The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

(82) Organic Products Promotion

The Senate Amendment authorizes the establishment of a new organic research and promotion check off program, which must be proposed and approved by a majority of certified organic producers and handlers. This provision is designed to facilitate the establishment of one order covering a category of products (organic products) rather than individual commodities, requires that the composition of the check off board must reflect both regional distribution and differing scales of organic production, and requires the Secretary to conduct a referendum on whether the order should continue at least once every four years. Assessments under an order established under this provision would be voluntary (at the option of individual farmers). To avoid having farmers paying more than one check off assessment, the provision provides that producers choosing to contribute to the organic order would be entitled to a credit against assessments under another order. (Sec. 1091–1098G)

The House Bill contains no comparable provision.

The Conference substitute adopts the Senate provision with an amendment to allow a person that produces and markets only 100% organic products and does not produce any conventional or non-organic products, to be exempt from the payment of an assessment under a commodity promotion law with respect to any agricultural commodity that is produced on a certified organic farm. The Secretary shall promulgate regulations, not later than one year after the date of enactment of this Act, regarding eligibility and compliance for such an exemption. (Sec. 10607)

(83) Effect of Amendments

The Senate amendment provides that amendments made by the Act do not affect Secretarial authority to carry out current price support or production adjustment programs as in effect before the date of enactment. (Sec. 1099A)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate amendment.

(84) CCC Funding

The Senate amendment specifies that notwithstanding any other provision of the bill, any funds made available under the bill will be made available through the Commodity Credit Corporation. (Sec. 1099B)

The House bill contains no comparable provision.

The Conference substitute deletes the Senate provision.

(85) Implementation Funding and Information Management

The Conference Substitute provides $55 million for administrative costs associated with the implementation of Title I. Of that amount, not less than $5 million nor more than $8 million is to be available for the development of a comprehensive information management system for programs operated by the Farm Service Agency and the Federal Crop Insurance Corporation. The Conference Substitute requires that the Secretary enter into agreements or contracts with outside entities to development information management system. The Conference Substitute also provides that the new requirements shall not interfere with or delay existing agreements or requests for proposals of the agencies regarding data mining or data warehousing. Such sums as may be necessary are authorized to be appropriated for each of fiscal years 2003 through 2008. (Sec. 10706)

The Managers continue to be concerned about the lack of information sharing and progress toward a common information management system for the service agencies of the Department. The Managers believe that integrating information management systems at USDA will reduce the waste associated with the maintenance of duplicative systems and allow the agencies to operate more effectively and efficiently to the benefit of agricultural producers.

In the Agricultural Risk Protection Act of 2000 (ARPA), the Farm Service Agency (FSA) and the Federal Crop Insurance Corporation (Corporation) were required to reconcile producer information. FSA and the Corporation serve the same producers with commodity and crop insurance programs, respectively; it is logical that both agencies should use a common information management system so that the collection of data is not duplicated, the integrity of the data collected is improved and, most importantly, customer service to producers is enhanced. The Managers believe that the development of a common information management system for FSA and the Corporation will demonstrate substantial efficiencies and serve as a first step toward broader, Department-wide integration. Valuable groundwork will be laid for further modernization of information technology systems of USDA agencies in the future, and for the incorporation of those systems into that developed for FSA and the Corporation.

The Managers commend the work being done at the Center for Agribusiness Excellence at Tarleton State University in cooperation with the Corporation on crop insurance compliance as directed by ARPA. It is the expectation of the Managers that the Secretary of Agriculture will build upon the work currently being conducted at the Center for Agribusiness Excellence and through further contracting with the Center to develop the information management system for FSA and the Corporation.

The Managers intend for funds provided to the Farm Service Agency under this Section to be used for salaries and expenses of county office personnel in implementing this Act.

From the Committee on Agriculture, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

LARRY COMBEST,
BOB GOODLATTE,
RICHARD POMBO,
TERRY EVERETT,
FRANK D. LUCAS,
SAXBY CHAMBLISS,
JERRY MORAN,
CHARLES W. STENHOLM,
GARY CONDIT,
COLLIN C. PETERSON,
EVA M. CLAYTON,
TIM HOLDEN,

As additional conferees from the Committee on the Budget, for consideration of sec. 197 of the Senate amendment, and modifications committed to conference:

JIM NUSSLE,

From the Committee on Education and the Workforce, for consideration of secs. 453–5, 457–9, 460–1, and 464 of the Senate amendment, and modifications committed to conference:

MICHAEL N. CASTLE,
TOM OSBORNE,
DALE E. KILDEE,

From the Committee on Energy and Commerce, for consideration of secs. 213, 605, 627, 648, 652, 902, 1041, and 1079E of the Senate amendment, and modifications committed to conference:

BILLY TAUZIN,
JOE BARTON,
JOHN D. DINGELL,

From the Committee on Financial Services, for consideration of secs. 335 and 601 of the Senate amendment, and modifications committed to conference:

MICHAEL G. OXLEY,
SPENCER BACHUS,
JOHN J. LAFALCE,
(except for sec. 335),

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:

HENRY HYDE,
CHRISTOPHER SMITH,
TOM LANTOS,

From the Committee on the Judiciary, for consideration of secs. 940–1 of the House bill and secs. 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:

MARK GREEN,

From the Committee on Resources, for consideration of secs. 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:

JAMES V. HANSEN,
DON YOUNG,

From the Committee on Science, for consideration of secs. 808, 811, 902–3, and 1079 of the Senate amendment, and modifications committed to conference:

SHERWOOD BOEHLERT,
ROSCOE G. BARTLETT,
RALPH M. HALL,

From the Committee on Ways and Means, for consideration of secs. 127 and 146 of the House bill and sections 144, 1024, 1038, and 1070 of the Senate amendment, and modifications committed to conference:

CHARLES B. RANGEL,
Managers on the Part of the House.

TOM HARKIN,
PATRICK LEAHY,
KENT CONRAD,
TOM DASCHLE,
THAD COCHRAN,
Managers on the Part of the Senate.

□ 1215

EXPORT-IMPORT BANK REAUTHORIZATION ACT OF 2001

The SPEAKER pro tempore (Mr. BEREUTER). Pursuant to House Resolution 402 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2871.

□ 1215

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2871) to reauthorize the Export-Import Bank of the United States, and for other purposes, with Mr. SIMPSON (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, pending was the amendment numbered 4 printed in House Report 107–423 offered by the gentleman from Vermont (Mr. SANDERS). The gentleman from Vermont (Mr. SANDERS)

had 7½ minutes of debate remaining, and the gentleman from Nebraska (Mr. BEREUTER) has 15 minutes remaining.

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

Mr. Chairman, the amendment offered by the gentleman from Vermont (Mr. SANDERS) has deceptive appeal. One would think it seems quite reasonable, and I have gone through this process with the gentleman from Vermont (Mr. SANDERS), and initially did not recognize some of the very real problems with the amendment; but they are real. Therefore, I rise in strenuous opposition to the amendment by the gentleman from Vermont (Mr. SANDERS).

The goal of protecting U.S. jobs is highly commendable. However, this amendment may actually result in U.S. jobs being lost or sent overseas. As I pointed out in general debate, corporations, American and others, are generally footloose these days. If in fact they cannot export successfully against competitor exporters from other countries, they may well have encouragement to move those jobs abroad. But by the use of the Export-Import Bank, we are encouraging the continued production of products and services in this country for export abroad.

Now, the adoption of this amendment would limit the ability of U.S. companies to compete in the global marketplace. If we reduce the number of firms eligible for Ex-Im financing through this amendment, we will also reduce the number of U.S. workers who manufacture U.S. goods or provide services for export. We simply cannot look at it and say if they have actually moved this many jobs by their action in the past, that is inappropriate. We hate to see any jobs exported, and one of the reasons we try to negotiate under multilateral terms better arrangements for trade in this country is to keep those jobs in this country and to reduce the disincentives for American firms to have their manufacturing and services produced in this country.

Without Ex-Im financing, in short, U.S. jobs will be forced to move abroad. It is not surprising when we think about it that this legislation is actually supported by John J. Sweeney, the president of AFL–CIO who says, ''As far as we are concerned, corporations which receive subsidies from the Export-Import Bank are merely vehicles through which jobs and income for American workers are created.''

Mr. SANDERS. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Vermont.

Mr. SANDERS. When did Mr. SWEENEY make that statement?

Mr. BEREUTER. In 1997 with respect to Export-Import Bank.

Mr. SANDERS. Mr. Chairman, that was 1997. We are in the year 2002.

Mr. BEREUTER. The International Association of Machinist and Aerospace Workers, of course, supports the legislation, and that is very current.

The Sanders amendment is really contrary to the rest of U.S. trade policy which seeks to open foreign markets to U.S. firms for increased trade investment. A U.S. company that receives less Ex-Im financing may be inclined to move those operations abroad. The requirement for an applicant to provide the information sought by the Sanders amendment is overly burdensome, and would make applying for Ex-Im financing too costly for many companies. I think their alternative is to simply take those export jobs abroad, and then try to penetrate those third-country markets.

Mr. Richard Christman, the president of Case N/H, an agricultural business, stated in a hearing before the Committee on Financial Services that one of the factors in deciding to maintain combine production in the U.S. and not to move it to Brazil was the potential availability of Export-Import Bank financing. Those are real jobs maintained by the existence of the Export-Import Bank. I will come back to that in a few minutes, but I remind Members that really we are talking about the subsidy of U.S. worker jobs here—it is not corporate welfare.

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

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

Mr. Chairman, I would like to dialogue with the gentleman from Nebraska (Mr. BEREUTER). Jack Welch is the former CEO of General Electric, and this is what he said. ''Ideally what you want is to have every company on a barge.'' This is a man who advertised to the world that he is taking American jobs all over the world, laying off American workers. Why would we give a company like that Export-Import Bank money?

Mr. BEREUTER. Mr. Chairman, will the gentleman yield?

Mr. SANDERS. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Chairman, certainly I am not enthused about it, but to the extent that GE can keep jobs here because of export, those are jobs that are left in New York State.

Mr. SANDERS. But, Mr. Chairman, they have laid off hundreds of thousands of workers.

Mr. Chairman, I yield 3 minutes to the gentleman from Texas (Mr. PAUL).

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

Mr. PAUL. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong support of this amendment, being a cosponsor of this amendment. I am opposed to the Export-Import Bank because I see there is no benefit to it, it has nothing to do with capitalism and freedom. It has a lot to do with special interests, and I am opposed to that.

One thing I am convinced of over the years from looking at bad agencies of government, tinkering on the edges does not do a lot of good. Members might ask why am I tinkering here? Why do I want to tell corporations what to do? I am a capitalist. I believe in capitalism. I do not want to tell the corporations what to do at all as long as they do not commit fraud and live up to their promises, but this is different because they are getting taxpayer money. That is different than if they were just a corporation making it on their own.

The gentleman from Nebraska (Mr. BEREUTER) said if we do not give them these loans, the companies will not get any money and they will have to go overseas. This is a fallacy to believe if all of a sudden we took all of the Export-Import Bank money away from corporations, that they would have no funding. That is not true at all. There is a lot of funding available. It is just that they do not get the benefit, they do not get the subsidy.

What we are trying to do is make it fair to everyone so that the little guy who is competing for these same funds can compete on a level playing field and not give the advantage to the big guys.

What happens so often when government gets involved is there are unintended consequences. The original intent was to boost exports and jobs. After 70 years, there are unintended consequences. The world is a more world market. I am not opposed to that. I believe in free trade; but I think this is more protectionism. This is so minor and so modest that anybody who wants to be on record for fairness into curtailing the political power of the Export-Import Bank, has to vote for this. This will be a little bit of help to a few people in order to say to these corporations that if they are going to get tax subsidies for their loans, and they start laying off people, they better lay them off someplace else other than here. That is pretty modest. I have no interest in ever telling a corporation to do this if they were not getting the special benefits from government. That makes the big difference.

Mr. Chairman, there is a market allocation of credit and there is credit allocation by politicians, and that is what we are talking about here. We have credit allocation, and we have mal-investment and over capacity which causes the conditions to exist for the recession. Of course, a lot of this comes from what the Federal Reserve does in artificially lowering interest rates; but this is a compounding problem when government gets in and allocates credit at lower rates. It causes more distortions. This is why allocations to companies like Enron contributes to the bubble that ends up in a major correction.

Mr. BEREUTER. Mr. Chairman, I yield 3 minutes to the gentlewoman from New York (Mrs. KELLY).

Mrs. KELLY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in strong opposition to this amendment. It should be defeated for two reasons. First, the amendment makes the U.S. Government support for U.S. products conditional on determinations made about legitimate business activities regardless of the situation.

Say we have the Sanders widget company with plants in the Midwest, Vermont and offices in Brazil where there is a real demand for Sanders widgets. If the Midwest plant is destroyed by a tornado and they are forced to lay off the workers, they would be in violation of the standards set by this amendment and would be unable to access Export-Import Bank support until they get the factory rebuilt and operational.

The amendment would effectively damage the company a second time when they are not at fault in the first place. What disturbs me most about the amendment is the apparent belief if these companies must lay off U.S. workers, there would be no understandable circumstances in which that might happen.

Second, this amendment represents a large administrative burden on U.S. businesses which have operations overseas. Even when a manufacturer has not let go a single employee, they would be required to assemble and certify all of the information required by the amendment for each application for support for their U.S. made products.

What if a U.S. business with foreign operations asked for the resignation of one U.S. employee during the year because of a sexual harassment charge, but it kept all of the other employees? As I understand this amendment, that company would be prohibited from Export-Import Bank assistance. That is neither fair nor is it right.

This amendment presents a different philosophy of how the government should ensure the creation of more U.S. jobs. It comes down to carrot or a stick. Do we use incentives for companies to create more jobs in the United States, or do we enforce penalties against companies that increase foreign operations. It has been my experience that one can only drive business away with sticks, and we should provide more carrots for companies that do the right thing and keep U.S. jobs going. I ask my colleagues to do the right thing here today, and join me in opposition to the Sanders amendment.

Mr. BEREUTER. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, I very much appreciate the gentlewoman's points. Our corporations are involved in producing very different types of exports. One of their operations in the United States may face the fact that a product is obsolete or the whole sector has deteriorated, and we are not exporting anything in that product area, and resultantly we have large layoffs. But the other kinds of products or services that they produce which may need export credit financing for moving our exports abroad to keep those jobs safe in that sector. Mr. Chairman, that is the point that needs to be made. Our industries are very diverse in what they produce.

Mr. Chairman, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, I would like to elaborate on what the gentleman from Nebraska (Mr. BEREUTER) just mentioned. We talked earlier about the need for this legislation to prohibit the stark choice between moving activities overseas and being able to continue in this country.

I had mentioned a specific example that is relevant to my district. Less than a mile from where I live, there is a unionized factory, Freight Liner, owned by Chrysler Daimler-Benz which has used this program to export heavy, high-value trucks to Chile, sales that would not have occurred otherwise.

Now, Daimler-Benz is involved with not just owning a subsidiary that produces these huge, high-end, very expensive trucks, it also is involved with luxury automobiles. Now if we were to adopt the gentleman's amendment that requires that all activities be treated exactly the same, we could be in an ominous situation where there might be layoffs that were warranted because there has been a reduction in the luxury car business that might result in a rational business decision, but we would not necessarily want to be holding to the same standard a requirement that there be reductions in the heavy truck manufacturing. They are two entirely different product lines subjected to different market forces, and they are located in different parts of the world.

Mr. Chairman, I think that attempts to micromanage this can have some very serious unintended consequences. I think it is not rational to assume that everybody is doing the same in these large enterprises today, and to subject on top of it rather extensive reporting and paperwork requirements. I would strongly urge that we set this amendment aside, reject it, support the underlying bill and allow the process to work.

□ 1230

Mr. BEREUTER. Mr. Chairman, it is my pleasure to yield 2 minutes to the distinguished gentleman from Texas (Mr. BENTSEN), a member of the committee.

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

Mr. BENTSEN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in opposition to the amendment and in support of the underlying bill. We considered this amendment in the subcommittee, and I think we may have considered it in the full committee. While I think the gentleman and the cosponsors of the amendment are well-meaning, I think, as the gentleman from Oregon who just spoke noted, this amendment is overly broad and will not accomplish the goal that it sets out to do, and, in effect, creates a one-size-fits-all approach to American companies that most likely are producing multiple types of products, which the underlying goal of this bill and the underlying goal of the Congress since the creation of the Export-Import Bank is to expand the access of foreign markets for products that are produced in the United States and for companies that are based in the United States.

While the gentleman seeks to try to address a concern that many of us have that in some cases we are losing our manufacturing base in the United States because of reasons of economics, the effect of the amendment, I believe, would be completely counter to what he is trying to achieve, because what you would be doing is penalizing those companies in the United States which are trying to maintain a manufacturing base and trying to export products abroad, as opposed to those companies who seek to just pack it in and move completely abroad or cede the field to foreign companies without having any manufacturing here in the United States.

So I would hope that the House will reject the gentleman's well-meaning, but an amendment with I think great unintended consequences, and support the underlying bill.

Mr. SANDERS. Mr. Chairman, I am very pleased to yield 1½ minutes to the gentlewoman from California (Ms. WATERS.)

(Ms. WATERS asked and was given permission to revise and extend her remarks.)

Ms. WATERS. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise to support the Sanders amendment to the Export-Import Bank Reauthorization Act. The Sanders amendment would prevent companies from receiving assistance from the Export-Import Bank if they lay off a greater percentage of workers in the United States than they lay off in other countries.

The purpose of the Export-Import Bank is to create American jobs for American workers. Unfortunately, the bank has a history of providing assistance to companies that have been exporting American jobs and hiring cheap foreign labor. For example, the Export-Import Bank insured a $3 million loan to help General Electric build a factory where Mexican workers will make parts for appliances that will be exported back to the United States. As a result, 1,500 American workers will lose their jobs to Mexican workers, who will be paid only $2 per hour. The Sanders amendment would ensure that the Export-Import Bank does not subsidize companies that are exporting American jobs instead of American-made products.

I urge my colleagues to support the Sanders amendment.

Mr. Chairman, many of us worked very hard on plant closure legislation

just a few years ago because we found that after we gave great tax cuts right here in the United States under the Reagan administration that our companies were exporting jobs to third-world countries for cheap labor. That is after we had given big tax breaks. They took the money and put it in their pockets and exported the labor. We can stop that with this simple amendment. This will help out. I would ask my colleagues to support this amendment.

Mr. BEREUTER. Mr. Chairman, it is my pleasure to yield 3 minutes to the distinguished gentleman from New Jersey (Mr. FERGUSON), a member of the committee.

Mr. FERGUSON. Mr. Chairman, I rise in opposition to the Sanders amendment. The goal of protecting U.S. jobs is a good goal; but this amendment, if implemented, would actually result in a reduction in U.S. jobs over the long term, jobs that would be sent overseas or lost altogether. The fact is that every transaction that the Ex-Im Bank is involved with helps to maintain U.S. jobs.

Now, I understand that the author of this amendment is opposed to the Ex-Im Bank. My friend, the gentleman from Vermont, has never been a fan of the Ex-Im Bank; and I have a sneaking suspicion, I have not been here very long, but I have a sneaking suspicion that this amendment is actually a poison pill that is targeted at trying to kill the underlying bill rather than trying to be helpful.

If this amendment were to be accepted, it would frustrate the main mission of the Ex-Im Bank in general and severely hinder the ability of the bank to support U.S. exports and U.S. jobs. The adoption of this amendment would limit the ability of U.S. companies to compete in the global marketplace. If we reduce the number of U.S. firms eligible for Ex-Im Bank financing, the number of firms that would be available for financing through this amendment, we are also going to reduce the number of U.S. workers who manufacture U.S. goods for export.

Now, I represent a district in a State, New Jersey, where we have seen a tremendous hemorrhaging of high-tech jobs from some of our companies in the high-tech sector and telecom sector. These are companies whose lifeline in many ways is the work of the Ex-Im Bank.

Some people talk about corporate welfare. This is not corporate welfare. This is investing in American companies and giving them the opportunity to be able to provide jobs and to provide manufacturing for goods all around the world, particularly at a time when we are trying to expand our economy, to expand job creation.

Some on the other side of the aisle have been talking about raising taxes. We are not going to tax our way to economic prosperity and job creation, and certainly by trying to kill or hinder the Export-Import Bank from doing the great work they do, we are not going to be creating jobs or helping our economy to grow either.

I stand in opposition to this amendment. I am a strong supporter of the Ex-Im Bank and the good work of this bill. It is so important during a time of economic recovery. If we are going to get Americans back to work, continue to be able to create the manufacturing and jobs that are so vital to this recovery, we are going to need to be able to continue to support the work of the Ex-Im Bank. Defeat this amendment.

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

Mr. Chairman, I think the issue here is so clear-cut that it is almost laughable. I was a mayor of a city for 8 years, and when someone from the business community came in and said they wanted something, I said, Let's talk about it. What are you going to do for the people?

What the Export-Import Bank does is they say to General Electric, You told the whole world your policy is to move jobs to China; we have no problem with that. You can help us with 200 jobs? That is fine. You are laying off 10,000 workers tomorrow? We are ignoring that.

People who have discussed this have used the word ''carrot.'' I believe in carrots. Use the carrot. What is the carrot? The carrot is if you come in and want taxpayer support, radical idea though it may be, you have got to protect American jobs.

It is beyond comprehension to me that we would provide huge amounts of funding to a company where the leadership says, like General Electric, This is our policy: Our policy is to lay off American workers and go to China. And the Ex-Im Bank says, Can we give you any more money? Thank you.

Eighty percent of the loans and subsidies given to the Export-Import Bank go to the Fortune 500 companies. Check their record. It is not just General Electric, it is not just General Motors, it is not just Motorola. Company after company are laying off American workers and going abroad.

It seems to me that if you want to use taxpayer money, if they want to take taxpayer money, the very least they can do is to work very, very hard to give us commitments to protect jobs in this country. We have a $360 billion trade deficit. The Ex-Im is a small part of that, but it is part of a failed policy which is selling out American workers; and I urge the Members of the body, finally, stand up to the campaign contributors and all these big companies that pour millions into the political process.

Stand with American workers. Let us reverse our trade policy. Let us demand that these companies, radical idea though it may be, invest in the United States of America. My word, what a radical idea. Create jobs in America, so that high school kids do not have to work at Burger King, but they can have a decent job. The Ex-Im can play a role in that.

Let us say ''yes'' to the Sanders amendment and work for the ordinary people of this country for a change, rather than the multinationals.

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

Mr. BEREUTER. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. LAFALCE), the distinguished ranking member of the Committee on Financial Services.

Mr. LAFALCE. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I certainly share the gentleman from Vermont's desire to enhance jobs within the United States, and there are so many issues and areas where we are aligned in that effort. We are aligned in that effort in the areas of housing and community development, in public sector jobs, in private sector jobs, in infrastructure, in countless ways. I certainly share his desire to protect and promote workers' rights, not only domestically, but internationally, globally.

But one of the ways we do that is to enhance the ability of the United States companies to export products abroad, products that are made in the United States of America by workers in the United States of America. That is what Ex-Im is all about.

The amendment of the gentleman from Vermont (Mr. SANDERS) is counterproductive to that purpose. The Sanders amendment, in my judgment, as it is presently worded, would be impractical, impossible to effectuate. I may be wrong, but most everybody who favors Ex-Im Bank believes that this amendment would be harmful to the promotion of Ex-Im Bank's mission, goals and United States jobs; and I would encourage all allies of Ex-Im Bank to oppose the amendment.

Mr. BEREUTER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I very much appreciate the bipartisan opposition to the Sanders amendment as voiced, for example, by the senior Democrat on the Committee on Financial Services.

We can all agree on a few things. We can all agree that we hate to see American jobs lost, whether it is because of decline in the industry or because of the fact that those jobs are moved abroad. We do not want to see layoffs.

The fact of the matter is, however, that sometimes one sector of a company's production simply becomes obsolete, or because of the fact that it is a labor-intensive or very low-skilled job that for economic reasons, the corporation feels it must move abroad.

Mr. Chairman and colleagues, do not penalize those parts of the company that are exporting products abroad. Vote ''no'' on the Sanders amendment.

Ms. DUNN. Mr. Chairman, I rise against the Sander's Amendment.

Washington State has the second highest unemployment rate in the nation. Many companies in the Northwest have suffered directly and indirectly because of September 11, including Boeing that announced the layoffs of

approximately 30,000 workers. I represent over 25,000 commercial Boeing workers and understand the impact of unemployment in my communities.

This amendment will not preserve jobs domestically, but actually lead to more unemployment in Washington State. At a time when domestic airlines are struggling, Boeing's only option is to expand commercial aircraft sales overseas. If companies in the Northwest do not have access to the financing resources provided by the Ex-Im Bank, we lose more jobs in the Northwest.

Boeing will not only be affected, but the impact will be felt throughout the region. Over 60 percent of the supplies and parts used to manufacture a commercial aircraft are made outside of Boeing. Denying Boeing Ex-Im Bank financing will result in greater unemployment for small companies and their workers that depend on business with Boeing.

If we want to protect jobs and stimulate our economy, we must make it easier to sell American products overseas. Simply denying U.S. businesses access to Ex-Im Bank financing because they are laying off workers in unfair. This amendment does not help our workers, but the workers of foreign competitors. Without Ex-Im Bank financing for Boeing, Airbus will be able to gain greater market shares by providing a much more effective financing package through their export credit agencies.

I ask my colleagues to oppose this amendment.

The CHAIRMAN pro tempore (Mr. SIMPSON). All time has expired.

The question is on the amendment offered by the gentleman from Vermont (Mr. SANDERS).

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

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Vermont (Mr. SANDERS) will be postponed.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 5 printed in House Report 107–423.

AMENDMENT NO. 5 OFFERED BY MS. SCHAKOWSKY

Ms. SCHAKOWSKY. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Ms. SCHAKOWSKY:

At the end of the bill, add the following:

SEC. ___. SENSE OF THE CONGRESS.

It is the sense of the Congress that, when considering a proposal for assistance for a project that is worth $10,000,000 or more, the management of the Export-Import Bank of the United States should have available for review a detailed assessment of the potential human rights impact of the proposed project.

The CHAIRMAN pro tempore. Pursuant to House Resolution 402, the gentlewoman from Illinois (Ms. SCHAKOWSKY) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentlewoman from Illinois (Ms. SCHAKOWSKY).

(Ms. SCHAKOWSKY asked and was given permission to revise and extend her remarks.)

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

Mr. Chairman, I want to start by commending the chairman and ranking member of the Committee on Financial Services and the chairman and ranking member of the Subcommittee on International Monetary Policy and Trade for their work on this important bill, and I want to particularly express my gratitude to the gentleman from Nebraska (Mr. BEREUTER), the chairman of the Subcommittee on International Monetary Policy and Trade, and his staff for working with me so that human rights concerns and protections would be included in this debate and be part of this legislation.

Our ranking member on the subcommittee, the gentleman from Vermont (Mr. SANDERS), has been a leader throughout this process, and I commend him for his tireless efforts on behalf of working people, small businesses, human rights, and the environment.

This is a modest amendment to the Export-Import Bank Reauthorization Act. My amendment states the sense of the Congress that detailed information on the potential impact on human rights of proposed Export-Import Bank projects should be more available to the management of the bank for all projects that are worth $10 million or more.

□ 1245

Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Chairman, I thank the gentlewoman from Illinois for yielding me this time, and for her leadership and her persistence on this issue.

I rise in strong support of the Schakowsky amendment which requires the Export-Import Bank to consider the human rights implications of major projects that it funds. Now, in the last week, the United States has regained its seat on the United Nations Human Rights Commission. We now have another opportunity and an obligation to reassert our leadership on human rights issues and to really, in essence, practice what we preach. The entire world is watching.

At each and every juncture, human rights concerns must enter into our policy decisionmaking and our policy initiatives. The world needs the United States' leadership on human rights issues. Here we have a chance, thanks to the gentlewoman from Illinois, to exercise this leadership.

The Export-Import Bank deals with projects that reach into the millions of dollars. These projects have major repercussions on the ground and human rights analysis must be a part of this fair equation. This amendment just provides accurate information on these projects so that economic development would not come at the cost of further erosion of basic human rights. Under current policy, cancellation is the only option. We need a more precise instrument. This is a very modest measure in the right direction.

So I urge my colleagues to stand up for human rights today by supporting the Schakowsky amendment.

Mr. BEREUTER. Mr. Chairman, in the absence of any known opposition to the Schakowsky amendment, I claim the time in opposition, and I yield myself such time as I may consume.

Mr. Chairman, I will say to the gentlewoman that during the debate on the rule, the gentleman from Florida (Mr. HASTINGS) and I had a discussion about the gentlewoman's amendment. The only concern we have had about the gentlewoman's amendment at any time in this whole process is that the State Department is that entity we have selected at this point within our government to prepare the country reports on human rights. The view of this Member and others was that the State Department should continue to be the agency responsible for conducting that kind of review for our entire government.

But the gentlewoman has an amendment before us which is in no way inconsistent with that concept. I think what she is proposing to do is very important. We hope that human rights considerations are a factor in the deliberations of the Export-Import Bank, and so I would say we are prepared to accept enthusiastically the gentlewoman's amendment, and I yield to her if she might wish to respond.

Ms. SCHAKOWSKY. Mr. Chairman, I thank the gentleman very much for his support of this amendment. We have taken into serious consideration the gentleman's concern in raising the issue that it is the State Department, in fact, that authorizes on human rights grounds the commencement of a project and would make decisions as to whether or not a project should be canceled on the basis of human rights. We have been talking with the Bureau of Democracy, Human Rights and Labor within the State Department, and I have spoken with senior officials there who agree that more scrutiny should be placed on major Ex-Im projects that are proposed.

So while I am very pleased and grateful about the prospects of the amendment today and for the gentleman's support, we are going to continue those discussions to see if we cannot further this agenda of more inquiry into human rights.

Mr. BEREUTER. Mr. Chairman, I appreciate what the gentlewoman is doing and if there is anything we could do in report language to facilitate stronger encouragement to use those State Department country reports, we should do that, and I would be committed to that end.

Mr. Chairman, I yield to the gentleman from New York (Mr. LAFALCE), the ranking member of the full committee.

Mr. LAFALCE. Mr. Chairman, I too rise in support of the amendment, but I also want to make some complimentary comments about the fine work of the gentlewoman from Illinois (Ms. SCHAKOWSKY).

When she initially surfaced the idea, I think the specific words of the proposed bill or amendment might have been unworkable and perhaps counterproductive, but she worked with everyone in a very collegial fashion. She worked with the State Department, she worked with Ex-Im, the Republicans, the Democrats, and we have an excellent amendment now that is workable, that is productive, that should be passed and should be implemented aggressively by Ex-Im and Treasury. I thank the gentlewoman for her great collegial work.

Mr. BEREUTER. Mr. Chairman, I reserve the balance of my time.

Ms. SCHAKOWSKY. Mr. Chairman, I certainly appreciate the tenor of this discussion, and I would like to continue it just for a bit.

Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Chairman, first I would like to say to my colleague, the gentleman from Nebraska (Mr. BEREUTER), that I am appreciative for his willingness to try and work out support for amendments that may not have a lot of support, but the gentleman understands the importance of a particular amendment and has worked with the author to try and get it done. So let me thank the gentleman.

In addition, I would like to thank the gentlewoman from Illinois (Ms. SCHAKOWSKY) for being there always on these kinds of issues.

This is so important. I came up to support the amendment because I was concerned about a project that was approved by the Export-Import Bank for $92 million for diamond mine processing equipment and services to Alrosa, a Russian diamond company, that operates in countries such as Angola where conflict diamonds are sold by paramilitary groups that propagate internal conflicts and engage in gross violations of human rights. So it is so important that we know what they are doing, or at least we have an assessment.

Most Americans do not understand that we put $1 billion into this Export-Import Bank. Many would see this as simply corporate welfare. And while we have increasing problems with our own budget, while we are trying to fund education, while we are trying to secure Social Security, it is very important that we look at projects such as this one and begin to raise the questions about who is really benefiting from the Export-Import Bank. While this will do an assessment on human rights, which we need to do, I think we are going to have to go deeper. While I thank my colleague for supporting this amendment, we are going to have to go deeper to look at the Export-Import Bank and see if this is something we want to continue to do.

Ms. SCHAKOWSKY. Mr. Chairman, I do have a few additional remarks, and I yield myself such time as I may consume.

It seems to me that additional information on human rights is necessary, because current policy provides really only one remedy, and that is to deny a project on human rights grounds. But those denials are made on the basis of an assessment by the State Department of human rights for an entire country in which the project will be located, and not an assessment of the project itself. There should be more tools available to Ex-Im Bank to assess human rights.

In reality, there are very few projects that would warrant cancellation or total denial of Ex-Im funding because of severe human rights impacts, but many more projects may have human rights concerns that, if adequately identified beforehand, could be mitigated during project design. Ex-Im Bank needs detailed assessments on a project-by-project basis of the potential impact proposed projects may have on human rights.

Again, this is a modest amendment. It is not the total solution to what I believe to be the legitimate and serious concerns of human rights experts like Human Rights Watch and Members of Congress and numerous other human rights experts and advocates throughout the world.

Mr. Chairman, this amendment is an acknowledgment that we have much more to do to improve the human rights record of the Ex-Im Bank, prevent human rights abuses, and ensure U.S. taxpayer dollars are spent responsibly, without compromising the project financing portfolio of the bank. The key to achieving those goals is information.

Had such information existed during consideration of the Enron power project in India, for example, Ex-Im staff would have identified previous human rights problems and could have consulted with local national or international human rights organizations for further information. This would have allowed for recommendations that Enron make certain commitments to corporate responsibility, for example, that would have mitigated the problems that occurred later in the project and after Ex-Im funding was approved. Yet another lesson of the Enron collapse has been the clear need for greater oversight of projects financed with taxpayer dollars.

The Dahbol power project is partially owned and operated by Enron. The project received approximately $290 million in Ex-Im Bank guarantees despite the World Bank's refusal to fund it and serious human rights problems related to its construction.

According to Human Rights Watch, ''Enron subsidiaries paid local law enforcement to suppress opposition to its power plant. They broke down the door and window of one of the protestor's bathrooms and dragged her naked into the street, beating her with batons. The protestor was 3 months pregnant at the time.''

It seems to me that especially now, in a world where we are trying to build international coalitions to fight terrorism, as we should, that the United States should lead the world in the struggle for human rights, fairness, and equality for all in every way we can. We must never send a message to our neighbors in the international community or to the American corporate community that we are willing to compromise human needs for corporate greed.

Ex-Im Bank has a responsibility to U.S. taxpayers to ensure our money is well spent, and the Congress has a responsibility to place human rights on an equal footing with all other considerations in our international economic agenda. Passage of this amendment would be a measured step in that direction.

Again, I want to thank my colleagues on the Committee on Financial Services, particularly the chairman and ranking Democratic members of the full committee and the Subcommittee on International Monetary Policy for their work and leadership.

Mr. Chairman, I urge all of my colleagues to support this modest amendment and put the Congress on record in support of human rights and responsible behavior when we conduct business abroad.

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

Mr. BEREUTER. Mr. Chairman, to reiterate, we support and can accept the gentlewoman's amendment. I urge support for it.

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

The CHAIRMAN pro tempore (Mr. SIMPSON). The question is on the amendment offered by the gentlewoman from Illinois (Ms. SCHAKOWSKY).

The amendment was agreed to.

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore. Pursuant to clause 6 of rule XVIII, proceedings will now resume on Amendment No. 4.

AMENDMENT NO. 4 OFFERED BY SANDERS

The CHAIRMAN pro tempore. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Vermont (Mr. SANDERS) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN pro tempore. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 135, noes 283, not voting 16, as follows:

[Roll No. 120]

AYES—135

Abercrombie
Allen
Andrews
Baca
Baldacci
Baldwin
Barcia
Barrett
Bartlett
Becerra
Berkley
Berry
Bishop
Blagojevich
Bonior
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Burr
Capuano
Carson (IN)
Chabot
Clay
Clyburn
Coble
Conyers
Costello
Coyne
Cummings
DeFazio
DeGette
Dingell
Doyle
Duncan
Engel
Evans
Farr
Fattah
Filner
Goode
Graham
Gutierrez
Hall (OH)
Hastings (FL)
Hilliard
Hinchey
Hoeffel
Holden
Hostettler
Hunter
Jackson (IL)
Jackson-Lee (TX)
Jones (NC)
Jones (OH)
Kaptur
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kleczka
Kucinich
Lampson
Langevin
Lee
Lewis (CA)
Lewis (GA)
Lipinski
Luther
Lynch
Matheson
McCollum
McGovern
McIntyre
McKinney
McNulty
Meek (FL)
Miller, George
Mink
Mollohan
Nadler
Napolitano
Oberstar
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Peterson (PA)
Phelps
Platts
Rahall
Regula
Rivers
Rodriguez
Roemer
Rohrabacher
Ross
Roybal-Allard
Sanders
Sawyer
Schakowsky
Serrano
Sherman
Sherwood
Slaughter
Smith (NJ)
Solis
Spratt
Stark
Strickland
Stupak
Sweeney
Tancredo
Tanner
Taylor (MS)
Taylor (NC)
Thompson (CA)
Thurman
Tierney
Towns
Udall (NM)
Visclosky
Wamp
Waters
Watson (CA)
Watt (NC)
Weiner
Woolsey
Wynn

NOES—283

Ackerman
Aderholt
Akin
Armey
Bachus
Baird
Baker
Ballenger
Barr
Barton
Bass
Bentsen
Bereuter
Berman
Biggert
Bilirakis
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Boyd
Brady (TX)
Brown (SC)
Bryant
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Cardin
Carson (OK)
Castle
Chambliss
Clement
Collins
Combest
Cooksey
Cramer
Crenshaw
Crowley
Cubin
Culberson
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Doggett
Dooley
Dreier
Dunn
Edwards
Ehlers
Emerson
English
Eshoo
Etheridge
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Gordon
Goss
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hinojosa
Hobson
Hoekstra
Holt
Hooley
Horn
Houghton
Hoyer
Hulshof
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Kanjorski
Keller
Kelly
Kennedy (MN)
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaFalce
LaHood
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McHugh
McInnis
McKeon
Meehan
Meeks (NY)
Menendez
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Osborne
Ose
Otter
Oxley
Pelosi
Pence
Peterson (MN)
Petri
Pickering
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Rangel
Rehberg
Reyes
Reynolds
Riley
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sandlin
Saxton
Schaffer
Schiff
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (TX)
Smith (WA)
Snyder
Souder
Stearns
Stenholm
Stump
Sullivan
Sununu
Tauscher
Tauzin
Terry
Thomas
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Turner
Upton
Velazquez
Vitter
Walden
Walsh
Watkins (OK)
Watts (OK)
Waxman
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Young (AK)

NOT VOTING—16

Cannon
Clayton
Condit
Cox
Crane
Doolittle
Ehrlich
Green (TX)
Honda
Mascara
Millender-McDonald
Murtha
Traficant
Udall (CO)
Weldon (PA)
Young (FL)

□ 1322

Messrs. ROTHMAN, TIBERI, FLAKE, BLUNT, ROYCE, and RANGEL changed their vote from ''aye'' to ''no.''

Mr. TANCREDO and Mr. GRAHAM changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. HONDA. Mr. Chairman, on rollcall No. 120, I was unavoidably detained by important matters involving my district. Had I been present, I would have voted "no."

Mr. EHRLICH. Mr. Chairman, unfortunately, I was unavoidably detained earlier this afternoon and consequently was unable to vote on the floor of the House on pending business. As you know, Mr. Speaker, Charles, Dorchester, and Calvert Counties in Maryland recently experienced devastating tornadoes resulting in the loss of three lives and costing over $100 million in damage. In an effort to aid in the procurement of federal disaster assistance, I responded to a request from local officials to visit the site of the storms.

Had I been present, I would have voted "no" on rollcall vote 120.

The CHAIRMAN pro tempore. There being no further amendments in order under the rule, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. SIMPSON, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2871) to reauthorize the Export-Import Bank of the United States, and for other purposes, pursuant to House Resolution 402, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2871, the bill just passed.

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

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN THE ENGROSSMENT OF H.R. 2871, EXPORT-IMPORT BANK REAUTHORIZATION ACT OF 2001

Mr. OXLEY. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 2871, the Clerk be authorized to correct section numbers, punctuation, and cross references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House.

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

There was no objection.

EXPORT-IMPORT BANK REAUTHORIZATION ACT OF 2001

Mr. OXLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1372) to reauthorize the Export-Import Bank of the United States, and ask for its immediate consideration in the House.