduced, as follows: S. 1996–2001, and S. Res. 218–221. Pages S1675–76

Measures Reported:


Energy Policy Act: Senate continued consideration of S. 517, to authorize funding for the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, taking action on the following amendments proposed thereto:

Adopted:

By 78 yeas to 21 nays (Vote No. 42), Voinovich Amendment No. 2983, to reauthorize the Price-Anderson Act. Pages S1622–32, S1642

By 78 yeas to 21 nays (Vote No. 43), Bingaman Modified Amendment No. 2986 (to Amendment No. 2917), to study whether there is a need to regulate hydraulic fracturing with respect to its known and potential effects on underground drinking water sources. Pages S1632–42, S1642–43

Craig Amendment No. 2987 (to Amendment No. 2917), to provide for multiple-year authorization for the fusion energy sciences program. Page S1643

Murkowski Amendment No. 2988 (to Amendment No. 2979), to prohibit any person from damaging or destroying intrastate pipelines that are used in interstate or foreign commerce or in any activity affecting interstate or foreign commerce. Pages S1645–47

Bingaman (for Akaka) Amendment No. 2991 (to Amendment No. 2917), making technical corrections to section 1702 requiring an assessment of the dependence of the State of Hawaii on oil. Page S1655

Withdrawn:

Reid Amendment No. 2984 (to Amendment No. 2983), in the nature of a substitute. Pages S1626–28

Pending:

Daschle/Bingaman Further Modified Amendment No. 2917, in the nature of a substitute. Pages S1621–58

McCain Amendment No. 2979 (to Amendment No. 2917), to provide for enhanced safety, public awareness, and environmental protection in pipeline transportation. Pages S1643–49

Feinstein Amendment No. 2989 (to Amendment No. 2917), to provide regulatory oversight over energy trading markets. Pages S1644–50

Bingaman/Domenici Amendment No. 2990 (to Amendment No. 2917) to promote collaboration between the United States and Mexico on research related to energy technologies. Page S1654

A unanimous-consent agreement was reached providing for further consideration of the bill and McCain Amendment No. 2979 (listed above) on Friday, March 8, 2002, with a vote to occur thereon. Page S1659

Job Creation and Worker Assistance Act: Senate began consideration of the House Message to H.R. 3090, to provide tax incentives for economic recovery, with an amendment. Pages S1659–71

A unanimous-consent agreement was reached providing for further consideration of the House Message on Friday, March 8, 2002, with a vote to occur thereon. Page S1688

Messages From the House:

Pages S1672–73

Measures Referred:

Pages S1673

Measures Placed on Calendar:

Pages S1673

Enrolled Bills Presented:

Pages S1673

Executive Communications:

Pages S1673–75
Committee Meetings

Executive Reports of Committees: Page S1675
Additional Cosponsors: Pages S1676–77
Statements on Introduced Bills/Resolutions: Pages S1677–82
Additional Statements: Page S1672
Amendments Submitted: Pages S1682–87
Authority for Committees to Meet: Pages S1687–88
Record Votes: Two record votes were taken today. (Total—43) Pages S1642–43
Adjournment: Senate met at 10 a.m., and adjourned at 6:43 p.m., until 9:15 a.m., on Friday, March 8, 2002. (For Senate’s program, see the remarks of the Acting Majority Leader in today’s Record on page S1688).

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—FCC/SEC
Committee on Appropriations: Subcommittee on Commerce, Justice, State, and the Judiciary concluded hearings on proposed budget estimates for fiscal year 2003, on behalf of funds for their respective activities, after receiving testimony from Michael K. Powell, Chairman, Federal Communications Commission; and Harvey L. Pitt, Chairman, U.S. Securities and Exchange Commission.

APPROPRIATIONS—INTERIOR
Committee on Appropriations: Subcommittee on Interior concluded hearings on proposed budget estimates for fiscal year 2003 for the Department of Energy, after receiving testimony from Spencer Abraham, Secretary of Energy.

APPROPRIATIONS—HHS
Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education concluded hearings on proposed budget estimates for fiscal year 2003 for the Department of Health and Human Services, after receiving testimony from Tommy G. Thompson, Secretary of Health and Human Services.

AMTRAK
Committee on Appropriations: Subcommittee on Transportation concluded hearings to examine Amtrak performance, budget, and passenger rail service issues, focusing on a new national policy on intercity passenger rail and the Federal role in support of that form of transportation, after receiving testimony from Michael P. Jackson, Deputy Secretary, Allan Rutter, Administrator, Federal Railroad Administration, and Kenneth M. Mead, Inspector General, all of the Department of Transportation; George D. Warrington, President/CEO, Amtrak (National Railroad Passenger Corporation); and Ronald Utt, Heritage Foundation, Washington, D.C.

DEFENSE AUTHORIZATION
Committee on Armed Services: Committee concluded hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense and the Future Years Defense Program, after receiving testimony from Gen. Eric K. Shinseki, USA, Chief of Staff, United States Army; Adm. Vernon E. Clark, USN, Chief of Naval Operations; Gen. James L. Jones, USMC, Commandant of the Marine Corps; and Gen. John P. Jumper, Chief of Staff, United States Air Force.

DEFENSE AUTHORIZATION

MONETARY POLICY
Committee on Banking, Housing, and Urban Affairs: Committee concluded oversight hearings to examine the Semi-Annual Report on Monetary Policy of the Federal Reserve, after receiving testimony from Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System.

NATIONAL TRAILS SYSTEMS
Committee on Energy and Natural Resources: Subcommittee on National Parks concluded hearings to examine S. 1069/H.R. 834, to amend the National Trails System Act to clarify Federal authority relating to land acquisition for willing sellers from the majority of the trails in the System, S. 213/H.R. 37, to amend the National Trails System Act to update the feasibility and suitability studies of 4 national historic trails and provide for possible additions to such trails, H.R.1384, to amend the National Trails System Act to designate the route in Arizona and New Mexico which the Navajo and Mescalero Apache Indian tribes were forced to walk in 1863 and 1864, for study for potential addition to the National Trails System, and S. 1946, to amend the National Trails System Act to designate the Old Spanish Trail as a National Historic Trail, after receiving testimony from Senators Hatch and Levin; Katherine Stevenson, Associate Director, Cultural Resources
Stewardship and Partnerships, National Park Service, Department of the Interior; Kelsey Begaye, Navajo Nation, Window Rock, Arizona; Shane Henry, Colorado Department of Natural Resources, Denver; William C. Watson, Oregon-California Trails Association, Orinda, California; Patrick Hearty, National Pony Express Association, Inc., South Jordan, Utah; Gary Werner, Partnership for the National Trails System, Inc., Madison, Wisconsin; and Dru Bower, Petroleum Association of Wyoming, Casper.

**PRESCRIPTION DRUG COVERAGE**

*Committee on Finance:*

Committee held hearings to examine the President’s proposed budget request for fiscal year 2003 for prescription drug coverage as part of the Medicare proposal, receiving testimony from former Senator Bob Kerrey, on behalf of the Concord Coalition; Thomas A. Scully, Administrator, Centers for Medicare and Medicaid Services, and Bobby P. Jindal, Assistant Secretary for Planning and Evaluation, both of the Department of Health and Human Services; Dan L. Crippen, Director, Congressional Budget Office; William D. Novelli, American Association of Retired Persons, and Patricia Neuman, Henry J. Kaiser Family Foundation Medicare Policy Project, both of Washington, D.C. 

Hearings recessed subject to call.

**CONVENTION ON THE RIGHTS OF THE CHILD PROTOCOLS**

*Committee on Foreign Relations:*


**HUMAN TRAFFICKING**

*Committee on Foreign Relations:*

Subcommittee on Near Eastern and South Asian Affairs concluded hearings to examine the trafficking of persons, focusing on monitoring and combating this practice through the implementation of the Victims of Trafficking and Violence Protection Act of 2000, after receiving testimony from Paula Dobriansky, Under Secretary for Global Affairs, and Nancy Ely-Raphel, Senior Advisor, Office to Monitor and Combat Trafficking in Persons, both of the Department of State; Viet D. Dinh, Assistant Attorney General, Office of Legal Policy, Department of Justice; Nguyen Van Hanh, Director, Office of Refugee Resettlement, Administration for Children and Families, Department of Health and Human Services; Hae Jung Cho, Coalition to Abolish Slavery and Trafficking, Los Angeles, California; Ann Jordan, International Human Rights Law Group, Washington, D.C.; and Carol Smolensky, End Child Prostitution and Trafficking-USA, New York, New York.

**PUBLIC HEALTH/NATURAL RESOURCES**

*Committee on Governmental Affairs:*

Committee concluded hearings to examine public health and natural resources, focusing on current implementation of environmental laws, after receiving testimony from Senators Jeffords and Craig; Christine Todd Whitman, Administrator, Eric V. Schaeffer, former Director, Office of Regulatory Enforcement, and E. Donald Elliot, former General Counsel, all of the Environmental Protection Agency; Thomas O. McGarity, University of Texas School of Law, Austin; and Gregory S. Wetstone, National Resources Defense Council, Washington, D.C.

**INDIAN PROGRAMS BUDGET**

*Committee on Indian Affairs:*

Committee resumed hearings on the President’s proposed budget request for fiscal year 2003 for Indian programs, focusing on employment and training, education, housing, government, and law enforcement, receiving testimony from Michael H. Trujillo, Director, Assistant Surgeon General/Director, Indian Health Services, Department of Health and Human Services; and Michael Liu, Assistant Secretary of Housing and Urban Development for Public and Indian Housing.

Hearings continue on Thursday, March 14.

**BUSINESS MEETING**

*Committee on the Judiciary:*

Committee ordered favorably reported the following business items:

S. Res. 214, designating March 25, 2002, as “Greek Independence Day: A National Day of Celebration of Greek and American Democracy”;

The nominations of Ralph R. Beistline, to be United States District Judge for the District of Alaska, David C. Bury, to be United States District Judge for the District of Arizona, Randy Crane, to be United States District Judge for the Southern District of Texas, Eric F. Melgren, to be United States District Judge for the District of Minnesota; and Richard B. Moore, to be United States District Judge for the District of Colorado.

**GREEN RIBBON**

States Attorney for the District of Kansas, Paul I. Perez, to be United States Attorney for the Middle District of Florida, Theophile Alceste Duroncelet, to be United States Marshal for the Eastern District of Louisiana, John R. Edwards, to be United States Marshal for the District of Vermont, Stephen Gilbert Fitzgerald, to be United States Marshal for the Western District of Wisconsin, Gregory Allyn Forest, to be United States Marshal for the Western District of North Carolina, James Loren Kennedy, to be United States Marshal for the Southern District of Indiana, Dennis Cliff Merrill, to be United States Marshal for the District of Oregon, James Thomas Plousis, to be United States Marshal for the District of New Jersey, J.C. Raffety, of West Virginia, to be United States Marshal for the Northern District of West Virginia, Charles R. Reavis, to be United States Marshal for the Eastern District of North Carolina, Michael Robert Regan, to be United States Marshal for the Middle District of Pennsylvania, James Anthony Rose, to be United States Marshal for the District of Wyoming, John Schickel, of Kentucky, to be United States Marshal for the Eastern District of Kentucky, Jesse Seroyer, Jr., to be United States Marshal for the District of Alabama, Timothy Dewayne Welch, to be United States Marshal for the Middle District of Alabama, and William R. Whittington, to be United States Marshal for the Western District of Louisiana.

House of Representatives

Chamber Action


Reports Filed: Reports were filed today as follows:

H.R. 706, 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, amended (Rept. 107–368); and

H.R. 3389, to reauthorize the National Sea Grant College Program Act, amended ((Rept. 107–369, Pt. 1). Referred sequentially 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. Page H779

Job Creation and Worker Assistance Act of 2002: By a yea-and-nay vote of 417 yeas to 3 nays, Roll No. 52, the House agreed to the Senate amendment to H.R. 3090, to provide tax incentives for economic recovery, with an amendment that strikes the matter proposed to be inserted by the Senate and inserts text for the Job Creation and Worker Assistance Act of 2002. Pages H744–67

The House amendment was made in order by the rule and printed in H. Rept. 107–367.

The House agreed to H. Res. 360, the rule that provided for consideration of the Senate amendment by voice vote. Earlier agreed to order the previous question by a yea-and-nay vote of 217 yeas to 192 nays, Roll No. 51. Pages H742–44

Legislative Program: The Majority Leader announced the Legislative Program for the week of March 11th. Page H767

Meeting Hour—Monday, March 11: Agreed that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday March 11. Page H767

Meeting Hour—Tuesday, March 12: Agreed that when the House adjourns on Monday, March 11, it adjourn to meet at 12:30 p.m. on Tuesday, March 12 for morning hour debate. Page H767

Calendar Wednesday: Agreed to dispense with the Calendar Wednesday business of Wednesday, March 13. Pages H767–68

Class Action Fairness Act of 2001—Committee on the Judiciary Report: Agreed that the Committee on the Judiciary have until 7 p.m. on Monday, March 11 to file a report on 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, and to allow the application of the principles of Federal diversity jurisdiction to interstate class actions. Page H768

Expenses of the Permanent Select Committee on Intelligence: The House agreed to H. Res. 359, providing amounts for providing amounts for further
expenses of the Permanent Select Committee on Intelli-
gen in the second session of the One Hundred Seventh Congress.

Agriculture, Conservation, and Rural Enhance-
ment Act—Appointment of Additional Con-
ferees: The Chair announced additional conferees to H.R. 2646, to provide for the continuation of agricul-
tural programs through fiscal year 2011 (On Feb-
uary 28, 2002, the House disagreed to the Senate amend-
tment to the bill, agreed to a conference, and ap-
pointed conferees. The Chair announced that the con-
feree appointment may be supplemented at a later time): From the Committee on the Budget, for consideration of section 197 of the Senate amend-
ment, and modifications committed to conference: Chairman Nussle and Representatives 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: Representatives 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: Chairman Tauzin and Representatives 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: Chairman Oxley and Representatives Bachus, and LaFalce. From the Committee on Interna-
tional Relations for consideration of title III of the House bill and title III of the Senate amendment, and modifications committed to conference: Chairman Hyde and Representatives 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: Chairman Sensenbrenner and Representatives Green of Wisconsin and 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: 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: Chairman Boehlert and Representatives 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: Chairman Thomas and Representatives Herger and Rangel.

Senate Message: Message received from the Senate today appears on page H739.

Quorum Calls—Votes: Two yea-and-nay votes de-
veloped during the proceedings of the House today and appear on pages H744 and H766–67. There were no quorum calls.

Adjournment: The House met at 10 a.m. and ad-
journed at 2:17 p.m.

Committee Meetings

AGRICULTURE, RURAL DEVELOPMENT, AND FDA APPROPRIATIONS

Committee on Appropriations: Subcommittee on Agri-
culture, Rural Development, Food and Drug Admin-
istration and Related Agencies held a hearing on Food, Nutrition and Consumer Services. Testimony was heard from the following officials of the USDA: Stephen B. Dewhurst, Budget Officer; Eric M. Bost, Under Secretary; and Suzanne M. Biemann, Deputy Under Secretary, both with Food, Nutrition and Consumer Services; George A. Braley, Acting Ad-
ministrator; and Peter S. Murano, Deputy Adminis-
trator, Special Nutrition Programs, both with Food and Nutrition Service.

COMMERCE, JUSTICE, STATE AND JUDICIARY APPROPRIATIONS

Committee on Appropriations: Subcommittee on Com-
merce, Justice, State and Judiciary held a hearing on Federal Judiciary, and on Immigration and Natu-
ralization Service. Testimony was heard from the fol-
lowing members of the Committee on the Budget of the Judicial Conference of the United States: Judge John G. Heyburn II, Chairman, U.S. District Court, Western District of Kentucky; and Magistrate Judge Thomas B. McCoun III, U.S. District Court, Middle District of Florida; Leonidas Ralph Mecham, Direc-
tor, Administrative Office of the United States Courts, member, Executive Committee of the Judi-
cial Conference of the United States; Judge Fern M. Smith, Director, Federal Judicial Center, U.S. Dis-
trict Court, Northern District of California; and James W. Ziglar, Commissioner, INS, Department of Department of Justice.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS

Committee on Appropriations: Subcommittee on Energy and Water Development met in executive session to hold a hearing on Department of Energy-National Nuclear Security Administration. Testimony was heard from Gen. John A. Gordon, USAF, (Ret.),
Under Secretary, National Nuclear Security Administration, Department of Energy.

FOREIGN OPERATIONS APPROPRIATIONS

Committee on Appropriations: Subcommittee on Foreign Operations, Export Financing and Related Agencies held a hearing on Export Financing. Testimony was heard from Eduardo Aguirre, Jr., Vice-Chairman and First Vice President, Export-Import Bank; Peter Watson, President, Overseas Private Investment Corporation; and Thelma J. Askey, Director, Trade and Development Agency.

INTERIOR APPROPRIATIONS

Committee on Appropriations: Subcommittee on Interior held a hearing on Geological Survey. Testimony was heard from Charles G. Groat, Director, U.S. Geological Survey, Department of the Interior.

LABOR, HHS AND EDUCATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Labor, Health and Human Services, and Education held a hearing on Health Resources and Services Administration. Testimony was heard from Elizabeth James Duke, Acting Administrator, Health Resources and Services Administration, Department of Health and Human Services.

MILITARY CONSTRUCTION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Military Construction held a hearing on Pacific Command. Testimony was heard from the following officials of the Department of Defense: Gen. Thomas A. Schwartz, Commander in Chief, United Nations Command; and Adm. Dennis T. Blair, USN, Commander in Chief, U.S. Pacific Command.

TRANSPORTATION APPROPRIATIONS

Committee on Appropriations: Subcommittee on Transportation held a hearing on National Highway Traffic Safety Administration. Testimony was heard from Jeffery W. Runge, Administrator, National Highway Traffic Safety Administration, Department of Transportation.

VA, HUD, INDEPENDENT AGENCIES APPROPRIATIONS

Committee on Appropriations: Subcommittee on VA, HUD, and Independent Agencies held a hearing on Agency for Toxic Substances and Disease Registry, and on Neighborhood Reinvestment Corporation. Testimony was heard from Henry Falk, M.D., Assistant Administrator, Agency for Toxic Substance and Disease Registry, Department of Health and Human Services, and Ellen Lazar, Executive Director, Neighborhood Reinvestment Corporation.

NATIONAL DEFENSE AUTHORIZATION BUDGET REQUEST

Committee on Armed Services: Subcommittee on Military Installations and Facilities held a hearing on the fiscal year 2003 National Defense authorization budget request. Testimony was heard from the following officials of the Department of Defense: Dov Zakheim, Under Secretary (Comptroller); Raymond F. DuBois, Jr., Deputy Under Secretary (Installations and Environment); Mario P. Fiori, Assistant Secretary, Army (Installations and Environment); Maj. Gen. Robert L. Van Antwerp, Jr., USA, Assistant Chief of Staff (Installation Management), Department of the Army; Maj. Gen. James R. Helmsly, Commander (TPU), 78th Division, Training Support, U.S. Army Reserve; and Brig. Gen. Michael J. Squier, Deputy Director, Army National Guard.

HEALTH CARE SHARING—DOD AND DVA

Committee on Armed Services: Subcommittee on Military Personnel and the Subcommittee on Health of the Committee on Veterans’ Affairs held a joint hearing on health care sharing by the Department of Defense and Department of Veterans Affairs. Testimony was heard from Representative Smith of New Jersey; Leo S. Mackay, Deputy Secretary, Health, Department of Veterans Affairs; David S.C. Chu, Under Secretary (Personnel and Readiness), Department of Defense; Nancy Dorn, Deputy Director, OMB; Gail Wilensky, Co-Chair, President’s Task Force To Improve Health Care Delivery For Our Nation’s Veterans; representatives of veterans organizations; and public witnesses.

BUDGET REQUEST—MEDICAL READINESS NEEDS ADEQUACY

Committee on Armed Services: Subcommittee on Readiness held a hearing on the adequacy of the fiscal year 2003 budget request to meet readiness needs. Testimony was heard from the following officials of the Department of Defense: Gen. John M. Keane, USA, Vice Chief of Staff, Department of the Army; Adm. William J. Fallon, USN, Vice Chief of Naval Operations and Gen. Michael J. Williams, USMC, Assistant Commandant, Marine Corps, Headquarters, U.S. Marine Corps., both with the Department of the Navy; and Gen. Robert H. Foglesong, USAF, Vice Chief of Staff, Department of the Air Force.

DEPARTMENT OF STATE BUDGET PRIORITIES

Committee on the Budget: Held a hearing on the Department of State Budget Priorities Fiscal Year 2003. Testimony was heard from Colin L. Powell, Secretary of State.
DOT KIDS IMPLEMENTATION AND EFFICIENCY ACT


FEDERAL DEPOSIT REFORM ACT

Committee on Financial Services: Subcommittee on Financial Institutions and Consumer Credit approved for full Committee action, as amended, H.R. 3717, Federal Deposit Insurance Reform Act of 2002.

DRAFT REPORT; BUDGET VIEWS AND ESTIMATES


SERVICES ACQUISITION REFORM ACT

Committee on Government Reform: Subcommittee on Technology and Procurement held a hearing on the Services Acquisition Reform Act. Testimony was heard from William Woods, Director, Acquisition and Sourcing Management, GAO; Angela Styles, Administrator, Office of Federal Procurement Policy, OMB; Stephen Perry, Administrator, GSA; Diedre Lee, Director, Procurement, Department of Defense; and public witnesses.

TIBET-U.S. POLICY CONSIDERATIONS

Committee on International Relations: Held a hearing on U.S. Policy Considerations in Tibet. Testimony was heard from Paula Dobriansky, Under Secretary, Global Affairs, Department of State; and public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Ordered reported, as amended, the following bills: H.R. 2341, Class Action Fairness Act of 2001; and H.R. 3297, Mychal Judge Police and Fire Chaplains Public Safety Officer’s Benefit Act of 2001.

OVERSIGHT—HUD’S LEGISLATIVE HANDBOOK

Committee on the Judiciary: Subcommittee on the Constitution held an oversight hearing on “HUD’s ‘Legislative Guidebook’ and its Potential Impact on Property Rights and Small Businesses, including Minority-Owned Businesses.” Testimony was heard from public witnesses.

OFFICE OF JUSTICE PROGRAMS

Committee on the Judiciary: Subcommittee on Crime held an oversight hearing on “The Office of Justice Programs Part Two-Evaluation of Effectiveness.” Testimony was heard from Laurie Ekstrand, Director, Justice Issues, GAO; and public witnesses.

OVERSIGHT

Committee on Resources: Subcommittee on Fisheries Conservation, Wildlife and Oceans held a hearing on the U.S. Fish and Wildlife Service, the National Oceanic and Atmospheric Administration, and the National Marine Fisheries Service Budget Requests for Fiscal Year 2003. Testimony was heard from Vice Adm. Conrad C. Lautenbacher, Jr., USN, (Ret.) Under Secretary, Oceans and Atmosphere, NOAA, Department of Commerce; Steve Williams, Director, U.S. Fish and Wildlife Service, Department of the Interior.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on National Parks, Recreation and Public Lands approved for full Committee action the following measures: H. Res. 261, recognizing the historical significance of the Aquia sandstone quarries of Government Island in Stafford County, Virginia, for their contributions to the construction of the Capital of the United States; H.R. 1462, amended, Harmful Nonnative Weed Control Act of 2001; H.R. 2628, Muscle Shoals National Heritage Area Study Act of 2001; H.R. 2937, amended, to provide for the conveyance of certain public land in Clark County, Nevada, for use as a shooting range; H.R. 3421, amended, Yosemite National Park Educational Facilities Improvement Act; H.R. 3425, amended, to direct the Secretary of the Interior to study the suitability and feasibility of establishing Highway 49 in California, known as the “Golden Chain Highway”, as a National Heritage Corridor; and H.R. 3853, to make technical corrections to laws passed by the 106th Congress related to parks and public lands.

MISCELLANEOUS MEASURES

Committee on Resources: Subcommittee on Water and Power held a hearing on the following bills: H.R. 3480, Upper Mississippi River Basin Protection Act of 2001; and H.R. 3606, Wallowa Lake Dam Rehabilitation and Water Management Act of 2001. Testimony was heard from the following officials of the Department of the Interior: John W. Keys III, Commissioner, Bureau of Reclamation; and Robert M. Hirsch, Associate Director, Water, U.S. Geological Survey; and public witnesses.
KNOWLEDGE BASED ECONOMY DEMANDS
Committee on Science: Subcommittee on Research held a hearing on Meeting the Demands of the Knowledge Based Economy: Strengthening Undergraduate Science, Mathematics and Engineering Education. Testimony was heard from public witnesses.

CIVIL AERONAUTICS RESEARCH AND DEVELOPMENT REVIEW
Committee on Science: Subcommittee on Space and Aeronautics held a hearing on A Review of Civil Aeronautics Research and Development, focusing on H.R. 3130, Technology Talent Act of 2001. Testimony was heard from Steve Zaidman, Associate Administrator, Research and Acquisitions, FAA, Department of Transportation; Sam Venneri, Associate Administrator, Aerospace Technology, NASA; and public witnesses.

OVERSIGHT—COAST GUARD BUDGET
Committee on Transportation and Infrastructure: Subcommittee on Coast Guard and Maritime Transportation held an oversight hearing on the Coast Guard Fiscal Year 2003 Budget. Testimony was heard from the following officials of the U.S. Coast Guard, Department of Transportation: Adm. James M. Loy, USCG, Commandant; and Master Chief Petty Officer Vincent Patton III.

OVERSIGHT—REDUCED CORPS OF ENGINEERS’ BUDGET IMPACTS
Committee on Transportation and Infrastructure: Subcommittee on Water Resources and Environment held an oversight hearing on Impacts of a Reduced Corps of Engineers’ Budget. Testimony was heard from public witnesses.

HEALTH QUALITY AND MEDICAL ERRORS
Committee on Ways and Means: Subcommittee on Health held a hearing on Health Quality and Medical Errors. Testimony was heard James Bagain, M.D., Director, National Center for Patient Safety, Department of Veterans’ Affairs, State of Michigan; and public witnesses.

WELFARE REFORM WORK REQUIREMENTS AND TIME LIMITS
Committee on Ways and Means: Subcommittee on Human Resources held a hearing on Implementation of Welfare Reform Work Requirements and Time Limits. Testimony was heard from Cynthia Fagnoni, Managing Director, Education, Workforce, and Income Security Issues, GAO; Jennifer Reinert, Secretary, Department of Workforce Development, State of Wisconsin; and public witnesses.

COMMITTEE MEETINGS FOR FRIDAY, MARCH 8, 2002
(Committee meetings are open unless otherwise indicated)

Senate
Committee on Appropriations: Subcommittee on Energy and Water Development, to hold hearings on proposed budget estimates for fiscal year 2003 for the U.S. Army Corps of Engineers and the Bureau of Reclamation, Department of the Interior, 10 a.m., SD–138.

Committee on Energy and Natural Resources: to hold hearings to examine H.R. 1384, to amend the National Trails System Act to designate the Navajo Long Walk to Bosque Redondo as a national historic trail, 10 a.m., SD–366.

House

Joint Meetings
Joint Economic Committee: to hold hearings to examine the employment-unemployment situation for February 2002, 9:30 a.m., 311 Cannon Building.
Next Meeting of the SENATE
9:15 a.m., Friday, March 8
Senate Chamber
Program for Friday: Senate will continue consideration of the House Message to H.R. 3090, Job Creation and Worker Assistance Act, and S. 517, Energy Policy Act, with votes to occur on the House Message followed by a vote on McCain Amendment No. 2979 (to Amendment No. 2917) to S. 517 beginning at 9:30 a.m.

Next Meeting of the HOUSE OF REPRESENTATIVES
2 p.m., Monday, March 11
House Chamber
Program for Monday: Pro forma session.

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