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## House of Representatives

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore (Mr. PENCE).

### DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,  
June 18, 2002.

I hereby appoint the Honorable MIKE PENCE to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,  
*Speaker of the House of Representatives.*

### MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. PALLONE) for 5 minutes.

### REQUEST TO ADDRESS THE HOUSE FOR ONE MINUTE

Mr. PALLONE. Mr. Speaker, the gentlewoman from Florida would like to ask unanimous consent to do a 1-minute.

The SPEAKER pro tempore. The Chair cannot entertain a 1-minute request at this time.

Ms. ROS-LEHTINEN. Could I ask the gentleman to yield a minute of his time?

Mr. PALLONE. Can she not take 5 minutes ahead of me?

The SPEAKER pro tempore. The gentleman from New Jersey has the floor for 5 minutes and may yield.

### GOP PRESCRIPTION DRUG PLAN

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from New Jersey (Mr. PALLONE) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, I yield to the gentlewoman from Florida (Ms. ROS-LEHTINEN).

### RECOGNITION OF ANTHONY ZECCA

Ms. ROS-LEHTINEN. Mr. Speaker, I thank the gentleman from New Jersey for his kindness in yielding.

I would like to recognize Anthony Zecca on his retirement as chief of police for the Miccosukee Tribe of Indians. Chief Zecca has been a pillar of strength and trust for his community and has provided assistance and protection for all. His leadership as a law enforcement officer over the last 45 years has earned him respect and admiration from his community.

Chief Zecca began his career as a police officer with the New York Police Department and came to the Miccosukee Tribe in 1976. Within a year he was promoted to lieutenant and was appointed chief of police in 1978.

Please join me in recognizing Chief Anthony G. Zecca for the commendable service he has provided and for his commitment to the south Florida community. And I thank the gentleman from New Jersey (Mr. PALLONE), and I know that he knows the Miccosukee Tribe very well and knows Chief Zecca.

Mr. PALLONE. Mr. Speaker, I thank the gentlewoman from Florida (Ms. ROS-LEHTINEN). I met the chief on one occasion when I went down there with the gentlewoman's husband, and he is really an outstanding individual.

Let me say, Mr. Speaker, that the reason that I am in the well this morn-

ing is because of my concern about the Republican leadership effort to bring up their prescription drug bill today in the Committee on Energy and Commerce and in the Committee on Ways and Means. I have said many times that I am glad that the Republican leadership is finally willing to bring up a bill; however, it is quite clear that their legislation does nothing more than throw some money to private insurance companies in the hope that they will provide some sort of prescription drug benefit. And I am very concerned that, unlike the Democratic proposal which provides for a guaranteed Medicare benefit, 80 percent of which is being paid for by the Federal Government, and which brings down costs by giving the power to the Secretary of the Department of Health and Human Services to have 30 or 40 million seniors who can now negotiate lower drug prices, this is what we need. Democrats are proposing a Medicare benefit, a guaranteed benefit, 80 percent paid for by the Federal Government, just like what we have now for part B of Medicare that covers your doctor bills.

What the Republicans are proposing and bringing up in committee today and tomorrow is a sham. It is nothing more than an effort to try to convince the American people that somehow they are going to provide a benefit that will not exist. It is illusory because it is nothing more than giving money to private insurance companies without any guaranteed benefit, without any Medicare benefit, and without any cost control.

But I have said over and over again that Members do not have to take my word for it. In the last few weeks, commentators in the New York Times and various media around the country have pointed out rather dramatically that the Republican proposal will not work, that it is designed for failure, and if I could just use a couple of quotes to

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

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



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point that out, in Sunday's New York Times there was an article by Robert Pear, and it says, and I want to quote a few sections, under the Republican proposal, "Medicare would pay subsidies to private entities to offer insurance covering the costs of prescription drugs. Such 'drug only' insurance does not exist and many private insurers doubt whether they could offer it at an affordable price."

A quote: "I am very skeptical that 'drug only' private plans would develop," said Bill Gradison, a former Congressman who was president of the Health Insurance Association of America from 1993 to 1998.

The insurance companies themselves are telling the Republican leadership that these drug-only policies will not work. They will not be offered. It is a hoax on the American people and on our seniors to suggest that somehow this Republican bill is going to provide a benefit. It will not provide a benefit. Nobody is even going to offer the benefit.

Today in the New York Times, an opinion piece by Paul Krugman, who is a regular contributor to the New York Times, says essentially the same thing. I just want to quote a couple of sections.

He says, "The theory of the Republican bill is that competition among private insurance providers would somehow lead to lower costs. In fact, the almost certain result would be an embarrassing fiasco because the subsidy would have few, if any, takers. The trouble with drug insurance from a private insurer's point of view is that some people have much higher drug expenses than the average, while others have expenses that are much lower, and both sets of people know who they are. This means that any company that tries to offer drug insurance will find that it tries to offer a plan whose premiums reflect average drug costs. The only takers will be those who have above-average drug costs."

What Krugman is saying here and what others are saying is that no insurance company is going to provide this insurance, because the only person that would take it would be someone who has extremely high drug costs, and they cannot operate an insurance system that way. I do not want to get into all the details, but the bottom line is that we are getting this uniform chorus around the country telling us that the Republican proposal to simply provide money to private insurers will not work.

What are the Republicans going to do? They know this is not going to work. They are going to try to shove it down the throats of the Congress in committee tomorrow or the next day, and bring it to the floor next week. They know it will not work, so what they are doing is use the pharmaceutical drug companies to spend millions of dollars on advertising to say it is a good proposal, and it is not.

#### RECOGNITION OF TEACHERS OF THE YEAR

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Texas (Mr. SAM JOHNSON) is recognized during morning hour debates for 5 minutes.

Mr. SAM JOHNSON of Texas. Mr. Speaker, I hate to hear them talking about drugs this early in the morning, because the Republican plan will work. We believe in democracy and free enterprise, and that is how it is going to work.

Mr. Speaker, we have good teachers and we have great teachers, and it is an honor to bring to my colleagues' attention distinguished teachers from the Third Congressional District of Texas. I am pleased to recognize these recipients of the Teacher of the Year Award, who enable our students to understand and learn from each other and strive to achieve their goals.

Great teachers nurture our country's best hope for tomorrow: our children. Children may be a fraction of our society, but they are 100 percent of our future. The perseverance and dedication of our teachers challenge and shape students to dream, to work, to make those dreams come true.

Unfortunately, educators work with little public thanks or appreciation, even though top-notch teachers are essential to a strong future. These dedicated educators in particular go beyond the call of duty and selflessly make our children and our country a better place.

It is my distinct honor to present the teachers of the year from Garland, Texas, and Richardson, Texas:

In Garland Independent School District, the teacher of the year is Carol Clark.

In Richardson Independent School District, the teachers of the year are Betty Jackson and Kari Gilbertson.

As the highest-ranking Texan on the Committee on Education and the Workforce, I know firsthand the importance of a quality education. However, it is outstanding teachers like these who strive for excellence. I thank these hometown heroes and excellent educators for all they do for Garland, for Richardson, for our children, for America, and for freedom. God bless them.

#### NO TAX BREAKS FOR CORPORATIONS RENOUNCING AMERICA ACT

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Texas (Mr. DOGGETT) is recognized during morning hour debates for 5 minutes.

Mr. DOGGETT. Mr. Speaker, September 11 really brought out the best in Americans when all of us are continuing to be asked to sacrifice some for our country, and some have sacrificed their all. Unfortunately, certain of our multinational corporations are offering less, indeed, much less.

Over the years, the United States has rightly entered into tax treaties with countries around the world to avoid taxing the same income twice for their businesses, as well as for ours. These treaties are so broadly worded, however, that some corporations can exploit them to evade taxes not just on their foreign earnings, but on what they earn right here at home.

These corporations use gaps in the tax treaties to shift U.S. earnings abroad to countries like the Barbados or Luxembourg that impose little or no tax. This income vanishing act occurs through the creation of affiliated foreign shell corporations that make high-interest loans or obtain hefty royalty fees from the American companies.

To stop this abuse, today I am introducing the "No Tax Breaks for Corporations Renouncing America Act." This abuse results from the broad way in which our tax treaties test foreign ownership and residency. Before globalization, one could assume that a company with stock listed on the stock exchange was a company from one of the countries with which it was listed, but that is no longer the case. My legislation, by narrowing the provision, ensures that tax treaties are used only for their intended beneficiaries, not for those corporations whose phony claim to foreign citizenship is based on little more than a new mailbox.

By exploiting the tax treaty loophole, companies who renounce their U.S. citizenship are reaping a windfall. Corporate freeloaders are taking treaties designed to eliminate double taxation and are using them instead to eliminate all taxation on some of their income.

These corporate "ex-patriots" are selective in waving the Star-Spangled Banner. Yes, they want to be American to enjoy the protection of our Armed Forces, the protection and reliability of our courts, and to seek business from the Federal Government; but when it comes time to pay, to pay their fair share to keep America strong, Old Glory suddenly comes down the flagpole, and they claim they are foreigners.

These fair-weather friends choose to wrap themselves in the flag when that is convenient, and renounce the flag and say they are foreigners and wrap themselves in a tax treaty when that is convenient; we have to put a stop to that. It is time to end the practice of them sending Uncle Sam a postcard that says, "Sorry, you can find me in Barbados, glad you are not here."

American executives who want to evade U.S. taxes on U.S. income by moving their mailbox to an island and hold beachside board meetings, are entitled to a tan, not a tax break.

Take companies like Cooper Industries and Stanley Tools. They make tools, shovels, and the like; but we might think that when Stanley says it is making something great, it had in mind beach tools like this from its new

residency. The way that they are operating inspired one of my neighbors down in Austin to note that Stanley Works ought to be called "Stanley Flees," because it has fled Old Glory and America.

A vote for the bill that I am introducing today will send the executives a message: They can play all they want on the beach to avoid taxes, but Congress will not put its head in the sand. They can have fun in the sun, but Congress refuses to let the rest of us, Americans who are working hard to pay our taxes, get burned by having to pay their taxes also. It is the American taxpayer who gets hammered when Stanley Works or one of these other companies heads off to foreign shores and does not pay its fair share for our increased national security needs.

And remember, allowing a few unpatriotic corporations to exploit this loophole gives them a competitive advantage over the many American corporations that stay and pay their fair share and are competitors with those who leave our shores.

□ 1045

Freedom is not free. Corporate free loaders, Uncle Sam wants you, wants you to pay your fair share to support America.

I encourage my colleagues to join with me in supporting the "No Tax Breaks for Corporations that Renounce America," act so we can really ensure equity and fairness in our tax system and put an end to those who are abandoning us through reliance on provisions in these tax treaties that were never intended for the purpose for which they are now being exploited.

#### ELIMINATION OF MARRIAGE TAX PENALTY

The SPEAKER pro tempore (Mr. PENCE). Pursuant to the order of the House of January 23, 2002, the gentleman from Illinois (Mr. WELLER) is recognized during morning hour debates for 5 minutes.

Mr. WELLER. Mr. Speaker, often over the last several years, many of us have asked a very fundamental question, that is, is it right, is it fair, that under our Tax Code that millions of married working couples pay on average about \$1,700 in higher taxes just because they are married.

Over the last several years, we in the House Republican majority have been working to eliminate what we call the marriage tax penalty where under our Tax Code, married working couples who are husband and wife are both in the workforce, pay higher taxes, and the way the marriage tax penalty works is when someone is married, husband and wife are both in the workforce, they combine their income, they file jointly. That has always pushed married working couples into a higher tax bracket. Really, it is a financial disadvantage. A couple is punished if they get married and essentially re-

warded if they break up the marriage and are living as two single people.

We in the House Republican majority felt all along that was wrong. It is wrong under our Tax Code that we punish marriage. While President Clinton was in office, we passed legislation out of the House and Senate, sent a stand-alone bill to the President, President Clinton; and unfortunately, he vetoed our effort to eliminate the marriage tax penalty. Fortunately, this past year, we had a President come into office, George W. Bush, who agreed that it is time to stop punishing society's most basic institution, and this past year President Bush signed into law part of what we call the Bush tax cut legislation, which wipes out the marriage tax penalty; and it is estimated that 43 million married working couples will receive marriage tax relief as a result of the legislation that was signed into law last year.

Unfortunately, because of an archaic rule over in the other body, that provision had to be temporary, which means it expires in a few years; and unless the House and Senate do something, the marriage tax penalty will come back. I am proud to say that this past week the House of Representatives passed overwhelmingly, with the vote of every House Republican plus 60 Democrats, we passed overwhelmingly with a strong bipartisan vote an effort which wipes out the marriage tax penalty permanently.

My hope is the other body will take that up and that the House and Senate will quickly move that legislation through, get it on the President's desk, and permanently eliminate the marriage tax penalty.

It has been noted to me, according to the Congressional Budget Office, that unless we permanently eliminate the marriage tax penalty that when this temporary provision expires, that 36 million married working couples on average will see a total tax increase of almost \$42 billion. Think about that. Unless we make permanent our legislation to eliminate the marriage tax penalty, we will see a \$42 billion increase of taxes on marriage, and that is wrong.

I think a couple back in the district I represent in the south suburbs, Jose and Magdalena Castillo, a young couple, they work hard. They have two children, Eduardo and Carolina. They suffered, prior to the Bush tax cut being signed into law, \$1,150 marriage tax penalty; and thanks to the efforts of this House, to the House Republican majority, to President Bush, we eliminated their marriage tax penalty. For Jose and Magdalena Castillo, \$1,150 is several months of car payments, several months of day care for Eduardo and Carolina, a significant portion of tuition at Joliet Junior College. It is a down payment on a car. It is a big chunk of savings for their children's college education; \$1,150 is real money.

There are some here that say we should let that legislation expire. We

should let the marriage tax penalty come back because we can spend that money here in Washington on something else. Well, \$1,150 in Washington is a drop in the bucket; but for Jose and Magdalena Castillo, the marriage tax penalty, \$1,150, is real money, just like it is for 36 million married working couples all over America.

The House has passed legislation now to eliminate the marriage tax penalty. My hope is that Republicans and Democrats in the House and Senate will come together and make this a priority to permanently eliminate the marriage tax penalty. We have done it here in the House. My hope is the entire Congress can do it together in a bipartisan way and we can get on President Bush's desk this fall legislation to permanently eliminate the marriage tax penalty.

#### BUMFIGHTS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, one of the most troubling problems for our communities facing the struggle for liability deals with our homeless population. The problem of homelessness, if not worse today, is certainly more complex. As a result of deinstitutionalization, many of these people now live on the streets; and one of the most serious consequences is violence against the homeless.

Stories of the abuse of homeless and the mentally ill are appearing with stark and frightening regularity, setting a homeless woman on fire, random beatings, even murders. We know last year there were 18 murders and dozens of assaults on the homeless.

These are the stories that were reported to the authorities and found their way into the media. Because of the hidden, often forgotten, world these people inhabit, we know that incidents are underreported and that the known violence is just the tip of the iceberg.

I have been appalled at the people who would not just avoid helping but actually are seeking to exploit the homeless, and the worst example I have seen is a recent video entitled "Bumfights" that films the abuse and violence against the homeless. "Bumfights," the brain child of two recent graduates of the University of California and USC film schools, sets a new standard for the cruel exploitation of damaged human beings. In less than a month, these people have sold 10,000 copies of a video depicting homeless men assaulting each other on the streets of Las Vegas.

A vagrant struggles to escape the punishing punches, kicks and body slams of his attacker. Another scene with a man standing in a dark alley,

hitting himself on the head as he realized that his hair is on fire. A purported crack addict smoking the drug and defecating on the sidewalk, and then there are films of a homeless man extracting his own teeth with a pair of pliers.

A segment entitled "Bumhunter" parodies television's Crocodile Hunter, with a man in safari clothing binding, gagging and measuring and marking various homeless men on the streets of Las Vegas before releasing them to their national habitat. These sad, pathetic images are described as hilariously shocking. I call it criminal.

They say it is voluntary, since they reward the men with food, clothing, shelter and small change. I charge them of preying on the despair of those without the basic necessities to sustain life or the facilities to cope. Who among us would willingly be filmed extracting our teeth with a pair of pliers? Of course, the film makers are already planning a sequel.

When I read about this video, I was appalled. Not surprisingly, it was promoted on Howard Stern's television show and soon being shipped to people nationally and internationally.

This is not about committee jurisdiction or the geography of the people we represent. It is about our basic humanity. If we cannot act to protect our most vulnerable, what does this say about us all? We need to fix this problem.

I have started with inquiries to the heads of the Las Vegas Federal investigative offices of the FBI, Customs and the U.S. Postal Service. I have asked them specifically to explain what steps they intend to take, and if they decline to open a case, whether it is because they lack resources, they have other priorities, or whether there simply is not a legal action.

I believe that this is already criminal conduct. First of all, in their own press releases, the film makers admit that they are paying homeless actors to commit crimes such as assault and kidnap. They are, therefore, accessories or aiders and abettors. This activity is not protected by the first amendment anymore than the so-called "snuff flick" might be protected pornography. All three of the Federal agencies investigate pornography, and they know the difference.

The FBI should have jurisdiction because of the interstate nature of the business and the possible conspiracy to violate State laws. Customs should have jurisdiction because the material is being distributed internationally, and the postal service should have jurisdiction because the mails are being used to further the distribution.

If these agencies claim they do not have the resources, then perhaps Congress should act to earmark funds, because this is a serious public safety issue. If these agencies claim they have other priorities, then perhaps we should examine the setting of their priorities; and if they claim that there is

no specific law that authorizes them to investigate this activity, then perhaps we should enact one.

A Congress that will push the constitutional limits on fighting pornography and that will appropriately outlaw crush videos that depict the torture of animals should do no less for our fellow human beings. This violence against the homeless is not just a crime against them. It is an assault against us all. We should do all we can to stop this outrage and punish those who would torture, degrade and exploit some of our most vulnerable citizens.

#### HOW BIG SHOULD FEDERAL GOVERNMENT BE

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, passing on to my colleagues and the American people a predicament that Congress is now facing related to spending. How big should the Federal Government be, how much should we tax the American citizens in order to accommodate what we think is important and necessary spending now. And one of the problems with the overzealousness of Members of Congress to spend is that we either increase taxes to accommodate that spending or we increase borrowing.

Right now, the debt of the Federal Government is a little over \$6 trillion. We have a law, though, that says that we cannot have a debt that is greater than what is approved by law, passed by the House and the Senate and signed by the President; and that debt limit now is \$5.95 trillion. Yet the Federal debt actually is now \$6.019 trillion.

How does that happen? We are playing political games. There is a loophole that the last administration and this administration claim exists in current law to use surplus civil service retirement funds and pretend that is not borrowing subject to the debt limit. They use those extra dollars coming in from the deductions of Federal employees to increase Federal Government spending.

The ultimate problem still is how much should we spend. When I first ran for Congress in 1992, the percentage of gross domestic product, spent for the Federal budget was just a little bit over 22.2 percent, of GDP. Five years later it was 19.6 percent of GDP. Last year we got it down to about 18.4 percent of GDP. Increased predicted spending for this year is now starting to go up again at 19.9 percent of what we produce in this country.

So the question is how much do we borrow that requires interest and leaves an obligation for future generations? How much do we tax that takes away from workers. We have got a government, we have a Constitution, we have a free enterprise system that motivates. Those that work hard, that try, that learn, that save, that invest,

end up better than those that do not. And what we have been tending to do for the last 40 years is increase taxes for those who succeed and redistribute wealth. So we tax at a higher rate everybody that is willing to take a second job or earn and save and invest, and, we now tax them when they die.

How much do we tax before we start to take away that incentive to save, to work harder, to invest?

□ 1100

We are having a problem now encouraging small business to take the risk because of high taxes to pay for big government.

I would encourage my colleagues to look at my joint resolution, which is H.J. Res. 99, that provides we keep budget spending a constant percent of GDP, and let the budget increase as the GDP, gross domestic product, increases.

There has to be some limitation. We have proposals for a balanced budget. That is fine and good, but if we decide simply to increase taxes or increase borrowing to accommodate a growing budget, it still leaves a burden on future generations, and it takes away some of that incentive from current workers that are trying to work and save and learn and invest to make their life and their families' lives better.

In closing, Mr. Speaker, I would say that the overzealousness to spend is what happens in these Chambers, because often Members are better off politically if they come up with new pork barrel projects to take home to their district. They often get in the newspaper and on television if they are willing to start a new social program that spends more of somebody else's money. It is just important that we remember that when we spend money, when we come up with these generous programs, as we approach prescription drugs in Medicare, let us remember that we are taking away from current workers or putting an extra burden on future retirees by increasing the debt load to accommodate what seems at the moment an important spending program. Taxes and debt are high enough. Let us be frugal on spending.

#### FAST TRACK TRADE BILL

The SPEAKER pro tempore (Mr. PENCE). Pursuant to the order of the House of January 23, 2002, the gentleman from Ohio (Mr. BROWN) is recognized during morning hour debates for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, the House will soon consider a motion to go to conference on H.R. 3005, the fast track bill. Normally, the process for beginning a conference is a non-controversial pro forma exercise, but attempts at passage of a special rule make clear that the current process is anything but normal.

The presumptive chairman of the conference has made clear he does not

trust the conferees. He has a vision of how he wants the conference to proceed, and he wants to eliminate any chance that things will not go his way. The Republicans are employing an arcane, rarely-used procedure that I do not believe I have seen in my 10 years in Congress, to stack the deck against Democrats on the conference committee and to deny any vote on a Democratic alternative on fast track trade legislation.

The Republicans are attempting to abuse the House process by adding up to a dozen new items that the House has never had an opportunity vote on, has had no hearings to discuss, nor has even considered. These changes include gutting the other body's health care assistance for workers suffering from our trade policies, creates a weaker version of the other body's trade adjustment assistance, and it completely strikes the Dayton-Craig provisions that are designed to ensure that Congress has a role in protecting U.S. trade laws.

The rule goes well beyond normal procedures, completely unnecessary to begin the fast track conference. The most offensive of the Republican leadership's provisions will gut the worker health protections added in the other body's bill.

Under TAA health provisions, workers would have access to an advanceable and a refundable tax credit valued at 70 percent of their health insurance premium; 70 percent. This tax credit could be used for group coverage, continuation of COBRA coverage, State health insurance purchasing plans, and other ways.

Group coverage offers several advantages to workers. It is cheaper, its availability is much wider, and health insurance cannot be denied due to pre-existing conditions. Republicans, however, are expected to offer a tax credit that can only be applied toward private nongroup coverage.

Under the Republican approach, there is no guarantee that workers will be able to even find health insurance, because it is in the private market, let alone to afford it. In the private individual market, there are no limits on premiums that can be charged for someone who is sick, and insurers often exclude coverage of important services and even exclude coverage sometimes of body parts. As a result, only relatively healthy workers are likely to find affordable coverage, which means other workers will be left without any coverage or will be forced to pay the entire cost of whatever group coverage might be available to them. Less healthy workers, who are unable to find affordable, meaningful individual coverage will be forced to go without coverage or pay the full COBRA premium.

Because relatively healthy workers will therefore leave the COBRA pool, and relatively less healthy workers will remain in the COBRA pool, employers' COBRA costs go up. Accord-

ingly, employers will be forced to either scale back benefits or drop coverage entirely.

The Republican approach, as it usually does, will create a windfall for insurance companies and for HMOs. It will not protect workers, again as the Republicans plan usually does not. It will not protect workers or employers from huge health care costs. Under their proposed rule, Democrats would have no chance to debate or amend any of these provisions.

Not surprisingly, the Republicans are proceeding without any consultation with Democrats on the Committee on Ways and Means. While the majority may say that their TAA health benefit is the same as what the other body passed, no one should be fooled. This will only hurt American workers who have already been hurt by unfair trade policies.

I urge my colleagues to oppose any rule that may be on the floor tomorrow and to oppose any rule that may jeopardize a bipartisan conference committee on fast track.

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#### COMMEMORATION OF THE 60TH ANNIVERSARY OF THE FOUNDING OF THE OFFICE OF STRATEGIC SERVICES

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, in the summer of 1942, we were deeply embroiled in war. Our leaders saw that it was imperative that we institute a formal intelligence service, so on June 13, 1942, we established the Office of Strategic Services, OSS, considered to be the precursor to the Central Intelligence Agency.

As we sit here in the summer of 2002, 60 years ago this week, we are again at war, and I want to commemorate the OSS on what would be its 60th anniversary. Whether we call it intelligence, reconnaissance, collection, espionage, or simply spying, as a former Air Force intelligence officer myself, I recognize the critical function of this agency in winning wars.

One of the recipes for success in the OSS was its diverse inclusion of operatives. It was modeled after England's intelligence agency. Accordingly, Lieutenant Commander Ian Fleming of British Naval Intelligence, the same Mr. Fleming who went on to create the world's most famous fictitious secret agent, James Bond, had this rather stodgy advice for OSS Director William "Wild Bill" Donovan: "Pick men in their forties and fifties, possessing absolute discretion, sobriety, devotion to duty, languages, and wide experience." However, Mr. Donovan had the insight to look more broadly. He selected younger, recklessly daring men and women; pro athletes, missionaries, reformed gangsters, professional counterfeiters, jour-

nalists, movie stars, Hollywood stuntmen, and singers.

I would like today to commend some outstanding contributions from women in the OSS. Arlington National Cemetery has an excellent exhibit, now until December 2002, called *Clandestine Women: The Untold Story of Women in Espionage*. From this, we learn that 4,500 women served in the OSS during World War II. Besides spies, they worked as saboteurs, cryptographers, propaganda experts, and guerilla warriors. They also contributed as secretaries, as clerks, and as drivers.

But let me begin with just one employee I thought would be of great interest to my colleagues, Julia McWilliams. She was a patriotic woman who wished to serve the United States Navy, but was rejected because of her height. She was 6-2. Instead, she got a job in East Asia with the OSS and was eventually awarded the Emblem of Meritorious Civilian Service. Ms. McWilliams was instrumental in creating a shark repellent. Sharks proved problematic for Navy and OSS divers trying to bomb German U-boats. Years later, NASA used her shark repellent recipe to protect astronauts whose capsules landed in shark-infested waters.

Ms. McWilliams married a diplomat, Paul Child. The couple moved to France, where Julia took cooking classes that would change the face of American dining. Today we can all be grateful for Julia Child's gift to America both in intelligence and as a French chef.

Another brave and resourceful American woman was Virginia Hall, the "Limping Lady of the OSS." Her nickname came from a wooden leg due to a prewar hunting accident. This Baltimore native worked tirelessly for the French resistance. Hall was highly educated and multilingual. She learned Morse code and how to work a wireless radio, which made her indispensable to the OSS because communication lines were destroyed after D-Day. She engaged in guerilla and subversive activities, placing her own life in danger for the salvation of France.

Hall is the only civilian female to receive the Distinguished Service Cross, and after World War II became one of the CIA's first female operations officers. When President Truman himself offered to present the award to her, she declined to return to the States on the grounds that she was just too busy, too busy in intelligence work to leave France at that critical time.

Finally, also working behind the lines of occupied France not for the OSS, but for the French resistance, and therefore for the benefit of all Allied forces, was the American expatriate Josephine Baker. A talented and beautiful African American singer, this Missouri native became a French citizen. Still permitted to perform her shows around Europe by the occupying Nazis, Josephine craftily used this freedom to travel as a tool of transferring secret documents. Most courageously, she even smuggled classified material in her sheet music to Allied collaborators in Portugal.

French President Charles de Gaulle presented her the Legion of Honor, which was France's highest decoration. She was also awarded the Medal of the Resistance with Rosette, and named a Chevalier of the Legion of Honor by the French government for hard work and dedication. At her death, the French government honored her with a 21-gun salute, making Josephine Baker the first American woman buried in France with military honors.

So I commend, Mr. Speaker, these and all the dedicated valiant women of the OSS, without whom Europe and the world may not exist in its present state. I also call my colleagues' attention to the book "The Secret War" by Francis Russell, if they are interested in learning more about the details of this great agency as well as the women who participated.

#### SALUTE TO THE DETROIT RED WINGS

The SPEAKER pro tempore (Mr. STEARNS). Pursuant to the order of the House of January 23, 2002, the gentleman from Michigan (Ms. KILPATRICK) is recognized during morning hour debates for 5 minutes.

Ms. KILPATRICK. Mr. Speaker, I stand here today to congratulate the Detroit Red Wings for winning the Stanley Cup 2002 award for the year. We congratulate the Red Wings, Mike Ilitch and the entire Ilitch family; Scotty Bowman, Steve Yzerman, and the entire team for giving our fans across Michigan and across this country a whirlwind tour as we won another Stanley Cup playoff.

I want to say to the Ilitch family, "We thank you for your dedication to the Red Wings, to the city, and to the region from which we come. Continue that Ilitch spirit as we rebuild our region together and our city."

To Scotty Bowman, the winningest coach in American hockey, "We congratulate you and wish you well in your retirement as you move on; and to Mrs. Bowman, who has been a stalwart fan of yours and our Detroit Red Wings."

And to Steve Yzerman and the team for all the hard work, the gut playing, the tenacity, "You really made us all feel proud."

On behalf of Mayor Kwame Kilpatrick, mayor of the City of Detroit, and all the residents of the city, as well as all the residents of the region and Michigan, we say, "Go Detroit Red Wings. We are so very proud of you."

Let us use that same spirit to bring our city, our region, and our State together. We have awesome responsibilities ahead of us, and we believe with that Red Wing spirit, with Mayor Kilpatrick's leadership, we can pull our city together, build new economic development, a wonderful regional transportation system, offer hope for our children and security for our seniors.

Go Red Wings. We are so very proud of you, and may you continue to be the spirit of our city.

#### MEDICARE MODERNIZATION AND PRESCRIPTION DRUG ACT OF 2002

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Minnesota (Mr. KENNEDY) is recognized during morning hour debates for 5 minutes.

Mr. KENNEDY of Minnesota. Mr. Speaker, today I rise in support of the Medicare Modernization and Prescription Drug Act of 2002. As I go around my district and talk with seniors, this is one of the top issues that they have for us in Congress, to get a prescription drug coverage within Medicare. This bill is long overdue, and it is very important for our seniors. We need a comprehensive prescription drug benefit under Medicare, and this bill delivers exactly that.

No senior should have to choose between groceries and medical care. This plan gives our seniors immediate relief from the rising costs of prescription drug medications by providing a 30 percent discount off the top of their overall prescription drug bill. We guarantee coverage for all seniors who want it in Medicare.

The nonpartisan Congressional Budget Office predicts that 95 percent of seniors will voluntarily sign up for this benefit. So this is a program that will work that we are putting forth for seniors and that we expect to be beneficial to them.

In addition to the immediate discount and basic insurance coverage, which combined should save the average senior about half of their costs for prescription drugs, we are also providing a 100 percent prescription drug coverage for low-income seniors to make sure that those most in need can have the medicines they need to stay healthy.

We also have catastrophic protection, at a \$5,000 level or so, that will ensure that individuals do not have to deplete their lifetime savings and do not have to choose between other basic necessities in life and pharmaceuticals.

□ 1115

We also offer more Medicare choices and savings. Many Americans already have coverage. Most seniors have prescription drug coverage, but this bill is put forth to be a base upon which other plans can build upon to provide stronger coverage for seniors.

We are very hopeful that we can get this passed in the House and enacted into law. Continuing the tradition of making important legislation temporary, the majority in the other body recently introduced a bill that expires after 10 years. That is unfair to our seniors, Mr. Speaker. Our approach helps seniors now and permanently into the future. Our plan is affordable and is intended to cover all seniors. The choice is clear. I strongly support passage of this bill, and I urge Members to do the same.

#### SUPPORT MEDICARE PRESCRIPTION DRUG BENEFIT

The SPEAKER pro tempore (Mr. STEARNS). Pursuant to the order of the House of January 23, 2002, the gentleman from Illinois (Mr. DAVIS) is recognized during morning hour debates for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise to join with all of my colleagues and all of the people across America who support a real prescription drug program for seniors. I understand the concerns that some express for the need to reform Medicare, and I agree. But I believe that prescription drug coverage for seniors should be an integral part of the Medicare program.

We are aware that since its creation Medicare has remained stagnant, while advances in medicine have grown rapidly. We are aware that even our fundamental vision of medicine has dramatically changed from diagnosis and treatment to preventive care. Today, due to our realization of the need for modification and reform of Medicare, to our seniors, which has been an overwhelming process of paperwork with worries about reimbursement and regulations, it is not a form of security as it was once thought to be. Medicare reform is necessary, but the time is now to listen to our seniors and to give them what they have been requesting, that we give them financial relief and provide them with a prescription drug plan that will actually cut their monthly prescription drug expenses. It has been stated on the floor of this House a number of times that we have seniors choosing between food and drugs, splitting their prescription in half and denying themselves other medical care due to the cost of their monthly prescription drug costs.

In fact, seniors are declaring bankruptcy at a record pace due in large part to the rising cost of health care. We need a prescription drug coverage that covers all seniors. It is not just our poorest seniors who are having problems paying for their prescription drugs. It is also middle-class seniors who are struggling with the burden of outrageous drug costs.

As Members of Congress, we need to ensure that we provide a Medicare prescription drug benefit that is voluntary, universal and accessible. No senior should be denied a benefit based on where he or she lives or what his or her income is. We see our European neighbors offering their seniors drugs at half the cost of what American companies are charging. American seniors are being encouraged to travel overseas or across our borders to Canada and Mexico just to save money on the same prescription drug they can get in the United States. This is outrageous and absurd and should shed more light on the importance of why this great Nation needs a serious drug plan for seniors.

Once again we need to let our seniors know that we hear them loud and clearly. We need to let our seniors

know that we stand firmly behind them in the fight to cut their monthly drug costs. We cannot let our seniors down again this year. Let us do the right thing. Let us enact a real prescription drug program for all of our seniors so that they never have to cut back on the basic necessity to keep living.

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#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 12 noon today.

Accordingly (at 11 o'clock and 20 minutes a.m.), the House stood in recess until noon.

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□ 1200

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CULBERSON) at noon.

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#### PRAYER

The Reverend Scott Custead, Zion Lutheran Church, Hollidaysburg, Pennsylvania, offered the following prayer:

Blessed are You, O Lord our God, creator of the universe. All life is a gift from Your hands. All just pursuits serve Your purposes.

You have instituted government to be an instrument of Your will. You have given those who govern the responsibility to ensure the peace and good order needed for the proper functioning of society.

We, therefore, pray for those who have been called and set aside to serve our Nation in this body. May their actions serve Your purposes. May their deliberations be based in wisdom. May their goals be just. May they be supported in their work by the prayers of a grateful Nation.

In all that this body accomplishes and in all that we do as a Nation, may we be true to our calling to serve all people and to build a better tomorrow. Amen.

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#### THE JOURNAL

The SPEAKER pro tempore (Mr. CULBERSON). 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.

Mr. ETHERIDGE. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

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

Mr. ETHERIDGE. Mr. Speaker, I object to the vote on the ground that a

quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

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#### PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio (Mr. KUCINICH) come forward and lead the House in the Pledge of Allegiance.

Mr. KUCINICH 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.

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#### WELCOMING PASTOR SCOTT CUSTEAD

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

Mr. SHUSTER. Mr. Speaker, I rise to welcome our guest chaplain, Pastor Scott Custead, from Zion Lutheran Church in Hollidaysburg, Pennsylvania. Pastor Custead is a graduate of California State University and received his Master's in Divinity from Pacific Lutheran Seminary in Berkeley, California. He has been an ordained minister since 1981. He has also served at various churches throughout the State of Pennsylvania and has served this country from 1986 to 1992 as an Army Reserve chaplain. From 1984 through 1985, Pastor Custead served as campus minister at Pennsylvania State University in State College, Pennsylvania.

In 1986, Pastor Custead came to my home parish in Hollidaysburg, Pennsylvania, where I have had the privilege to come to know him and his family. As a parishioner of Pastor Custead's, I have seen firsthand his deep involvement within the community. Not only is Pastor Custead committed to the religious development of his church, he is also active in many civic organizations including the Hollidaysburg Children and Youth Service Board and is a member of various school and borough committees.

Pastor Custead resides in Hollidaysburg, Pennsylvania, with his wife, Carol, also a minister at our church; and they are the proud parents of two children, Linnea, who is heading off to college this fall at the University of Pittsburgh, and Ryan, who will begin his first year of high school at Hollidaysburg Area Junior High School.

Mr. Speaker, Pastor Custead, or as he is known to Zion members, Pastor Scott, and his family have been a valuable part of our community for many years. It is an honor for me today to welcome him to the House of Rep-

resentatives, and I thank him for his continued dedication to his church, his community and his country.

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#### DISPENSING WITH CALL OF PRIVATE CALENDAR ON TODAY

Mr. REHBERG. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar be dispensed with today.

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

There was no objection.

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#### HAITIAN-AMERICAN CULTURAL HERITAGE MONTH

(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, last month we celebrated Haitian-American Cultural Heritage Month. I want to join all who took part in the commemoration of the rich Haitian culture. I want to send special thanks to Dr. Rosy Toussaint from the Haitian-American Cultural Society, North Miami Mayor Joe Celestin, artist Edward Duval Carrie, as well as Miami Dade Mayor Alex Penelas, for their hard work in making this month-long celebration a great success.

Daily activities of this month-long event were shared within south Florida and showed incredible examples of Haiti's colorful culture. These fabulous events included a Taste of Haiti extravaganza, entertaining film festivals, book and poetry readings, spectacular art exhibits and dance performances, all of which shone a bright ray of Haitian culture on our south Florida community.

I am very happy that the people of south Florida had a chance to celebrate the wonder and delight of the Haitian people and their beautiful traditions.

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#### WORDS OF WISDOM FROM JAMES MADISON

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

Mr. KUCINICH. Mr. Speaker, the American people are being prepared for war with Iraq with little or no discussion in this House. Longstanding prohibitions against political assassinations of foreign leaders have been lifted with little or no debate in this House. A policy of strike-first preemptive attacks has been initiated, effectively nullifying the constitutional role of Congress under article 1, section 8 of the Constitution, assuring war at the whim of the President.

Our Nation is being plunged into a state of continual warfare. President Madison once said:

"Of all the enemies to public liberty, war is perhaps the most to be dreaded because it comprises and develops the

germ of every other. War is the parent of armies. From these proceed debts and taxes. And armies and debts and taxes are known instruments for bringing the many under the domination of the few. No nation could preserve its freedom in the midst of continual warfare."

James Madison said that in 1795. In 2002 we would do well to remember those words.

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#### ON ENERGY

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

Mr. REHBERG. Mr. Speaker, America is at war. We are at war against terrorists and those who would support their hate-filled actions. Unfortunately, there are those in this Chamber that would have the United States continue to import almost 60 percent of our oil from many of the very same terrorist-sponsoring regimes our sons and daughters are bravely fighting today. Conservative estimates state that ANWR alone holds enough energy to power all of Montana's needs for the next 300 years and would provide more than 2,000 desperately needed jobs in my home State. It is ridiculous to depend on unstable nations, riddled with terrorists, for our oil, not when America has untapped resources at home.

The security of our Nation depends on eliminating our dependence on foreign oil. I urge my colleagues to support our balanced energy plan for America's future.

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#### TITLE IX

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

Ms. SANCHEZ. Mr. Speaker, I rise today to celebrate the 30th anniversary of title IX of the education amendments of 1972. In passing title IX, Congress intended to give girls and women opportunities equal to those offered to boys and men in education programs that receive Federal taxpayer dollars.

Today we enjoy a greater amount of freedom from our counterparts from 30 years ago. Yet with all the advances that have been made toward gender equity, many barriers still remain. For example, according to a report of the National Coalition for Women and Girls in Education, just 21 percent of all full professors at colleges and universities are women. For every new dollar going into athletics at the Division I and Division II levels, male sports receive 65 cents of the dollar while girls or women sports receive only 35 cents. In addition, sex segregation persists in career education, with more than 90 percent of girls clustered in training programs for the traditionally female fields of health, teaching, graphic arts, and office technology.

We must continue to support title IX.

#### INDIA

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

Mr. PITTS. Mr. Speaker, I rise today to condemn the atrocities committed by Hindu extremists in Gujarat, India, against Muslims and other minority groups. Last week I met with human rights, academic and religious leaders from India who shared reports documenting the designs of the extremist groups against Muslims, Christians, Dalits and others.

Trained combatants in Gujarat entered villages and attacked men, women and children. Pregnant women had their wombs ripped open and unborn babies were ripped out and tossed onto burning fires. Approximately 300 women were gang raped. Over 2,000 people died. I have photos too gruesome to show in my office.

It appears that some of these Hindu extremist groups receive some of their funds from charities in the U.S. and the U.K. We should ensure that no funds from the United States gathered under charitable causes are used to finance terrorism, and we must publicly condemn the violence and officials who support ethnic cleansing.

Mr. Speaker, our government must respond to these brutal attacks and the underlying extremism. The silence of the U.S. Government is deafening.

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#### AIR TRAFFIC CONTROL SYSTEM PRIVATIZATION

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

Ms. BERKLEY. Mr. Speaker, a recent executive order paves the way for privatization of our air traffic control system. The order states that air traffic control is no longer an inherently governmental function. Air traffic controllers play a significant role in our national security. National security is inherently a government function.

On September 11, our air traffic controllers safely grounded nearly 4,500 aircraft in less than 2 hours, proving that the current system works and works well. Proponents of privatization cite the systems in Great Britain, Canada, and Australia as efficient and effective. However, the systems in Great Britain and Canada are facing financial crisis and the controllers in Australia report poor working conditions.

Our system works. Our air traffic controllers have demonstrated it time and time again. We should not privatize our air traffic control system.

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#### CONGRATULATING IDAHO'S FIRST CONGRESSIONAL DISTRICT BASEBALL TEAMS

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

Mr. OTTER. Mr. Speaker, I want to congratulate the college baseball teams from Idaho's First Congressional District for winning the national championship and placing third at the recent NAIA World Series. The Lewis & Clark State College Warriors, led by veteran coach Ed Cheff, captured their 12th national title since 1984 on their own Harris Field in Lewiston, Idaho, beating Oklahoma City 12-8 in the May 31 championship game.

Meanwhile, the Coyotes from Albertson College in Caldwell, my alma mater, finished third in head coach Shawn Humberger's first World Series appearance. Only an Albertson College loss to Oklahoma City in the semifinals kept the title game from being an all-Idaho, all-First Congressional District affair.

Lewis & Clark State College, which also happens to be the alma mater of my colleague, Mary Bono's spouse, finished with a 41-16 record, returning the national championship to Lewiston after a 1-year hiatus. Albertson College ended its season 42-20-1 as the Coyotes continue building a reputation as a national power. They won their first national title in 1998, were national runners-up in 1999, and placed fifth in 2000.

I am proud of both programs' success and of the quality of education that these athletes receive at these public and private institutions.

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□ 1215

#### TRIBUTE TO CAROLINA HURRICANES

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

Mr. ETHERIDGE. Mr. Speaker, I rise today in support and admiration of my hometown team, the Carolina Hurricanes, who, after just 5 years in North Carolina, made it to the Stanley Cup finals this year.

The Hurricanes represented North Carolina well. They fought hard, they played fair, and they never gave up. Their strength and determination showed the true mettle that champions are made of.

Even though our 'Canes could not bring the cup home this year, they took the city of Raleigh, the area and really the whole State on a very exciting ride. The entire region has been swept up in the fervor of the quest for the cup and the sport of hockey. Raleigh, North Carolina, long known for basketball, is now most definitely a hockey town. Just last week, over 6,000 people turned out to say "thank you" to the team and welcome them back home.

The 'Canes' rise to the top of the hockey elite has also given the world a glimpse of what those of us from North Carolina have known for a long time. Raleigh is one of the most vibrant and exciting cities in the world, and the whole Triangle region is a wealth of innovative technology, business and industry.

I am proud to represent North Carolina and proud of the Carolina Hurricanes.

#### TRIBUTE TO THOSE WHO PUT OUT WILDFIRES

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

Mr. GIBBONS. Mr. Speaker, as summer days get longer and hotter, the risk of forest fires continues to increase. Just last week a 1,500-acre wildfire burned in Pioche, Nevada. Dedicated firefighters kept the blaze from the small Nevada town, located about 190 miles north of Las Vegas.

Today I would like to echo the sentiments expressed by Lincoln County Sheriff's Sergeant John Wilcock. He said, "If it hadn't been for the quick response by volunteer firefighters and the BLM, the town could have been gone."

Thank you to all of our Nation's firefighters who risk their own lives every day to save the homes and lives of others. As a proud resident and Representative of a Western State, I know firsthand the unique challenges our firefighters face in preventing and putting out wildfires. Nevadans value your work, your commitment and your heroism.

#### ENRON CORPORATION RUN FOR FUN AND PROFIT OF TOP EXECUTIVES

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

Mr. GEORGE MILLER of California. Mr. Speaker, as Americans picked up their newspapers this morning, they once again learned that the Enron Corporation was run for the fun and profit of its top executives, not for the benefit of the energy market, and certainly not for most of its employees.

In the year that Enron was failing and heading toward bankruptcy, 140 of its top executives took out almost \$800 million in bonuses; \$800 million, which is about the same amount as its 20,000 employees lost in their 401(k) retirement plans; \$800 million that those people will not have for retirement, but which these 100 executives will have for the rest of their lives.

As the Republicans talk about privatizing the Social Security system and insisting that everybody go into the equity markets with their own little account, they had better understand that corporate America is not running this system for the benefit of the shareholders. Corporate America is not running the system for the benefit of the corporations. They are running it for the benefit of the executives, those executives that took out \$800 million on the eve of the bankruptcy at Enron Corporation.

#### SENIORS NEED DRUG BENEFIT NOW

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

Mr. WILSON of South Carolina. Mr. Speaker, Americans have sent a clear message to Congress: Seniors need a prescription drug benefit now. We can no longer rely on rhetoric and empty promises. We must take action now to make sure that seniors receive help.

Now, thanks to the leadership of Republicans, we have a prescription drug benefit plan that not only provides for a long-term permanent benefit, but also makes sure that relief is given now in the short term.

This is a plan that does not discriminate between different groups of seniors, as everyone should have access to the prescription drug if they choose to use it. And the most important part of this plan is that it provides options. We will give seniors real choices to make sure they get a plan that best suits their individual needs.

Many on the other side of the aisle want to make this a partisan issue. They offer up plans that have no basis in reality, calling for a \$800 billion program with no way to fund it. This is politics as usual, rhetoric with no results.

The Republican prescription drug benefit is a responsible and realistic plan, and we can get it to our seniors now.

#### PROVIDING SENIORS PRESCRIPTIONS AT AN AFFORDABLE PRICE

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

Mr. MENENDEZ. Mr. Speaker, they built this Nation, raised their families and fought for our freedom, so no senior in this country, not a single one, should be without the prescription drugs they need to stay healthy.

Every senior deserves access to the prescriptions they need at an affordable price. We do that in our plan. Republicans do not. That is what we Democrats are fighting for.

If we controlled the House, we would pass a bill to cover all seniors, not just some, but all seniors today. In fact, we would have passed a bill years ago, but almost 8 years after Republicans took control of the House, they still refuse to give all seniors the coverage they deserve.

Why is that? The sad truth is that Republicans would rather protect 100 percent of their special interest friends and leave millions of seniors without the coverage they need, and that is a sorry, inexcusable disgrace.

Let us have what Democrats are proposing. Let us have a vote on this floor for a universal, affordable, voluntary prescription drug program for America's seniors.

#### MEDICARE PRESCRIPTION DRUG BENEFIT AND DISCOUNT ACT

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

Mr. DAVIS of Illinois. Mr. Speaker, the House Democratic prescription drug proposal is a real one. It provides a solid \$25-a-month premium cost, a \$100-a-year deductible, coinsurance. Beneficiaries pay 20 percent, Medicare pays 80 percent, an out-of-pocket limit of \$2,000 per year per beneficiary, and low-income beneficiaries with incomes of 150 percent of poverty will pay absolutely nothing.

This is a real plan, a plan that benefits all of the people. Let us pass it.

#### BRING KIDNAPPED AMERICAN CHILDREN HOME

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

Mr. LAMPSON. Mr. Speaker, I have taken to this floor every day now this year to come here to remind the American citizens of Ludwig Koons, who was abducted from the United States of America in 1994. He is now, I think, 9 years old, and he is still a citizen of the United States who is illegally out of our country.

I placed a phone call to our Secretary of State. A staff person called me back. I placed a phone call to the Ambassador to the United States from the Vatican. They have not even bothered to return my phone call. I have placed a phone call, many phone calls, I might add, to all of these people, including the Ambassador of Italy to the United States. I have talked with him, yet nothing yet seems to be moving.

The issue is not about Ludwig Koons, it is about the 1,000 children who are taken out of our borders each year illegally. They are all citizens of this country and pledge allegiance to our flag.

Where is our government? Why are we not turning to those children and doing anything, anything, necessary to return them to our land? Bring our children home.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. CULBERSON). Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules.

#### CODE TALKERS RECOGNITION ACT

Mr. LUCAS of Oklahoma. Mr. Speaker, I move to suspend the rules and

pass the bill (H.R. 3250) to authorize the President to present a gold medal on behalf of Congress to the Sioux Indians who served as Sioux Code Talkers during World War II in recognition of their service to the Nation, as amended.

The Clerk read as follows:

H.R. 3250

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "Code Talkers Recognition Act".

**SEC. 2. EXPRESSION OF RECOGNITION.**

The purpose of the medals authorized by this Act are to express recognition by the United States and its citizens and to honor the Native American Code Talkers who distinguished themselves in performing highly successful communications operations of a unique type that greatly assisted in saving countless lives and in hastening the end of World War I and World War II.

**TITLE I—SIOUX CODE TALKERS**

**SEC. 101. FINDINGS.**

Congress finds the following:

(1) Sioux Indians used their native languages, Dakota, Lakota, and Nakota Sioux, as code during World War II.

(2) These people, who manned radio communications networks to advise of enemy actions, became known as the Sioux Code Talkers.

(3) Under some of the heaviest combat action, the Code Talkers worked around the clock to provide information which saved the lives of many Americans in the Pacific and Europe, such as the location of enemy troops and the number of enemy guns.

(4) The Sioux Code Talkers were so successful that military commanders credit the code with saving the lives of countless American soldiers and being instrumental to the success of the United States in many battles during World War II.

**SEC. 102. CONGRESSIONAL GOLD MEDAL.**

The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall make appropriate arrangements for the presentation, on behalf of the Congress, of a gold medal of appropriate design, to each Sioux Code Talker, including the following:

- (1) Eddie Eagle Boy.
- (2) Simon Brokenleg.
- (3) Iver Crow Eagle, Sr.
- (4) Edmund St. John.
- (5) Walter C. John.
- (6) John Bear King.
- (7) Phillip "Stoney" LaBlanc.
- (8) Baptiste Pumpkinseed.
- (9) Guy Rondell.
- (10) Charles Whitepipe.
- (11) Clarence Wolfguts.

**TITLE II—COMANCHE CODE TALKERS**

**SEC. 201. FINDINGS.**

The Congress finds the following:

(1) On December 7, 1941, the Japanese Empire attacked Pearl Harbor, Hawaii, and the Congress declared war the following day.

(2) The military code, developed by the United States for transmitting messages, had been deciphered by the Axis powers, and United States military intelligence sought to develop a new means to counter the enemy.

(3) The United States Government called upon the Comanche Nation to support the military effort by recruiting and enlisting Comanche men to serve in the United States Army to develop a secret code based on the Comanche language.

(4) At the time, the Comanches were second-class citizens, and they were a people who were discouraged from using their own language.

(5) The Comanches of the 4th Signal Division became known as the "Comanche Code Talkers" and helped to develop a code using their language to communicate military messages during the D-Day invasion and in the European theater during World War II.

(6) To the enemy's frustration, the code developed by these Native American Indians proved to be unbreakable and was used extensively throughout the European theater.

(7) The Comanche language, discouraged in the past, was instrumental in developing one of the most significant and successful military codes of World War II.

(8) The Comanche Code Talkers contributed greatly to the Allied war effort in Europe and were instrumental in winning the war in Europe. Their efforts saved countless lives.

(9) Only 1 of the Comanche Code Talkers of World War II remains alive today.

(10) The time has come for the United States Congress to honor the Comanche Code Talkers for their valor and their service to the Nation.

(11) The congressional gold medals authorized by this title are the recognition and honor by the United States and its citizens of the Comanche Code Talkers who distinguished themselves in performing a unique, highly successful communications operation that greatly assisted in saving countless lives and in hastening the end of World War II in Europe.

**SEC. 202. CONGRESSIONAL GOLD MEDAL.**

The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall make appropriate arrangements for the presentation, on behalf of the Congress, of a gold medal of appropriate design to each of the following Comanche Code Talkers of World War II, in recognition of their contributions to the Nation:

- (1) Charles Chibitty.
- (2) Haddon Codynah.
- (3) Robert Holder.
- (4) Forrest Kassaravoid.
- (5) Willington Mihocoby.
- (6) Perry Noyebad.
- (7) Clifford Otivito.
- (8) Simmons Parker.
- (9) Melvin Permansu.
- (10) Dick Red Elk.
- (11) Elgin Red Elk.
- (12) Larry Saupitty.
- (13) Morris Sunrise.
- (14) Willie Yackesch.

**TITLE III—CHOCTAW CODE TALKERS**

**SEC. 301. FINDINGS.**

Congress finds the following:

(1) On April 6, 1917, the United States, after extraordinary provocations, declared war on Germany, thus the United States entered World War I, the War to End All Wars.

(2) At the time of this declaration of war, Indian people in the United States, including members of the Choctaw Nation, were not accorded the status of citizens of the United States.

(3) Without regard to this lack of citizenship, many members of the Choctaw Nation joined many members of other Indian tribes and nations in enlisting in the Armed Forces to fight on behalf of their native land.

(4) Members of the Choctaw Nation were enlisted in the force known as the American Expeditionary Force, which began hostile actions in France in the fall of 1917, and specifically, members of the Choctaw Nation were incorporated in a company of Indian enlistees serving in the 142d Infantry Company of the 36th Division.

(5) A major impediment to Allied operations in general, and American operations in particular, was the fact that the German forces had deciphered all codes used for transmitting information between Allied commands, leading to substantial loss of men and materiel during the first year of American action.

(6) Because of the proximity and static nature of the battle lines, a method to communicate without the knowledge of the enemy was needed.

(7) An American commander realized the fact that he had under his command a number of men who spoke a native language. While the use of such native languages was discouraged by the American Government, the commander sought out and recruited 18 Choctaw Indians to use for transmission of field telephone communications during an upcoming campaign.

(8) Because the language used by the Choctaw soldiers in the transmission of information was not based on a European language or on a mathematical progression, the Germans were unable to understand any of the transmissions.

(9) The Choctaw soldiers were placed in different command positions, to achieve the widest possible area for communications.

(10) The use of the Choctaw Code Talkers was particularly important in the movement of American soldiers in October of 1918 (including securing forward and exposed positions), in the protection of supplies during American action (including protecting gun emplacements from enemy shelling), and in the preparation for the assault on German positions in the final stages of combat operations in the fall of 1918.

(11) In the opinion of the officers involved, the use of Choctaw Indians to transmit information in their native language saved men and munitions, and was highly successful. Based on this successful experience, Choctaw Indians were being withdrawn from frontline units for training in transmission of codes so as to be more widely used when the war came to a halt.

(12) The Germans never succeeded in breaking the Choctaw code.

(13) This was the first time in modern warfare that such transmission of messages in a native American language was used for the purpose of confusing the enemy.

(14) This action by members of the Choctaw Nation is another example of the commitment of American Indians to the defense of our great Nation and adds to the proud legacy of such service.

(15) The Choctaw Nation has honored the actions of these 18 Choctaw Code Talkers through a memorial bearing their names located at the entrance of the tribal complex in Durant, Oklahoma.

**SEC. 302. CONGRESSIONAL GOLD MEDAL.**

The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall make appropriate arrangements for the presentation, on behalf of the Congress, of a gold medal of appropriate design honoring the Choctaw Code Talkers.

**TITLE IV—GENERAL PROVISIONS**

**SEC. 401. MEDALS FOR OTHER CODE TALKERS.**

(a) PRESENTATION AUTHORIZED.—In addition to the gold medals authorized to be presented under section 102, 202, and 302, the Speaker of the House of Representatives and the President Pro Tempore of the Senate shall make appropriate arrangements for the presentation, on behalf of the Congress, of a gold medal of appropriate design to any other Native American Code Talker identified by the Secretary of Defense pursuant to subsection (b) who has not previously received a congressional gold medal.

(b) IDENTIFICATION OF OTHER NATIVE AMERICAN CODE TALKERS.—

(1) IN GENERAL.—Any Native American member of the United States Armed Forces who served as a Code Talker in any foreign conflict in which the United States was involved during the 20th Century shall be eligible for a gold medal under this section.

(2) DETERMINATION.—Eligibility under paragraph (1) shall be determined by the Secretary of Defense and such Secretary shall establish a list of the names of such eligible individuals before the end of the 120-day period beginning on the date of the enactment of this Act.

**SEC. 402. PROVISIONS APPLICABLE TO ALL MEDALS UNDER THIS ACT.**

(a) MEDALS AWARDED POSTHUMOUSLY.—Medals authorized by this Act may be awarded posthumously on behalf of, and presented to the next of kin or other representative of, a Native American Code Talker.

(b) DESIGN AND STRIKING.—

(1) IN GENERAL.—For purposes of any presentation of a gold medal under this Act, the Secretary of the Treasury shall strike gold medals with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

(2) DESIGNS EMBLEMATIC OF TRIBAL AFFILIATION.—The design of the gold medals struck under this Act for Native American Code talkers of the same Indian tribe shall be emblematic of the participation of the Code Talkers of such Indian tribe.

(3) INDIAN TRIBE DEFINED.—For purposes of this subsection, the term "Indian tribe" has the same meaning as in section 4 of the Indian Self-Determination and Education Assistance Act.

**SEC. 403. DUPLICATE MEDALS.**

The Secretary of the Treasury may strike and sell duplicates in bronze of the gold medals struck under this Act in accordance with such regulations as the Secretary may prescribe, and at a price sufficient to cover the costs thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the bronze medal.

**SEC. 404. STATUS AS NATIONAL MEDALS.**

The medals struck pursuant to this Act are national medals for purposes of chapter 51 of title 31, United States Code.

**SEC. 405. FUNDING.**

(a) AUTHORITY TO USE FUND AMOUNTS.—There is authorized to be charged against the United States Mint Public Enterprise Fund such amounts as may be necessary to pay for the costs of the medals authorized by this Act.

(b) PROCEEDS OF SALE.—Amounts received from the sale of duplicate bronze medals under section 403 shall be deposited in the United States Mint Public Enterprise Fund.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oklahoma (Mr. LUCAS) and the gentlewoman from New York (Mrs. MALONEY) each will control 20 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. LUCAS).

GENERAL LEAVE

Mr. LUCAS of Oklahoma. 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. 3250.

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

There was no objection.

Mr. LUCAS of Oklahoma. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I rise in support of H.R. 3250, the Code Talkers Recognition Act.

This legislation celebrates a relatively unknown aspect of American history, acts of bravery and heroism by Native American soldiers in the world wars of the last century, acts which saved the lives of many Allied servicemen.

Mr. Speaker, in any war, battles turn as much on information or on secrecy as on pure military might. If you know what your enemy is planning, you have a good chance to stop it. In both the First and Second World Wars, our enemies were skilled code breakers, and the ability to crack our communications costs many Allied lives.

In both conflicts, however, a relatively small band of Native Americans were able to use their unique tribal languages to baffle enemies. Speaking to each other either on field radios or field telephones, or occasionally even communicating with written messages, these men were able to quickly and accurately relay complex military messages and orders that could not be understood by enemies even if intercepted. Based neither on European languages or on mathematical formulas, these tribal languages were so impenetrable to the German and Japanese military intelligence units that they are said never to have been cracked.

Mr. Speaker, the best known of these code talkers were the Navajo, honored with congressional medals in the last Congress. But a number of other tribes, including the Sioux, Comanche and Choctaw, also provided code talkers, and the legislation we consider today seeks to recognize them as well.

The bill we are taking up was introduced by the gentleman from South Dakota (Mr. THUNE) and incorporates language in similar bills by the gentlewoman from Texas (Ms. GRANGER) and the gentleman from Oklahoma (Mr. WATKINS).

Mr. Speaker, as the sponsors of the language in this bill will tell us, the critical role played by the Native American code talkers in the battles of the First and Second World Wars were critical to the success of Allied efforts. It is long overdue that Congress recognize their heroic efforts with congressional gold medals. This bill will do that, recognizing the Comanche, Sioux and Choctaw code talkers, as well as asking the Secretary of Defense to identify any other soldiers from other tribes who also served valiantly in the defense of this country and then awarding them medals.

Mr. Speaker, I ask strongly for the support of this legislation.

Mrs. MALONEY of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today the House of Representatives honors many unsung American heroes whose contributions to America's freedom are without parallel in American history, the Sioux, Choctaw, Comanche and other Native American code talkers of World War II.

Without the valiant efforts of these patriotic members from many of our Native American communities, our

Armed Forces would not have been able to deceive our enemies as effectively as they did. The rare beauty and intricacy of our Native American languages turned out to be our most secret of weapons, and to our code talkers, America owes a great debt of gratitude.

Our code talkers are an example of how the richness of our American heritage became a strength that no adversary could possibly match or overcome. America's freedom endures because our military commanders turned the linguistic heritage of our Native American tribes into an unprecedented asset of warfare.

Last year, in a Capitol Rotunda ceremony, Congress and President Bush honored code talkers from the Navajo Nation with a Congressional Gold Medal, the highest civilian honor that Congress can bestow. John Brown, Jr., speaking on behalf of the Navajos, said at that ceremony, "I am proud that at this point in American history our native language and the code we developed came to the aid of our country, saving American lives and helping the other U.S. Armed Forces to ultimately defeat the enemy."

□ 1230

It was a fitting tribute that the House now extends to the Choctaw, Comanche, and to other Native American code talkers through passage of this important legislation.

During World War II, America and its allies fought a massive war on several fronts and the code talkers protected the allies' secrets communications on most, if not all, of these fronts. From the Comanche and the Choctaw against the German Army and France, to the Navajo in the Pacific theater, more than 17 tribes in all made immeasurable contributions to the war effort. These include Cheyenne, Comanche, Cherokee, Choctaw, Osage, Yankton Sioux, Chippewa, Creek, Hopi, Kiowa, Menominee, Muscogee-Seminole, Javajo, Oneida, Paunee, Sac and Fox, and the Sioux, from both the Lakota and Dakota dialects.

The compelling story of how the rich heritage of our Native American peoples, their language, and their heroes ultimately played a major role in our winning World War II unfortunately took more than a half a century to be told. And it took as long for one of our Nation's highest honors to be bestowed upon these Native American heroes.

Today we honor their patriotism and their selflessness and their heroic actions, and America is grateful and proud for their contributions to our freedom. As proven by the code talkers, it is our heritage, and our people, that will always make America a great Nation.

I only regret that we as a Congress are so late in recognizing the contributions of American Indians to the allies' victory in World War II and that not all of the code talkers who served are alive today to accept this important honor. Even so, I am pleased we are

taking this action today; and as the daughter of a World War II veteran, I am also heartened by the progress we can all see on the national memorial now under construction on the Mall just blocks from here.

As time passes, we cannot let the magnitude of the great victory our veterans achieved over the fanaticism of our World War II enemies fade from the national memory. As we face new military challenges today, from terrorists who also target and hate free societies, we can take extra inspiration from the bravery of our World War II veterans and the special place in history for the Native American code talkers. These brave soldiers went to war for the United States despite the historic mistreatment of Native Americans by the very government they were fighting to defend.

I am honored to stand and honor the Sioux code talkers this morning. Congress has stipulated that recipients of this award shall have "performed an achievement that has an impact on American history and culture that is likely to be recognized as a major achievement in the recipients' field long after the achievement." The contribution of the code talkers to our great victory in World War II meets this high standard, and I am very pleased to join with my colleagues on the other side of the aisle to recognize them today.

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

Mr. LUCAS of Oklahoma. Mr. Speaker, I yield such time as he may consume to the gentleman from South Dakota (Mr. THUNE), who is the primary principal author of this bill and who has worked very diligently on this effort.

Mr. THUNE. Mr. Speaker, I thank the gentleman for yielding me this time and thank him for his efforts in bringing this legislation to the floor, as well as the gentlewoman from New York (Mrs. MALONEY), in giving us the opportunity to recognize these great American heroes.

Mr. Speaker, South Dakota has a long history that extends back before the founding of our country by Western explorers. Native American culture was a way of life based upon four key values: generosity, bravery, fortitude, and wisdom. Whether they were hunting for food, interacting with family members, or facing the trials of life, they always displayed these great and important values. Regrettably, the importance and revered culture of these great people was nearly erased from American history.

However, later, during the middle part of the last century, at a time when Indians were discouraged from practicing their native culture, a few brave men used their cultural heritage, their language, to help change the course of history. These men are known as the code talkers. They served our country with distinction in both the European and the Pacific fronts of

World War II. The Sioux code talkers, who I represent, used their Lakota, Dakota and Nakota dialects to send coded communications that the enemy was unable to crack. These brave men were often sent out on their own to communicate with headquarters regarding enemy location and strength without protection from the enemy. Sometimes they spent over 24 hours in headphones without sleep or food in deplorable conditions.

Today, military commanders credit the code talkers with saving the lives of countless American soldiers and being instrumental to the success of the United States military during World War II.

Two of these Sioux code talkers are still alive today: Clarence Wolf Guts of the Oglala Sioux Tribe and Charles Whitepipe, Sr. of the Rosebud Sioux Tribe.

Unfortunately, the nine other Sioux code talkers, John Bear King of the Standing Rock Sioux Tribe, Simon Broken Leg and Iver Crow Eagle, Sr. of the Rosebud Sioux Tribe, Eddie Eagle Boy and Philip LaBlanc of the Cheyenne River Sioux Tribe, Baptiste Pumpkinseed of the Oglala Sioux Tribe, Edmund St. John of the Crow Creek Sioux Tribe, and Walter C. John of the Santee Sioux Tribe of Nebraska have passed away.

Clarence Wolf Guts and Charles Whitepipe can tell us the stories of the trials and tribulations they faced as they served our country. The families of the other Sioux code talkers can pass on the stories told to them by their husband, father or uncle.

The legislation before us today finally honors the Sioux code talkers for their distinguished service to our country. In addition, the bill recognizes two other groups of code talkers who served our country with distinction. This bill distinguishes 14 Comanche code talkers for their dedication and service during World War II, and it also pays tribute to the Choctaw code talkers who served not only during World War II, but were known to have been used for their transmission of field communications in their native languages during World War I. I appreciate the gentlewoman from Texas (Ms. GRANGER) and the gentleman from Oklahoma (Mr. WATKINS) working with me to recognize these heroes.

At a time in which we fully understand the meaning of the word "hero," I believe we can all agree the code talkers are truly heroes of this country.

All of the code talkers provided safety to fellow Americans who were fighting so hard for our Nation. They did so by using their culture and their native language, which had been passed down to them through the generations. Above all, these code talkers brought respect to their Nation and victory to our country.

Last year, we rightly honored the Navajo code talkers for the important role that they played and for their her-

oism during World War II. It is now time to honor and recognize the Sioux, Comanche and Choctaw and code talkers for their contributions by awarding them Congressional Gold Medals.

Mr. Speaker, I am proud to be the sponsor of H.R. 3250, the Code Talkers Recognition Act, to honor the men who had risked their lives to save the lives of others. Congress should recognize these courageous men for their bravery and heroism in the face of adversity. Today, we will consider this important bill and finally recognize these men for their heroic efforts.

Mr. Speaker, I thank my colleagues, and I encourage all of my colleagues to support this important legislation. I thank the gentleman from Oklahoma (Mr. LUCAS) for his work in bringing it to the floor today and say to my colleagues on the floor that it is high time that we gave honor and due recognition to these brave men and the cultures that they represent.

Mr. LUCAS of Oklahoma. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Texas (Ms. GRANGER), another one of the authors of this important piece of legislation.

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

Ms. GRANGER. Mr. Speaker, millions of people poured into movie theaters this weekend to see the movie "Wind Talkers" with Nicholas Cage. The movie is set during World War II against the backdrop of the horrific battle of Saipan; the drama revolves around the Navajo "code talker."

The so-called code talkers were native Americans who used their native dialect to radio important messages in code to our allied troops. The movie "Wind Talkers" focuses on a Navajo code talker who was the Marines' first new secret weapon against the Japanese. The movie explores just how far our Marines were willing to go to protect the code.

We all know that in our fast-paced, modern world, movies are our storytellers. Hollywood often misses some of the facts, but in this case I am proud to see the tale of these code talker heroes being told so publicly. In my mind, the Native American code talkers are some of the Nation's greatest heroes.

Today, it is time for Congress to give all of the Native American code talkers the recognition they deserve for their contribution to U.S. victories in World War I and World War II.

Like the Navajo code talkers who were recognized for services last year, the Comanche, Choctaw and Sioux Indians also served as code talkers in both the Pacific and European theaters during World War II. We also know that the Choctaw code talkers served our country as early as World War I.

These code talkers were sent out on their own to provide communications on enemy location and strength. They sometimes spent 24 hours using headphones without sleep or food. Many of

these men endured terrible conditions without protection from the enemy. Military commanders credit the code talkers with saving the lives of countless American soldiers and ultimately to the success of the United States in many battles.

The story of the code talkers was highlighted for me last year by a constituent of mine, Ben Tahmahkera. He came to me and pointed out that in July, President Bush honored the Navajo code talkers for their contribution to the United States Armed Forces as radio operators in World War II. Mr. Tahmahkera was very pleased to hear about the Navajo recognition, but he wanted to make sure the sacrifices of the Comanche code talkers and other code talkers were not forgotten either.

Ben Tahmahkera suggested that I learn more about Charles Chi-bitty, who today is the only surviving Comanche code talker. Charles Chi-bitty lives near Tulsa, Oklahoma, today and he is 80 years old. In January of 1941, Chi-bitty enlisted in the United States Army and was assigned to the Army's 4th signal company. Chi-bitty probably himself saved thousands of lives during the Normandy invasion alone and he can still remember the messages he received and sent out on D-Day. On that day he identified where our troops were, protected them from being fired on by our own troops and, in general, completely confused the Germans. Chi-bitty specifically remembers saying in code to our men, "Okay, we know where you are, just keep doing what you are doing."

The code that Chi-bitty used was never broken and, for a long time, the Germans believed it was just gibberish. Eventually, the Germans sent spies to training grounds in Fort Gordon and to reservations in Oklahoma to try and crack the code. None of the spy missions were successful.

Charles Chi-bitty, a true American hero, was also a loyal friend. He once turned down the Medal of Honor because it did not include all members of the 4th signal company whom he considers his brothers. Chi-bitty says, "I am glad I am still here, but I miss my comrades. I know that my comrades that have already gone before me are listening and laughing right now. I know when I go up there some day, they will be there waiting."

Mr. Speaker, today we honor Charles Chi-bitty and all of the other Native American code talkers who so valiantly fought for our country and protected our Nation. H.R. 3250 authorizes the President to present a Congressional Gold Medal to these Native Americans who served as code talkers during both World War I and II. H.R. 3250 gives these men the honor they so richly deserve. Please support H.R. 3250.

Mr. LUCAS of Oklahoma. Mr. Speaker, I yield such time as he may consume to the gentleman from Oklahoma (Mr. WATKINS), who was raised among the Choctaw in eastern Oklahoma.

Mr. WATKINS of Oklahoma. Mr. Speaker, I wish to thank the gentleman from Oklahoma (Mr. LUCAS) and the gentlewoman from New York (Mrs. MALONEY) for their efforts in getting this here. I would like to especially thank the gentleman from South Dakota (Mr. THUNE), my friend, and the gentlewoman from Texas (Ms. GRANGER), my good friend and neighbor, who represents Fort Worth quite capably.

As the gentleman from Oklahoma stated, I had the distinct privilege, although one does not realize it as much when one is growing up, of growing up among the Choctaw Indians in southeast Oklahoma. I heard many of my elders talk about the days of using code talkers in World War I, and they were also utilized in World War II.

□ 1245

So it is with a great deal of pride and nostalgia as I think back to what a lot of the elderly Native Americans with Choctaw ancestry were saying for me to be part of bringing this legislation, H.R. 3250, to the floor. I want to thank the gentleman from Ohio (Chairman OXLEY) from the Committee on Financial Services and the gentleman from Oklahoma (Mr. LUCAS) on that committee that combined several of these code talker bills so we could bring this legislation together and move it at this time.

Many people know the history of the code talkers of World War II; however, few people know the history of the code talkers of World War I. In the closing days of World War I, several members of the Choctaw Nation were helpful in winning key battles. The Choctaws were the first Native American code talkers used in battle and to win wars.

The Germans had broken the code of the American forces, and they had captured a messenger who was running information between several of the companies in the Army. The Army commander overheard two of his men conversing in their native Choctaw language, and due to his smart thinking, the use of the Native Americans' tribal language as a code was born.

An additional number of Choctaw Indians were located in the battalion, and within a period of hours after getting them all together, they were relocated to strategic locations. In less than 72 hours, the Germans were retreating, and the Allies were in full attack and moving forward.

Mr. Speaker, it has been a long time since these men did this great service for their Nation. It has been a long time for me even to be sitting at the knees of some of these elderly Choctaw chiefs and others and listening to them tell this story.

I believe we should pass H.R. 3250 to honor these code talkers and their service to this country. I urge my colleagues in a unanimous way to support this legislation to bring honor to the code talkers of World War I and World War II.

Mrs. MALONEY of New York. Mr. Speaker, I yield back the balance of my time.

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

Mr. Speaker, I thank my colleagues, the gentleman from South Dakota (Mr. THUNE), the gentlewoman from Texas (Ms. GRANGER), and the gentleman from Oklahoma (Mr. WATKINS), for their efforts.

Clearly, the generation that went off to Europe in 1917 and 1918 is now all but gone, and the young men who went off to fight the Second World War between 1941 and 1945 is starting to show the ages and seasons of time. But, my colleagues, by making this effort to acknowledge these brave and valiant efforts, we do this House great service and do this Nation the same service.

Mr. BACA. Mr. Speaker, I rise today in support of this resolution.

Until recently the very existence of Sioux and Navajo code-talkers had remained yet another classified war secret.

These proud code-talkers lived with the quiet dignity of knowing that they did a great service for their nation, but could never speak of their heroic deeds.

These Sioux code-talkers worked under some of the heaviest combat conditions and worked around the clock, often without sleep, to provide coded information that saved the lives of countless American soldiers.

The Sioux code-talkers were so successful that military commanders credit the code for many victories in battle.

These brave and heroic men deserve our deepest respect. We owe a debt of gratitude to these men. We must honor them and teach our children, so that their quiet dignity is silent no more. So we may now honor them as what they are—American heroes.

It took an act of Congress to honor the Navajo code-talkers, we should at least pay the same tribute to these other defenders of our freedom.

Let us never forget the 44,000 Native Americans who served in World War II. They fought for a nation that has mistreated historically their people. That is the ultimate sign of valor and sacrifice.

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

The SPEAKER pro tempore (Mr. CULBERSON). The question is on the motion offered by the gentleman from Oklahoma (Mr. LUCAS) that the House suspend the rules and pass the bill, H.R. 3250, as amended.

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

The title was amended so as to read:

"A bill to authorize the presentation of gold medals on behalf of Congress to Native Americans who served as Code Talkers during foreign conflicts in which the United States was involved during the 20th Century in recognition of their service to the Nation."

A motion to reconsider was laid on the table.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Ms. Wanda Evans, one of his secretaries.

## RONALD C. PACKARD POST OFFICE BUILDING

Mr. OSE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4794) to designate the facility of the United States Postal Service located at 1895 Avenida Del Oro in Oceanside, California, as the "Ronald C. Packard Post Office Building".

The Clerk read as follows:

H.R. 4794

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SECTION 1. RONALD C. PACKARD POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 1895 Avenida Del Oro in Oceanside, California, shall be known and designated as the "Ronald C. Packard Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Ronald C. Packard Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. OSE) and the gentleman from Illinois (Mr. DAVIS) will each control 20 minutes.

The Chair recognizes the gentleman from California (Mr. OSE).

## GENERAL LEAVE

Mr. OSE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill, H.R. 4794.

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

There was no objection.

Mr. OSE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4794, introduced by our distinguished colleague, the gentleman from California (Mr. ISSA), designates the post office located in Oceanside, California, as the Ronald C. Packard Post Office Building. Members of the entire House delegation from the State of California are cosponsors of this legislation.

Mr. Speaker, Ron Packard was first elected to Congress on November 2, 1982, after a successful write-in campaign, becoming only the fourth write-in candidate in U.S. history to win a House seat. He served the people of San Diego, Orange, and Riverside Counties for 18 years in the House of Representatives before his retirement at the close of the 106th Congress.

During his time in Congress, Mr. Packard served on the prestigious Committee on Appropriations and chaired the powerful Subcommittee on Energy and Water Development, Subcommittee on Military Construction,

and Subcommittee on Legislative of the Committee on Appropriations.

Mr. Packard began his public service in the United States Navy, which he entered upon graduation from dental school in 1957. He was stationed at Camp Pendleton, California, and served as a dentist in the U.S. Navy Corps. Following his military service, he relocated his family and practice to the Carlsbad area and founded the Packard Dental Clinic.

He quickly became active in local civic and business affairs, and received his first public post in 1962 as a trustee of the Carlsbad Unified School District, which included 3 years as chairman.

He served as a director of the Carlsbad Chamber of Commerce for 4 years, and served 2 years on the Carlsbad City Council, and 4 years as mayor of Carlsbad. As mayor, he focused on critical regional issues. He served 3 years on the Transportation Policy Committee of the League of California Cities, and 4 years as a director of the North County Transit District.

Representative Packard retired from Congress in 2000 so he could spend more time with his family. Ron and Jean Packard married in 1952 and have 7 children, 34 grandchildren, and 3 great-grandchildren.

Mr. Speaker, I urge adoption of H.R. 4794.

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

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a Member of the Committee on Government Reform, I rise in support of H.R. 4794, legislation naming a post office after Ronald C. Packard.

H.R. 4794, which was introduced by the gentleman from California (Mr. ISSA) on May 22, 2002, has met the committee policy and enjoys the support and cosponsorship of the entire California delegation.

Ron Packard was elected to Congress on November 2, 1982, by a write-in vote, only the fourth successful write-in candidate in the history of the United States Congress. Representative Packard represented the 48th District in California for 18 years, until his retirement from Congress on January 3, 2001.

A member of the United States Navy Dental Corps, Ronald Packard founded the Packard Dental Clinic before becoming active in community and business affairs. He began public service as a trustee and chairman of the Carlsbad Unified School District, going on to serve as a city councilman and later as mayor of Carlsbad.

While in Congress, Representative Packard served on the Committee on Appropriations, chairing the Subcommittee on Energy and Water Development, the Subcommittee on Military Construction, and the Subcommittee on Legislative. He also worked as a senior member of the Subcommittee on Transportation and the Subcommittee on Foreign Operations, Export Financing and Related Programs.

Previously, he served on the Committee on Public Works, and the Committee on Transportation and Infrastructure, and the Committee on Science, the Subcommittee on Space and Technology.

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

Mr. OSE. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. ISSA).

Mr. ISSA. Mr. Speaker, authoring this bill was a unique pleasure for me, for I have known Ron Packard for all but 2 years of the time that he was a Member of Congress. But what I did not know until I arrived here was what kind of a special Representative Ron Packard was while he was here in Congress.

Time after time Members on both sides of the aisle would come up to me and talk about something special they had with Ron, perhaps a difficult situation long into the night on a piece of legislation either here on the floor or in committee, or some piece of appropriations that both sides were wrangling with how to make it work. And Ron would quietly smile, give a kind word, listen, and try to make things happen. That attitude, that way of doing business, was what everyone remembered about Ron.

What we also remember about Ron Packard is that he was able to have that unique talent so seldom found in this body, but so admired when it is found. Ron was able to be fiercely partisan in his beliefs and totally open and bipartisan in the way he approached problems, in the way he dealt with Members on both sides of the aisle.

Ron was known as a man who was already not only an adult, but a father and on his way to being a grandfather before he discovered the game of golf. He did not use golf as a tool against anyone, he used it as an opportunity to come to the other side of the aisle to say, let us go talk about something and maybe catch a round of golf.

Ron did that in everything that he did here in the House. He will be remembered for his effectiveness, but most important, back in our district, he today is contributing as only a former Member of Congress can.

Mr. Speaker, I rise today in support of H.R. 4794, a bill designating the United States Post Office building in Oceanside, California, as the "Ronald C. Packard Post Office Building." I would like to thank Chairman DAN BURTON and the Government Reform Committee for discharging this bill, and House Leadership for placing it on the suspension calendar in such an expeditious manner.

Many of you remember Ron Packard as the distinguished Congressman who represented the 48th Congressional District for 18 years, but you may not know his storied past. Congressman Ron Packard has served the people of California and his country for nearly half century, accentuating integrity and above all, respect for his fellow man.

After relocating his family to Northern San Diego County, Ron Packard began his public service career as a trustee of the Carlsbad

Unified School District, serving from 1962 to 1974. Ron Packard went on to serve two years on the Carlsbad City Council, and was elected the city's mayor in 1978. During his four years as mayor, Packard was very involved with the community and regional affairs. He served three years on the transportation policy committee of the League of California Cities, and spent four years as a Director of North County Transit District. He also served two years as the President of the Council of Mayors for San Diego County.

Ron Packard was first elected to Congress on November 2, 1982, through a grassroots write-in campaign. He was only the fourth successful write-in candidate in the history of the United States Congress. During his time in Congress, he served on the House Appropriations Committee and chaired the Energy and Water Development, Military Construction, and Legislative Branch Subcommittees.

Congressman Ron Packard retired from public service on January 3, 2001 to spend more time with his wife Jean, his seven children, thirty-four grandchildren, and three great-grandchildren. His legacy in Congress is best characterized by hard work and honesty. Ron Packard has left an extremely positive and long-lasting impression on me, his colleagues in Congress and most importantly, his constituents. I am honored to sit in the seat that Ron Packard occupied before me.

Mr. OSE. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HUNTER).

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding, and I arrived late. I just wanted to pay my respects to Ron Packard and the action that we are taking today on his behalf.

I just wanted to say that Ron really had two great trademarks in the House: his great civility, his ability to get along with other Members, and to argue on the substance but never on a personal level and I think bring us together in many difficult times and also had great conservative values which very much reflected the values of his district and of San Diego County. I think that this naming of the post office is a fitting tribute to Ron and a fitting tribute to those values which have served us so well.

So my best to Ron Packard, and I want to thank the chairman for allowing me to come down and talk about him a little bit.

Mr. OSE. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. COX).

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

Mr. COX. Mr. Speaker, I thank the gentleman from California for yielding me the time.

I, too, rise in support of the legislation, H.R. 4794, just considered by the House of Representatives, to designate the Ron Packard post office in Oceanside. I am proud to join with the gentleman from California (Mr. HUNTER), the gentleman from California (Mr. OSE), and others in the California delegation for this purpose, because it was my privilege to serve alongside Ron Packard, physically alongside him,

here in the Congress, geographically in southern California for 12 years; and it was my privilege in that process to come to know this extraordinary man.

When I first came to Congress, I served with Ron on the Committee on Public Works and Transportation where he was, as he now is, an expert on aviation, serving on that as well as other subcommittees in the Congress. He continued to have even greater influence in that area during his service on the Committee on Appropriations where he was a cardinal, a term of reverence, well-deserved in his case, for someone who wields the extraordinary power of the purse in our constitutional system.

It is interesting to think, as we completed debate during this Congress on campaign finance reform and all of our expressions of concern about the influences in the political system, about what this means in Ron's case. Ron Packard did not get here because of the help of special interests. He was not even a nominee of a major party. He had to run against the Democratic nominee. He had to run against the Republican nominee. He ran as an individual, as Ron Packard; and in an extraordinary fashion, his constituents wrote in his name in the general election, and he defeated the Republican and Democrat nominee, and that is how he came to Congress here. He was Ron Packard first and became his party's standard bearer only thereafter because the people voted him in.

He was the embodiment of a citizen politician. He was everything a Member of Congress should be and everything a national leader should be.

I am submitting a much more lengthy tribute for the RECORD, because I think it is quite possible to go on about Ron Packard without stopping; and I know we have other business to do here.

I very much appreciate the time that the gentleman from California yielded to me.

Now, it should be said about a Republican who serves on the Committee on Appropriations that there are temptations. The whole term limits movement has a reason in America because of those temptations, because people who serve too long in Washington find it too easy to spend other people's money on pork barrel projects, on wasteful Washington ways. Sometimes they forget about the people back home. It is sad to say that temptation is strongest when one is closest to the money on the committee charged with spending it, the Committee on Appropriations in the House and in the Senate.

So how honored are we as American citizens to have been served by a chairman on the Committee on Appropriations who took his trust so seriously that, in discharging it, he actually reduced spending.

When Ron Packard first became a chairman on the Committee on Appropriations in 1995, he quickly sent a bill to the floor of the House of Representatives that did not just cut spending for the benefit of taxpayers, it cut spending at home where, presumably, it would hurt Members of Congress themselves most, in our

own legislative budget. He cut spending by Congress on itself by fully one-third, an extraordinary achievement when we had a new majority, a new Congress.

In fact, throughout his career in the majority as a cardinal, as a chairman on the Committee on Appropriations, Ron garnered awards, not for bringing home the bacon, but from such groups as Americans for Tax Reform, which rated him a taxpayer's hero, and the National Taxpayers Union, which rated him—even as an appropriator and a cardinal—in the top 5 percent of people in this entire Congress interested in cutting spending.

This was an extraordinary accomplishment and something that all of his colleagues here are proud of. He made us all proud during his 18 years of service in this body. Everything that he has done in his career, even before he came to Congress, as a local leader, as a mayor, as a member of the city council, as a dentist with his own practice, has distinguished him.

It is well said that ours is a government of, by and for the people. The for and by parts are very important. But remember that it is also a government of the people, and that this Congress, which manufactures nothing, is simply the sum of the people who populate it the people who were chosen by the voters to come back here.

Therefore, by being who he has been, the fine gentleman that he has been and is, the leader that he has been, the exemplar that he has been for all of us, he has improved this institution, the people's House. The Congress of the United States and thus our country is the better for it.

It has been a privilege to know the gentleman, Mr. Packard, and the designation of this post office in Oceanside, CA, is a fitting tribute to his contributions to our democracy.

Mr. CUNNINGHAM. Mr. Speaker, I rise today to support H.R. 4794, designating the Ronald C. Packard Post Office Building.

Ron has a long legacy of service to San Diego and has served the community in one capacity or another since 1962. From his election to Congress in 1982 until his retirement in 2000, Ron worked tirelessly on behalf of the people of San Diego. His leadership as the chairman of the Energy and Water Appropriations Subcommittee provided for many of the improvements to San Diego's infrastructure. Ron was also a senior member of the Transportation Subcommittee and was crucial in securing funding for many of the highway improvements and transit projects in the county.

Aside from Ron's service and achievements, he is also a trusted friend. In my time in this body, I have turned to Ron many times as the senior member of the San Diego delegation for advice. Ron is one of the most sincere and genuine individuals I have ever met. His character is unquestionable and I think that we would all do well to conduct our lives with the same sense of purpose and moral wisdom as Ron.

I believe that this post office is a fitting tribute to Ron Packard's career in Congress and I am pleased to lend my support to this legislation.

Ms. WATSON of California. Mr. Speaker, thank you, Mr. ISSA, for introducing this bill, and for allowing me to speak in support of naming a post office after Congressman Ron Packard.

Ron Packard has been a fixture in California politics for as long as I can remember. When

most people think of the responsibilities of a Member of Congress, they think of our work here in Washington, shaping policy and passing legislation. But much of the job we do is focused on our own communities back home, serving as advocates for our hometowns and neighborhoods.

Over the two decades that he served in Congress, Ron Packard excelled in both these roles. In the House he rose to become an Appropriations subcommittee chairman, one of the so-called "Cardinals" who have a special responsibility for shaping our government's spending policy.

But he was always focused on finding ways to help out his constituents and neighbors back home. Congressman Packard started out in local politics, as director of the Carlsbad Chamber of Commerce. Strengthening the economy of his community and his state was his overriding passion. Like many Californians, Ron Packard was a pioneer, moving to California to serve in the United States Navy. After his service he settled here, and helped to build our state, as a dentist and local businessman.

This blend of military and private sector experience made Congressman Packard uniquely qualified to deal with one of the great economic challenges that California has had to confront over the last decade—the decline in huge defense budgets that came with the end of the Cold War. The California economy has had to adjust to this new reality, and Congressman Packard was a leader in this effort, whether it was cleaning up or converting old military sites or supporting efforts to diversify the local economy.

Congressman Packard retired so that he could spend more time with his family. I understand that he now has thirty-four grandchildren and three great-grandchildren, so I expect that spoiling all those youngsters will keep him quite busy.

This bill is a fitting tribute to Congressman Packard for the years of service he has provided to this House, his community and his country. Thank you again Mr. ISSA.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. OSE) that the House suspend the rules and pass the bill, H.R. 4794.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. DAVIS of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### JIM FONTENO POST OFFICE BUILDING

Mr. OSE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4717) to designate the facility of the United States Postal Service located at 1199 Pasadena Boulevard in Pasadena, Texas, as the "Jim Fonteno Post Office Building."

The Clerk read as follows:

H.R. 4717

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. JIM FONTENO POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 1199 Pasadena Boulevard in Pasadena, Texas, shall be known and designated as the "Jim Fonteno Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Jim Fonteno Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. OSE) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. OSE).

#### GENERAL LEAVE

Mr. OSE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

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

There was no objection.

Mr. OSE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4717, introduced by our colleague, the gentleman from Texas (Mr. BENTSEN), designates a post office located in Pasadena, Texas, as the Jim Fonteno Post Office Building. Members of the entire House delegation from the State of Texas are co-sponsors of this legislation.

Mr. Speaker, during his 28-year tenure as Harris County commissioner, Commissioner Jim Fonteno has championed many projects to improve east Harris County. For instance, one of his first initiatives was to create senior citizen centers throughout east Harris County. Today these senior centers are available throughout Harris County, and it is a tribute to Commissioner Fonteno for his foresight in championing their establishment. These multiservice centers provide many services to senior citizens, including transportation services to and from the centers. In addition, Commissioner Fonteno has worked to improve local recreation facilities by upgrading equipment, purchasing land, and building new facilities.

□ 1300

There are currently 35 parks in Commissioner Fonteno's precinct, covering 4,000 acres and providing 30 miles of hiking and biking trails. Commissioner Fonteno has also worked to improve the services available to youth by establishing the East Harris County Youth Program, which serves at-risk boys and girls with summer camps and after-school programs. Both of these programs help young people to succeed both academically and socially.

The renaming of the Pasadena post office building in honor of Commissioner Jim Fonteno is a well-deserved honor. He has tirelessly served the citizens of East Harris County through his many public and civic endeavors.

Mr. Speaker, I urge adoption of H.R. 4717.

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

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I might consume.

As a member of the House Committee on Government Reform I rise in support of H.R. 4717, legislation naming a post office after Jim Fonteno. H.R. 4717, which was introduced by the gentleman from Texas (Mr. BENTSEN) on May 14, 2002, has met the committee policy and enjoys the support and co-sponsorship of the entire Texas delegation.

Jim Fonteno is a county commissioner in East Harris County, Texas; and for over 28 years, Commissioner Fonteno has worked to deliver services to senior citizens and the young people of his community. He has improved local recreation facilities, established camps and after-school programs for at-risk youth and created senior centers for the elderly.

Commissioner Jim Fonteno is known throughout the county for his dedication to public service, and I am pleased to join with my colleagues in seeking to honor such a man.

Mr. Speaker, it is my pleasure to yield such time as he might consume to the gentleman from Texas (Mr. BENTSEN).

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

Mr. BENTSEN. Mr. Speaker, I thank the chairman and ranking member of the subcommittee for yielding me the time today.

I rise in strong support of H.R. 4717, legislation that I am sponsoring along with the entire Texas delegation, to rename the post office at 1199 Pasadena Boulevard in Pasadena, Texas, in my congressional district as the Jim Fonteno Post Office Building. As has been mentioned, Jim Fonteno has served as a member of the Harris County Commissioner Court for Precinct 2 in East Harris County since 1974 and will be retiring at the end of this year.

First elected in 1974, Jim Fonteno has exhibited dedication and compassion for those he served in East Harris County. He is and has been a permanent fixture throughout the region. Beloved by his constituents, Commissioner Fonteno can be found mingling at one of the many centers he helped to develop, riding on a Precinct 2 bus to an Astros game with them or serving as an auctioneer for one charitable group or another, notoriously wearing his Precinct 2 cap and corralling wandering politicians to ante up for the cause.

Jim Fonteno is a veteran of both the United States Army and Merchant Marines. Prior to service as county commissioner, Jim Fonteno served as municipal court judge for the city of Baytown, Texas. He also served as port commissioner for the Port of Houston Authority before he was elected to the office of county commissioner. Jim and his wife, JoAnn, have seven grown children and live in the Northshore area of East Harris County. He is an active member of the Holy Trinity United Methodist Church.

Of particular note is the commissioner's famed senior citizens program. Shortly after taking office in 1975, Commissioner Fonteno went to work on implementing a program that would address the unique needs of senior citizens in Precinct 2. Commissioner Fonteno did not believe retirement should mean resignation from one's community; but he realized that for many of his constituents, most of whom were working people on fixed incomes, retirement meant just that. He also realized that for many, particularly widows, that lack of adequate nutrition and social and physical activity would result in a degraded life just at the time when one should be enjoying themselves for a lifetime of labor.

Realizing there were no county funds for such a program, Commissioner Fonteno formed East Harris County Senior Citizens. This nonprofit program provides activities and transportation to the seniors throughout the precinct. Additionally, activities and meals are made available to seniors at the multiservice centers established by Commissioner Fonteno. Veterans' medical needs are also addressed, and transportation is provided to and from the VA hospital.

One of the most critical needs that seniors faced was obtaining adequate transportation. Because seniors had limited transportation, many of them were literally inactive. Without it, many would remain shut in and excluded from county activities.

In 1976, Commissioner Fonteno, along with four area businessmen, signed a note on a 32-passenger bus nicknamed the Fun Bus. Today, the fleet includes 21 buses, five of which are equipped for the physically challenged. The buses are used to transport senior citizens to various places and activities.

Over the past 28 years, Jim Fonteno has built a network of senior activity centers and nutrition and health programs that have enriched the lives of thousands of senior citizens throughout East Harris County. Commissioner Fonteno has remained steadfast throughout his career in ensuring that senior citizens in every corner of his precinct are served, and he never shied way from the difficult odds in establishing this revered program.

Another important initiative for Commissioner Fonteno was his effort to beautify and improve local recreation areas in East Harris County. Commissioner Fonteno has worked in

conjunction with the Parks Department to provide safe and attractive environments by upgrading equipment, purchasing land, and building new facilities.

Today, accommodations in Precinct 2 include ADA/CPSC-approved playground equipment, picnic facilities, baseball and soccer fields, boat ramps and fishing piers. Through his leadership, there are now 35 parks in Precinct 2 covering 4,000 acres, including 30 miles of hike and bike trails.

In 1992, Commissioner Fonteno initiated a wildflower program saving the taxpayer funds and increasing the aesthetic value of the property. Today, there are 67 wildflower areas which are part of the Parks Department and can be seen throughout Precinct 2.

Commissioner Fonteno also worked to improve the opportunities for our Nation's youth. Early in his career, Commissioner Fonteno established the East Harris County Youth Program, which is dedicated to serving the young people. The program, which started as a pilot program as a summer camp at the J.D. Walker Community Center and an after-school program at Cloverleaf Elementary, now offers comprehensive services to youth from first to fifth grade for at-risk individuals. The program is targeted to help boys and girls from any ethnic background who may face challenges, both academically and socially, to succeed.

Commissioner Fonteno's motto has always been: "A day's work for a day's pay." His hardworking ethic is renowned in our area as someone who has dedicated this life to public service. In his spare time, Commissioner Fonteno has helped to raise \$4 million for various nonprofit organizations through his work as a licensed auctioneer. He has been a hands-on public servant working 7 days a week to meet the needs of his constituents.

As I have traveled the parts of the 25th Congressional District which overlap with Precinct 2, it is more often than not that I come across Commissioner Fonteno's tracks. Nothing occurs within his precinct that he does not take interest in or offer to help and assist. He has been a tremendous leader for our county, particularly East Harris County, for more than a quarter of a century. I applaud him for his service to our community and commend him for all he has championed to improve our lives.

Naming the U.S. Post Office in Pasadena, Texas, after Jim Fonteno is a tribute to the service and leadership he has provided to all of East Harris County.

Mr. GREEN of Texas. Mr. Speaker, I rise today, joining my colleagues in paying tribute to a leader in Harris County, TX, who is retiring from office this year. Harris County Commissioner Jim Fonteno, in his 27th year of service to the county, has earned the respect and admiration of his colleagues and his constituents with his tireless devotion to his job. The Jim Fonteno Post Office is our small way of repaying him for all he has done over the years.

A veteran of the U.S. Army and the U.S. Merchant Marine, Commissioner Fonteno has a long history of public service. He has served as a municipal judge for the city of Baytown, served two terms as the commissioner of the Port of Houston, and, since his swearing-in on January 1, 1975, has represented the residents of precinct two in Harris County.

Over the years, Commissioner Fonteno has been an advocate for those often neglected or forgotten in our society. When he took office, he recognized the need for programs aimed at senior citizens, and, when he realized that the County did not have the money, he formed East Harris County Senior Citizens, a nonprofit corporation.

The most critical need seniors faced was adequate transportation. Because seniors had limited transportation, many of them were inactive and isolated from the rest of the community. In 1976, Commissioner Fonteno, along with four area businessmen, signed a note on a 32-passenger bus nicknamed "The Fun Bus." Today, the fleet includes 21 buses, five of which are equipped for the physically challenged.

These buses are used to transport senior citizens to various places and activities. East Harris County Senior Citizens sponsor various activities throughout the year, including trips to sporting events such as Houston Astros, Comets, and Aeros games, and the Houston Livestock Show & Rodeo.

One of the most popular events sponsored by the East Harris County Senior Citizens is the Senior Citizen Olympics, held annually throughout precinct two. These fun-filled events provide both social and physical interaction among senior citizens.

However, not every senior is able to attend these events. The distinctive needs of the seniors in the 18 nursing homes located throughout precinct two are addressed by the Nursing Home Program. Special activities such as movie parties, manicures, and the Ms. Golden Years Pageant are offered to nursing home residents. In addition, the handicap buses are utilized for field trip outings.

All of these activities are funded solely by grants, fund raisers, and private donations made to the 501-C3 corporation.

Another cause that Commissioner Fonteno devoted a great deal of time to was the well-being of our youth. The East Harris County Youth Program, which he founded, is dedicated to serving the needs of the Harris County precinct two youth. The program originated as a pilot program comprising a summer camp at J.D. Walker Community Center and an after-school program at Cloverleaf Elementary School.

The single most important role of the East Harris County Youth Program is to serve as a vehicle that makes learning fun. Designed to be a resource, not a substitute for school systems, the program is a strong proponent of students staying in school.

Although academic achievements receive top priority, the East Harris County Youth Program also puts an emphasis on physical activity.

I am proud to know Jim Fonteno, proud to call him a friend, and honored to be his representative in the U.S. House of Representatives.

My only regret is that, after all these years in public service, we will no longer have Commissioner Fonteno, his experience, and his

wisdom, at the commissioner's Court, fighting for the people of precinct two. I thank Jim Fonteno for his service, and wish him the best as he settles into a well-deserved retirement.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I am pleased to rise in support of a great man, a great Texan, and a great fellow-Houstonian. Commissioner Jim Fonteno truly deserves the honor of having his name placed on the Pasadena Post Office Building.

Commissioner Fonteno has touched the lives of every person in East Harris County, from the youngest to the oldest. He has worked tirelessly for the youth of the area, establishing the East Harris County Youth Program, which provides wonderful opportunities for "at risk" boys and girls to attend stimulating summer camps and after-school programs. He has supported and improved the many parks, with miles of hiking and biking trails, that serve the people of precinct two.

Perhaps his greatest contribution has been in championing the Senior Citizen Centers throughout Harris County. These centers provide multiple services to seniors, and even bring seniors in to enjoy these services and help them home when they are done. That kind of service and access is difficult to find in this country, and is there because of the good work of Commissioner Fonteno.

The Commissioner has a motto: "A day's work for a day's pay." I believe the people of East Harris County have gotten more than their money's worth out of Commissioner Fonteno.

I thank my colleague from Texas for introducing this resolution. I am pleased to rise in support of it.

Mr. DAVIS of Illinois. Mr. Speaker, I have no further requests for time, and I yield back the balance of our time.

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

The SPEAKER pro tempore (Mr. BONILLA). The question is on the motion offered by the gentleman from California (Mr. OSE) that the House suspend the rules and pass the bill, H.R. 4717.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. DAVIS of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### SMALL BUSINESS PAPERWORK RELIEF ACT OF 2002

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 444 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 444

*Resolved*, That upon adoption of this resolution it shall be in order to take from the Speaker's table the bill (H.R. 327) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by

small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, with Senate amendments thereto, and to consider in the House, without intervention of any point of order, a single motion offered by the chairman of the Committee on Government Reform or his designee that the House concur in the Senate amendments. The Senate amendments and the motion shall be considered as read. The motion shall be debatable for one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform. The previous question shall be considered as ordered on the motion to final adoption without intervening motion or demand for division of the question.

□ 1315

The SPEAKER pro tempore (Mr. BONILLA). The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to my friend, the gentlewoman from New York (Ms. SLAUGHTER); pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

This rule provides for a single motion offered by the chairman of the Committee on Government Reform to concur with the Senate amendments. The rule waives all points of order against consideration of the motion to concur with the Senate amendments, and provides for 1 hour of general debate equally divided and controlled by the chairman and ranking member of the Committee on Government Reform.

The purpose of this legislation is to reduce the Federal paperwork burden on small businesses. Mr. Speaker, with the plethora of regulatory mandates on small business growing to unprecedented levels, so, too, is the gigantic task of filling out required paperwork. Our Nation's 23 million small businesses spent approximately 7 billion, billion with a "B," hours filling out Federal paperwork in 1998, according to the Office of Management and Budget. The cost associated with this burdensome paperwork is estimated at \$229 billion, again billion with a "B," and that does not take into account State and local requirements.

As a one-time small businesswoman myself, I know the hurdles that our entrepreneurs face: strangling red tape, burdensome regulations, and mountains of paperwork. H.R. 327 would help to streamline small business' paperwork burden by requiring Federal agencies to publish a list of resources that small businesses could use for complying with applicable paperwork requirements so they can know exactly what is required of them.

In addition, it would require each Federal agency to establish a liaison for small business paperwork requirements and to help small businesses comply with their legal obligations,

and it would establish a task force to consider ways to streamline paperwork requirements even further.

H.R. 327 is a step in the right direction. It relieves our Nation's small businesses from an overwhelming paperwork burden that threatens to bury them. To that end I urge my colleagues to support this rule and to support the common-sense underlying legislation. It is a bicameral, bipartisan agreement that the Senate has already passed.

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

Ms. SLAUGHTER. Mr. Speaker, I thank my colleague, the gentlewoman from North Carolina, for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

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

Ms. SLAUGHTER. Mr. Speaker, I rise in support of the rule and in support of the underlying bill.

Mr. Speaker, at a time when large corporations and manufacturers are announcing layoffs and scaling back production, more and more regions of the country are learning what western New York already knows; that the small business sector can be the real economic engine for our communities. Small businesses generate the jobs that keep our cities and towns vibrant, they generate the opportunities that anchor our sons and daughters to family and home, and they foster the innovators who represent the brightest hope for our future.

Last month I was pleased to host the Small Business Administration's 2002 Young Entrepreneur of the Year, a young man named Aaron Zach Philips from Rochester, New York. Although only 25 years old, Zach has achieved remarkable success. He is the president of Kink BMX, a manufacturer and distributor of BMX bicycle parts and related soft goods. Since 1999, Zach has doubled his company's growth annually with sales reaching nearly \$1 million as of March 31, 2001. Zach now does business outside the United States and sells his product through distributors in Europe, Canada, Australia, and Japan. On every mailing logo, every label, every brochure or marketing tool he prints the words "Rochester Made Means Quality Made."

Zach embodies a growing trend that Congress must continue to foster. Small businesses now account for approximately 75 percent of all new jobs added to the economy and represent 99.7 percent of all employers. Small businesses provide almost one-third of the workers with their first jobs and initial on-the-job training in basic skills. The important role small businesses play in keeping our Nation competitive must not be overshadowed by corporate America's clout in this body. We must ensure that entrepreneurs like Zach are afforded the same attention and access to Washington that the large corporate interests enjoy.

A quick look at the numbers show that small businesses form the backbone of our economy. They account for half of our domestic products and contribute more than 55 percent of the innovations in such sectors as manufacturing, technology and services. During the long boom of the 1990s, small businesses forged the way for high-tech expansion and growth. They now account for almost 40 percent of the jobs in the high-technology sector.

One reason for this is that women and minorities are opening small businesses in record numbers. Women-owned businesses nearly doubled during the last decades. There are currently an estimated 6.2 million women-owned businesses, accounting for 28 percent of all privately held firms. These firms generate \$1.15 trillion in sales and employ 9.2 million workers. The number of minority-owned enterprises nearly quadrupled in the last decade, and they generally outstrip the national average in business creation and receipts. Minorities now own 15 percent of American business, and 99 percent of these businesses are small businesses.

Congress has addressed the needs of small business before. We have passed paperwork reduction legislation, such as the Paperwork Reduction Act, PRA, and the Small Business Regulatory Enforcement Fairness Act. Moreover, the last administration streamlined regulations by reinventing government and implementing many of the recommendations made by the White House Conference on Small Businesses. The measure before us today continues this effort to reduce unnecessary paperwork for small businesses. I know of no opposition to this measure.

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

Mrs. MYRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. OSE), who is the Chair of the subcommittee.

Mr. OSE. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I am speaking today in support of the rule for a good government bill to streamline and reduce paperwork burdens on small businesses, H.R. 327, the Small Business Paperwork Relief Act.

The predecessor to this bill were bills introduced in the 105th and 106th Congresses by the former chairman of a subcommittee of the Committee on Government Reform, Mr. David McIntosh, and those would have been H.R. 3310 and H.R. 391 respectively.

In 1999, Senator VOINOVICH introduced and held a hearing on an identical companion bill, which would be Senate 1378. In 1998 and 1999, the House passed the predecessor bills by votes of 267 to 140 and 274 to 151 respectively. The Senate Committee on Governmental Affairs did not mark up the Voinovich bill.

On January 31, 2001, the chairman of the Committee on Government Reform, the gentleman from Indiana (Mr. BURTON), introduced H.R. 327. This bill in-

cludes all of the substantive provisions in the predecessor bills except those relating to the waiver of sanctions for first-time violations by small businesses of Federal paperwork requirements. On March 15, the House passed H.R. 327 by a resounding 418 to 0 vote.

On July 30, Senator VOINOVICH introduced a companion but not identical bill, S. 1271. It also does not include any provisions relating to the waiver of sanctions for first-time violations by small businesses. However, it does include provisions for biennial agency reporting on enforcement actions taken and civil penalties assessed, including actions and assessments against small businesses.

On December 17, the Senate passed S. 1271 by unanimous consent. On May 22 of this year, after bipartisan, bicameral staff-level meetings, the Senate passed an agreed-upon amended version of H.R. 327 by unanimous consent.

H.R. 327, as amended by the Senate, includes helpful provisions for small businesses, including a requirement for the Office of Management and Budget to annually publish in the Federal Register and on the Internet a list of compliance assistance resources available to small businesses, a requirement for each agency to establish a single point of contact for small businesses, a requirement for each agency to make further efforts to reduce paperwork for small businesses with fewer than 25 employees, establishment of an interagency task force to study streamlining of paperwork requirements for small businesses, and a requirement for two annual reports for fiscal years 2003 and 2004 from each agency on enforcement actions taken and civil penalties assessed, including actions and assessments against small businesses.

Despite the statutory requirements for annual reductions in paperwork burden, there have been annual increases, instead of annual decreases, in paperwork in each of the last 6 years, from 1996 to 2001. In addition, OMB's April 2002 report to Congress on Federal paperwork did not identify any interagency efforts to streamline paperwork requirements on small businesses.

Small businesses are particularly hurt by regulatory and paperwork burden. In an October 2001 report, the Small Business Administration estimated that it cost large firms, those with over 500 employees, \$4,463 per employee to comply with Federal regulatory and paperwork requirements. However, the cost to small businesses, those with fewer than 20 employees, is nearly 60 percent higher, a staggering \$6,975 per employee.

Since introduction the staff of my subcommittee has worked with the staff of the Committee on Small Business to address concerns by this committee's majority and minority. As a consequence, as it did in the 105th Congress for the predecessor bill, that being H.R. 391, the Committee on Small Business sent a letter waiving

jurisdiction on H.R. 327. H.R. 327 has been endorsed by many organizations including the U.S. Chamber of Commerce, the National Association of Manufacturers, the National Federation of Independent Business, the National Small Business United Organization, the Small Business Coalition for Regulatory Relief, the Small Business Legislative Council, and the Small Business Survival Committee.

The Congressional Budget Office provided a preliminary estimate of the budgetary impact of H.R. 327, saying that the bill "would result in a minimal cost for Federal agencies each year. Because the bill would not affect direct spending or governmental receipts, pay-as-you-go procedures would not apply."

I support the rule to enable the House to consider a motion to concur with the Senate amendments to H.R. 327 and 1 hour of general debate evenly divided. Not only are regulatory and paperwork costs higher for small businesses, but also they are harder to absorb. Small businesses simply cannot afford to comply with Federal requirements in the same way that large businesses can. H.R. 327 should result in some much needed relief for small businesses.

Ms. SLAUGHTER. Mr. Speaker, I have no request for time, and I reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I have no further speakers.

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

Mrs. MYRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. OSE. Mr. Speaker, pursuant to House Resolution 444, I call up the bill (H.R. 327) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, with Senate amendments thereto, and ask for its immediate consideration.

The Clerk read the title of the bill.

MOTION OFFERED BY MR. OSE

Mr. OSE. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore (Mr. BONILLA). The Clerk will designate the motion.

The text of the motion is as follows:

Mr. OSE moves that the House concur in the Senate amendments, as follows:

Senate amendments:

Strike out all after the enacting clause and insert:

**SECTION 1. SHORT TITLE.**

*This Act may be cited as the "Small Business Paperwork Relief Act of 2002".*

**SEC. 2. FACILITATION OF COMPLIANCE WITH FEDERAL PAPERWORK REQUIREMENTS.**

(a) REQUIREMENTS APPLICABLE TO THE DIRECTOR OF OMB.—Section 3504(c) of title 44, United

States Code (commonly referred to as the "Paperwork Reduction Act"), is amended—

(1) in paragraph (4), by striking "and" and inserting a semicolon;

(2) in paragraph (5), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(6) publish in the Federal Register and make available on the Internet (in consultation with the Small Business Administration) on an annual basis a list of the compliance assistance resources available to small businesses, with the first such publication occurring not later than 1 year after the date of enactment of the Small Business Paperwork Relief Act of 2002."

(b) ESTABLISHMENT OF AGENCY POINT OF CONTACT.—Section 3506 of title 44, United States Code, is amended by adding at the end the following:

"(i)(1) In addition to the requirements described in subsection (c), each agency shall, with respect to the collection of information and the control of paperwork, establish 1 point of contact in the agency to act as a liaison between the agency and small business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)).

"(2) Each point of contact described under paragraph (1) shall be established not later than 1 year after the date of enactment of the Small Business Paperwork Relief Act of 2002."

(c) ADDITIONAL REDUCTION OF PAPERWORK FOR CERTAIN SMALL BUSINESSES.—Section 3506(c) of title 44, United States Code, is amended—

(1) in paragraph (2)(B), by striking "and" and inserting a semicolon;

(2) in paragraph (3)(J), by striking the period and inserting "and"; and

(3) by adding at the end the following:

"(4) in addition to the requirements of this chapter regarding the reduction of information collection burdens for small business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)), make efforts to further reduce the information collection burden for small business concerns with fewer than 25 employees."

### SEC. 3. ESTABLISHMENT OF TASK FORCE ON INFORMATION COLLECTION AND DISSEMINATION.

(a) IN GENERAL.—Chapter 35 of title 44, United States Code, is amended—

(1) by redesignating section 3520 as section 3521; and

(2) by inserting after section 3519 the following:

#### "§3520. Establishment of task force on information collection and dissemination

"(a) There is established a task force to study the feasibility of streamlining requirements with respect to small business concerns regarding collection of information and strengthening dissemination of information (in this section referred to as the "task force").

"(b)(1) The Director shall determine—

"(A) subject to the minimum requirements under paragraph (2), the number of representatives to be designated under each subparagraph of that paragraph; and

"(B) the agencies to be represented under paragraph (2)(K).

"(2) After all determinations are made under paragraph (1), the members of the task force shall be designated by the head of each applicable department or agency, and include—

"(A) 1 representative of the Director, who shall convene and chair the task force;

"(B) not less than 2 representatives of the Department of Labor, including 1 representative of the Bureau of Labor Statistics and 1 representative of the Occupational Safety and Health Administration;

"(C) not less than 1 representative of the Environmental Protection Agency;

"(D) not less than 1 representative of the Department of Transportation;

"(E) not less than 1 representative of the Office of Advocacy of the Small Business Administration;

"(F) not less than 1 representative of the Internal Revenue Service;

"(G) not less than 2 representatives of the Department of Health and Human Services, including 1 representative of the Centers for Medicare and Medicaid Services;

"(H) not less than 1 representative of the Department of Agriculture;

"(I) not less than 1 representative of the Department of the Interior;

"(J) not less than 1 representative of the General Services Administration; and

"(K) not less than 1 representative of each of 2 agencies not represented by representatives described under subparagraphs (A) through (J).

"(c) The task force shall—

"(1) identify ways to integrate the collection of information across Federal agencies and programs and examine the feasibility and desirability of requiring each agency to consolidate requirements regarding collections of information with respect to small business concerns within and across agencies, without negatively impacting the effectiveness of underlying laws and regulations regarding such collections of information, in order that each small business concern may submit all information required by the agency—

"(A) to 1 point of contact in the agency;

"(B) in a single format, such as a single electronic reporting system, with respect to the agency; and

"(C) with synchronized reporting for information submissions having the same frequency, such as synchronized quarterly, semiannual, and annual reporting dates;

"(2) examine the feasibility and benefits to small businesses of publishing a list by the Director of the collections of information applicable to small business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)), organized—

"(A) by North American Industry Classification System code;

"(B) by industrial sector description; or

"(C) in another manner by which small business concerns can more easily identify requirements with which those small business concerns are expected to comply;

"(3) examine the savings, including cost savings, and develop recommendations for implementing—

"(A) systems for electronic submissions of information to the Federal Government; and

"(B) interactive reporting systems, including components that provide immediate feedback to assure that data being submitted—

"(i) meet requirements of format; and

"(ii) are within the range of acceptable options for each data field;

"(4) make recommendations to improve the electronic dissemination of information collected under Federal requirements;

"(5) recommend a plan for the development of an interactive Governmentwide system, available through the Internet, to allow each small business to—

"(A) better understand which Federal requirements regarding collection of information (and, when possible, which other Federal regulatory requirements) apply to that particular business; and

"(B) more easily comply with those Federal requirements; and

"(6) in carrying out this section, consider opportunities for the coordination—

"(A) of Federal and State reporting requirements; and

"(B) among the points of contact described under section 3506(i), such as to enable agencies to provide small business concerns with contacts for information collection requirements for other agencies.

"(d) The task force shall—

"(1) by publication in the Federal Register, provide notice and an opportunity for public comment on each report in draft form; and

"(2) make provision in each report for the inclusion of—

"(A) any additional or dissenting views of task force members; and

"(B) a summary of significant public comments.

"(e) Not later than 1 year after the date of enactment of the Small Business Paperwork Relief Act of 2002, the task force shall submit a report of its findings under subsection (c) (1), (2), and (3) to—

"(1) the Director;

"(2) the chairpersons and ranking minority members of—

"(A) the Committee on Governmental Affairs and the Committee on Small Business and Entrepreneurship of the Senate; and

"(B) the Committee on Government Reform and the Committee on Small Business of the House of Representatives; and

"(3) the Small Business and Agriculture Regulatory Enforcement Ombudsman designated under section 30(b) of the Small Business Act (15 U.S.C. 657(b)).

"(f) Not later than 2 years after the date of enactment of the Small Business Paperwork Relief Act of 2002, the task force shall submit a report of its findings under subsection (c) (4) and (5) to—

"(1) the Director;

"(2) the chairpersons and ranking minority members of—

"(A) the Committee on Governmental Affairs and the Committee on Small Business and Entrepreneurship of the Senate; and

"(B) the Committee on Government Reform and the Committee on Small Business of the House of Representatives; and

"(3) the Small Business and Agriculture Regulatory Enforcement Ombudsman designated under section 30(b) of the Small Business Act (15 U.S.C. 657(b)).

"(g) The task force shall terminate after completion of its work.

"(h) In this section, the term "small business concern" has the meaning given under section 3 of the Small Business Act (15 U.S.C. 632)."

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 35 of title 44, United States Code, is amended by striking the item relating to section 3520 and inserting the following:

"3520. Establishment of task force on information collection and dissemination.  
"3521. Authorization of appropriations."

### SEC. 4. REGULATORY ENFORCEMENT REPORTS.

(a) DEFINITION.—In this section, the term "agency" has the meaning given that term under section 551 of title 5, United States Code.

(b) IN GENERAL.—

(1) INITIAL REPORT.—Not later than December 31, 2003, each agency shall submit an initial report to—

(A) the chairpersons and ranking minority members of—

(i) the Committee on Governmental Affairs and the Committee on Small Business and Entrepreneurship of the Senate; and

(ii) the Committee on Government Reform and the Committee on Small Business of the House of Representatives; and

(B) the Small Business and Agriculture Regulatory Enforcement Ombudsman designated under section 30(b) of the Small Business Act (15 U.S.C. 657(b)).

(2) FINAL REPORT.—Not later than December 31, 2004, each agency shall submit a final report to the members and officer described under paragraph (1) (A) and (B).

(3) CONTENT.—The initial report under paragraph (1) shall include information with respect to the 1-year period beginning on October 1, 2002, and the final report under paragraph (2) shall include information with respect to the 1-year period beginning on October 1, 2003, on each of the following:

(A) The number of enforcement actions in which a civil penalty is assessed.

(B) The number of enforcement actions in which a civil penalty is assessed against a small entity.

(C) The number of enforcement actions described under subparagraphs (A) and (B) in which the civil penalty is reduced or waived.

(D) The total monetary amount of the reductions or waivers referred to under subparagraph (C).

(4) DEFINITIONS IN REPORTS.—Each report under this subsection shall include definitions selected at the discretion of the reporting agency of the terms “enforcement actions”, “reduction or waiver”, and “small entity” as used in the report.

Amend the title so as to read: “An Act to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small business concerns with certain Federal paperwork requirements, to establish a task force to examine information collection and dissemination, and for other purposes.”.

The SPEAKER pro tempore. Pursuant to House Resolution 444, the gentleman from California (Mr. OSE) and the gentleman from Massachusetts (Mr. TIERNEY) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. OSE).

GENERAL LEAVE

Mr. OSE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 327.

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

There was no objection.

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

Mr. Speaker, H.R. 327, the Small Business Paperwork Relief Act, was introduced by Committee on Government Reform Chairman Burton on January 31, 2001. This good government bill continues congressional efforts to streamline and reduce paperwork burdens on small businesses. On March 15, 2001, the House passed H.R. 327 by a 418 to 0 vote. On December 17 the Senate passed Senator VOINOVICH's companion bill, S. 1271, by unanimous consent. On May 22 of this year, the Senate passed an amended version of H.R. 327 by unanimous consent.

During the 105th and 106th Congresses, the Committee on Government Reform reported out bills that passed the House by 267 to 140 and 274 to 151.

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Those bills were H.R. 3310 and H.R. 391, respectively. These earlier bills included additional provisions relating to the waiver of sanctions for first-time violations of small businesses of Federal paperwork requirements. During the May 21, 2002, Senate floor debate on the amended version of H.R. 327, Democratic cosponsor Senator BLANCHE LINCOLN stated, “Our thought behind suspending fines for first-time violators was that a majority of small business owners who neglect to file a certain form are simply overwhelmed with paperwork and don't realize their error. We thought that small business owners

should be given a chance to correct the problem before they were slapped with a fine. I am disappointed that this final version does not include the fine suspension.”

Mr. Speaker, I agree with Senator LINCOLN and hope that these helpful provisions will be enacted by Congress in the future.

The amended version of H.R. 327 before the House today includes the following helpful provisions for small businesses: first, a requirement for the Office of Management and Budget to annually publish in the Federal Register and on the Internet a list of compliance assistance resources available to small businesses;

Second, a requirement for each agency to establish a single point of contact for small businesses;

Third, a requirement for each agency to make further efforts to reduce paperwork for small businesses having fewer than 25 employees;

Fourth, a requirement for each agency to submit two reports, each with data for a 1-year period on enforcement actions in which a civil penalty was assessed and the penalty amounts reduced or waived for small businesses;

Fifth, establishment of an interagency task force to study streamlining of paperwork requirements for small businesses.

Under the amended version of H.R. 327, this task force will identify ways to integrate the collection of information across Federal agencies and programs and will examine the feasibility of requiring the agencies to consolidate reporting requirements in order that each small business may submit all information required by the agency to one point of contact at the agency, in a single format or using a single electronic reporting system, and with synchronized reporting.

During the May 21 Senate floor debate on the amended version of H.R. 327, Senator JOE LIEBERMAN inserted in the Senate record a document, coauthored by Senator VOINOVICH, entitled, “H.R. 327: Consensus Amendment, Purposes and Summary, Section-by-Section Description, and Legislative History.” This document constitutes only part of the legislative history of the amended version of H.R. 327.

The task force will also examine the benefits to small businesses of publishing a list of information collections organized by the North American Industrial Classification System codes or in another manner by which small businesses can more easily identify requirements with which they are expected to comply.

Last October, the subcommittee provided OMB with a road map for OMB to easily prepare such a NAICS code listing, which will be printed in the RECORD at the end of my statement.

In addition, later in this debate, I will engage in a colloquy with the chairman of the Committee on Small Business, the gentleman from Illinois (Mr. MANZULLO), about the utility of a NAICS-code listing.

Additionally, the task force will develop recommendations for systems for interactive electronic reporting. The definition of “small business” in this bill is the one used in the Small Business Act at 15 USC subsection 631 et seq.

Senator VOINOVICH's companion bill, which passed the Senate by unanimous consent last December, included an every-2-year reporting requirement on the number of enforcement actions in which a civil penalty is assessed, the number of such actions in which a civil penalty is assessed against a small entity, the number of enforcement actions in which the civil penalty is reduced or waived, and the total monetary amount of reductions or waivers. Unfortunately, the amended version of H.R. 327 today only includes a requirement for agencies to report this information two times. However, if there is practical utility to this information, this Federal agency reporting requirement can and should be continued.

H.R. 327 amends the Paperwork Reduction Act, which is the successor to the Federal Reports Act of 1942, which began the requirement for OMB approval before paperwork could be imposed on nine or more members of the public. The 1980 Paperwork Reduction Act, which established the Office of Information and Regulatory Affairs in the office of OMB, began by stating: “Information needed by Federal agencies shall be obtained with a minimum burden upon business enterprises, especially small business enterprises, and other persons required to furnish the information, and at a minimum cost to the government.” The 1995 reauthorization of the Paperwork Reduction Act set 10 percent and 5 percent goals for paperwork reduction each year from 1996 to 2001.

OMB's most recent estimate of Federal paperwork burden on the public is 7.7 billion hours annually, at a cost of \$230 billion per year. Despite the statutory requirements for annual reductions in paperwork burden, there have actually been annual increases in paperwork in each of the last 6 years, from 1996 to 2001. OMB's April 2002 report to Congress entitled “Managing Information Collection and Dissemination: Fiscal Year 2002,” does not identify any interagency efforts to streamline paperwork requirements on small businesses. Also, although Congress required OMB to provide an analysis of impacts of Federal regulation on small business, OMB's December 2001 report entitled “Making Sense of Regulation: 2001 Report to Congress on the Costs and Benefits of Regulations and Unfunded Mandates on State, Local, and Tribal Entities,” devotes less than one page to the impact of Federal regulatory and paperwork burdens on small businesses.

H.R. 327 has been endorsed by the United States Chamber of Commerce, National Association of Manufacturers, National Federation of Independent Business, National Small Business

United, Small Business Coalition for Regulatory Relief, Small Business Legislative Council, Small Business Survival Committee, Academy of General Dentistry, Agricultural Retailers Association, American Farm Bureau Federation, American Road and Transportation Builders Association, Associated Builders and Contractors, Associated General Contractors, Automotive Parts and Service Alliance, Food Marketing Institute, GrassRoots Impact, Inc., National Association of Convenience Stores, National Automobile Dealers Association, National Business Association, National Pest Management Association, National Restaurant Association, Nation Roofing Contractors Association, National Tooling and Machining Association, North American Equipment Dealers Association, and the Society of American Florists.

Small businesses are particularly hurt by regulatory and paperwork burden. In an October 2001 report, the Small Business Administration estimated that it cost large firms, those with over 500 employees, \$4,463 per employee to comply with Federal regulatory and paperwork requirements.

However, the cost to small businesses, those with fewer than 20 employees, is nearly 60 percent higher, a staggering \$6,975 per employee. Not only are such costs higher for small businesses, but they are also much harder to absorb. Small businesses simply cannot afford to comply with Federal requirements in the same way that large businesses can. The high cost of such requirements often makes it impossible for small businesses to expand; it threatens their ability to stay afloat or prevents them from opening in the first place.

During the May 21, 2002, floor debate on the amended version of H.R. 327, Senator LINCOLN stated, "I have been told that Federal paperwork burdens rank just behind taxes and the cost of health care as the top problems facing members of the National Federation of Independent Businesses." H.R. 327 should result in some needed relief for small businesses.

#### STEPS TO ADD NAICS CODES TO OMB/OIRA'S EXISTING COMPUTERIZED PAPERWORK DATABASE

1. NAICS information. Decide what NAICS codes information should be included in OMB/OIRA's existing computerized paperwork database. First, examine the SF-83 (Rev. 9-80) item #21 to see if that approach is desirable, especially since the software was previously developed for it. This item required agencies to indicate up to ten 3-digit SIC codes or to check "multiple" or "all." Besides deciding on the approach, OMB needs to decide on the number of NAICS digits—the first 2 digits are used for sectors, the 3rd digit is for sub-sectors, the 4th digit is for industry group, etc.—which would be most useful for the public to identify applicable paperwork and for OMB and the agencies to reduce duplicative paperwork and paperwork without any practical utility.

2. Other new information. Decide if any other information should be added to OMB/OIRA's paperwork database so that the agencies could be asked to provide this informa-

tion for all currently-approved information collections at the same time as NAICS codes information. Alternatively, the agencies could be asked to provide this information only for new agency requests for OMB approval under the Paperwork Reduction Act. First, examine the 16 other items on the SF-83 (Rev. 9-80) which were deleted, including #4 (3-digit functional code, which is used in Executive and Legislative Branch budgeting). The software for some of these items was also previously developed. However, some were previously only textual fields, such as #28 (authority for agency for information collection—indicate statute, regulation, judicial decree, etc.). Since 1980, the Regulatory Information Service Center (RISC) has made some progress in coding some of this information.

3. Data specifications. After #1 and #2 are settled, outline the data specifications for a computer contractor. After the contractor is on-board for the project, OIRA should work with him to design the data format and a minimum number of data edits. For example, the contractor probably does not need to check if each 3-digit (or whatever level is chosen) NAICS code entered by an agency is a valid one but the contractor probably should check that there is some NAICS information for every data collection which significantly impacts on small entities (OMB-83-I #5) or which affects business or other for-profits or farms (OMB-83-I #11 b & d).

4. Output formats. OIRA and the contractor also need to design the output formats, including: the OMB webpage which includes NAICS information, including links to each agency's consolidated webpage, which, at a minimum, should include links to each of the agency's approved forms (available in HTML or read-only PDF formats) and their accompanying instructions; and (2) the full paper-copy listing by NAICS code. The agency webpages could also include additional information, such as links to the applicable regulations underpinning the recordkeeping requirements and any non-binding guidance documents. Unfortunately, many currently-approved agency forms are not yet available on the Internet so this step may require some agency effort, which is worthwhile with or without the addition of NAICS information.

5. Availability. After consultation with the Hill and interest groups (such as NFIB), OMB should decide if all Federal Register publication annually makes sense or just a Federal Register Notice of Document Availability for OMB's full paper-copy listing.

6. Agency training. OIRA (including its Statistical Policy experts) needs to train the agencies about NAICS. If agencies are in doubt which NAICS codes apply, they could call a few of their respondents since businesses all know which NAICS code applies to them since they are routinely asked to provide this information by various Federal agencies (e.g., the Census Bureau and the SEC).

7. Agency input. After OMB and the contractor have agreed on an approach (in step #3 above) and the agencies are trained (in step #6 above), OMB needs to ask each agency with one or more currently approved information collections (i.e., including the independent regulatory commissions and the bank regulatory agencies) to provide the new information—for each of the 7,780 currently-approved information collections—in the precise format which OMB will be using for all new agency requests for OMB approval under the Paperwork Reduction Act. OMB could ask agencies to directly input this information electronically into the database, with the rest of the data elements in OMB's database kept as read-only items which can-

not be changed by the agencies. Alternatively, OMB could ask the agencies to e-mail the information (in a format calling only for the 8-digit OMB number and then the NAICS information) for OMB's contractor to merge into the OMB database. OMB does not second guess the agency input for other items (such as #11, affected public) on the OMB-83-I (Rev. 10/95) so OMB should not be required to verify the accuracy of agency input for NAICS information.

8. Quality control. Have the contractor perform edit checks on the consolidated (agency-provided) new information in OMB/OIRA's paperwork database (as determined in step #3 above) and test each of the links from OMB's webpage to each of the agency's webpages.

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

Mr. TIERNEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to thank the gentleman from California (Mr. OSE), the chairman of the subcommittee, and the Senate Governmental Affairs Committee for their willingness to negotiate the amendments to H.R. 327 that we are considering today.

H.R. 327 is a substantial improvement over the small business paperwork bills that were considered by the House in the last two Congresses.

The controversial penalty provisions have been removed, and the bill includes provisions suggested by the Democratic minority that will reduce the paperwork burden on small businesses.

Mr. Speaker, small businesses are the backbone of the economy and are where the new jobs are being created. However, many small and family-opened businesses spend a great deal of their resources learning about and complying with applicable laws.

I am pleased that we are looking at ways to make it easier for small businesses to understand what information they are required to provide to the government and ways to simplify and streamline the paperwork process.

H.R. 327, as amended, requires OMB to annually produce a list of compliance assistance resources available to small businesses. This list must be printed in the Federal Register and posted on the Internet. This bill also requires each agency to establish one point of contact to act as a liaison with small businesses.

H.R. 327 requires agencies to make efforts to further reduce paperwork required of businesses with fewer than 25 employees.

The bill establishes a task force to make recommendations for electronic reporting and improving information dissemination. And H.R. 327 requires agencies to report on the number of enforcement actions they take and the number of instances when they reduce and waive penalties.

Mr. Speaker, 4 years ago we considered similar provisions when the House considered H.R. 3310. Unfortunately, H.R. 3310 also contained provisions that would have prohibited agencies from penalizing businesses for most

first-time information-related violations. These provisions would have removed agency discretion and created a safe haven for willful, substantial, and long-standing violations. They were strongly opposed by the Clinton administration, labor, environmental, consumer, senior citizen, health, trade, and firefighter groups, as well as by some State attorneys general.

The gentleman from Ohio (Mr. KUCINICH) and I offered an amendment to address these concerns. However, the amendment failed.

Because of the surrounding controversy, the bill was never considered in the Senate and we lost the chance to implement the provisions we are considering today. The bill was resubmitted in the next Congress as H.R. 391. The Kucinich amendment, which fixed the controversial provisions, narrowly failed by a vote of 214–210. Again, because the controversial provisions remained in the bill, it never became law.

Mr. Speaker, I am pleased to see that H.R. 327 does not include the controversial penalty provisions, and it will likely become law. I am pleased to say that this version of H.R. 327 includes suggestions made by the Democratic minority of the Committee on Government Reform. For instance, the focus of the bill is on compliance assistance. The bill helps businesses figure out what information they need to provide to which agencies and makes it easier for them to provide the information.

Furthermore, the task force will make recommendations for implementing interactive systems for information collection requirements and electronic reporting. This will allow small businesses to identify applicable requirements over the Internet and get immediate feedback on electronic submissions in order to help ensure that they submit consistent and usable data.

Moreover, the task force will recommend ways to strengthen information dissemination so that agencies can more efficiently share the information they gather with other agencies and the public.

□ 1345

In addition, the original bill required agencies to provide an annual list of paperwork requirements by statistical code. However, this list likely would not be used by small businesses, and it would merely provide a statistical analysis of the quantity of information regulations.

Mr. Speaker, the purpose of this bill is not to count regulations, but to help small businesses understand and comply with the information collection requirements. The bill directs a task force to study the feasibility of such a list and whether such a list would actually benefit small businesses. And the bill requires a useful annual list of compliance assistance resources. While I understand, Mr. Speaker, that there

will be a colloquy between the chairman of the Committee on Small Business and the gentleman from California (Mr. OSE), that information that is shared with us is, of course, their opinion and is not part of the legislative history.

H.R. 327 includes a provision suggested by the gentleman from Vermont (Mr. SANDERS) and adopted 4 years ago that focuses paperwork reduction on small businesses with fewer than 25 employees. This amendment helps direct our efforts to truly small businesses that need our help the most. The definition of small businesses that was incorporated into H.R. 327 originally was so broad that it included numerous businesses that many do not consider small. It included petroleum refineries with up to 1,500 employees, pharmaceutical companies with up to 750 employees, and banks with up to \$100 million in assets. Thus, the bill helps most businesses, not just small businesses. Therefore, I believe it is appropriate to focus agency efforts on businesses that really are small.

Mr. Speaker, information collection is one of the most important jobs of the Federal Government. It allows the government to enforce the law without burdening businesses with in-depth site investigations. Nevertheless, it is difficult for small businesses to fully understand what is required of them. And many businesses have expressed frustration with the fact that they have provided similar information to more than one source in government.

I believe the government should help small businesses understand their responsibilities and streamline the information collection process. This bill serves both purposes without jeopardizing the underlying protections. Furthermore, it should help us take advantage of the information age by using the Internet to gather and disseminate information. These changes have been suggested by numerous sources, including the General Accounting Office.

I urge my colleagues to support this motion.

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

Mr. OSE. Mr. Speaker, I am pleased to yield 6 minutes to the gentleman from Indiana (Mr. BURTON), the distinguished chairman of the Committee on Government Reform.

(Mr. BURTON of Indiana asked and was given permission to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding time.

Let me start off by thanking the gentleman from Massachusetts (Mr. TIERNEY), the gentleman from California (Mr. OSE) and the gentleman from California (Mr. WAXMAN) who worked with me to get this piece of legislation to the floor. This is an extremely important piece of legislation because if there is one thing that small businesspeople across the country are very chagrined about, it is the amount

of paperwork that they have to deal with on a regular basis. As a matter of fact, the cost to a small businessperson runs about \$7,000 per employee to deal with the paperwork that faces them from the Federal Government. If you have got 20 employees, that is a \$140,000 burden that you have to deal with, and it simply is not necessary.

This legislation is designed to streamline that effort to make sure that small businesspeople do not suffer from a tidal wave of paperwork that makes the profitability of their business almost impossible. I think my colleagues have covered this very, very well. The gentleman from California (Mr. OSE) has worked very hard on this. The gentleman from Massachusetts (Mr. TIERNEY) has as well. I think they have covered all of the provisions of the bill and the problems we had in getting this bill drafted and to the floor.

I would just like to say that it is high time that we got this job done. If there is one thing that small business and business in America needs, it is a reduction of the amount of paperwork and regulation that they have to deal with on a daily basis with the Federal Government. I believe this is going to save them money, it is going to streamline the effort to comply with government regulations, and it is a giant step in the right direction.

All of the small businesspeople in America that may be watching this right now, you can take heart. We are moving in the right direction. There is a lot more that needs to be done, but this is a great first step.

Mr. Speaker, today we have before us a piece of legislation that's going to help small businesses navigate the maze of Federal forms that they have to fill out.

This is a serious problem for small businesses. If you talk to any small business owner, they'll tell you that Federal regulations, Federal mandates, and Federal paperwork are a serious burden. It's hard to figure out what rules have to be complied with and what forms have to be filled out. It's time-consuming and expensive.

Last year, the Small Business Administration estimated that small businesses spend close to \$7,000 per employee on Federal paperwork. Think about that—\$7,000 per employee. For a company that has 20 employees, that's \$140,000. That's a serious drain on the resources of a small business.

When we passed the Paperwork Reduction Act many years ago, the goal was to reduce the Federal paperwork burden. Unfortunately, it hasn't been very successful. Over the last six years, the paperwork burden on the American people has not shrunk—it's grown every year.

This bill isn't going to reverse that tide all by itself. But I think it will help small businesses cope with the problems they're having. It will give them more resources so they can get assistance when they need it.

This bill requires every Federal agency to have a single point of contact for small businesses. If a small businessman in Indiana or Ohio doesn't understand what forms he has to fill out, there should be one office in each

agency where he can pick up the phone and get help. This bill does that.

It requires the Office of Management and Budget to post on its website every year an up-to-date list of all of the resources that are available to help small businesses with paperwork problems.

It requires every Federal agency to make additional efforts to reduce paperwork for the smallest businesses—businesses with fewer than 25 employees.

This bill sets up an inter-agency task force. This task force will develop a plan to consolidate reporting requirements and make them more uniform. Many small businesses have to report the same information to several different agencies. We should have a system that would allow a small businessman to submit that information once, in electronic form. That would be the job of this task force.

It would also look at whether we could have interactive reporting systems, so businesses could get immediate feedback if there is a problem. These things would be very valuable to small businesses around the country.

Last but not least, this bill would require Federal agencies to report to Congress on the penalties they impose on individuals and small businesses. They would be required to file two annual reports on the number of civil actions they take, the number of those actions that were taken against small businesses, the number of times they've reduced penalties imposed by the agency, and the number of penalties that were reduced specifically on small businesses.

We've never had that kind of information before. We need to get a better handle on how many penalties are being imposed on small businesses, and for what kind of offenses. These reports will help us do that.

When we first started working on this bill several years ago, we had a provision that required agencies to waive first-time penalties against small businesses for inadvertent paperwork errors. I thought that was a very good idea. It was approved twice in the House. Unfortunately, we couldn't get it passed in the other body. We tried for about three years, and it just wasn't doable. So we compromised. Nobody got everything they wanted in this bill—but it's a good compromise. These reports on penalties being imposed on small businesses will give us more information and help us understand what's happening.

We've worked very hard with Members of both bodies to get to this point. I want to thank my friends on the Government Reform Committee, Mr. OSE, Mr. WAXMAN, and Mr. TIERNEY for working with me to get this bill done.

I also want to thank our friends in the other body for their assistance—particularly Senator LIEBERMAN, Senator VOINOVICH and Senator THOMPSON. We couldn't have gotten to this point without their help.

Let me conclude by saying this—I was a small businessman before I came to Congress. Mr. OSE was a small businessman before he came to Congress. Many Members of the House ran their own businesses before they decided to run for Congress. We understand how difficult it is to start your own business, and to make it successful. We understand how difficult it is to comply with Federal mandates and Federal tax laws, and to make sure you've filled out the right forms. And we also understand how important small busi-

nesses are to our economy. They're the lifeblood of our economy.

So any time we have an opportunity to develop legislation that will make it a little easier to deal with the Federal bureaucracy, we should do it. That's what this bill is meant to do. It won't make all the problems that small businesses face go away, but it's a good start. We're going to continue to look for opportunities to pass legislation that will help small businessmen and women.

I urge all of my colleagues to support this good piece of legislation.

Mr. TIERNEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Speaker, I would like to thank the gentleman from Massachusetts for his leadership on this issue and helping to bring this very important piece of legislation to the floor. This is something that concerns an awful lot of small businesses in the State of Maine. I know how crucial it is. Over 97 percent of the businesses are represented by small businesses in our State. We have over 40,000 of them in all. These enterprises face a maze of regulations and requirements that impose a heavy burden in time and expense. The Federal Government alone has over 7,000 forms that are required for one activity or another. State and local regulations add a further layer of almost equal complexity and cost. How can small businesses compete, innovate and grow to their fullest potential when they have to devote so much time and energy and resources just to figuring out what forms to fill out?

I know how difficult this situation is for small businesses. I know because I am a small business owner myself, and I have personally experienced the frustration of trying to navigate the system. I do believe that the innovations in this bill will make the process easier. It will make compliance assistance resources more readily available. It will require agencies to find ways to further reduce paperwork for smaller businesses. And it will establish a single point of contact for small businesses in each of the Federal agencies, something that is sorely needed.

Mr. Speaker, this bill is a good start. I look forward to bringing this assistance to small businesses. However, as we all know, there is more work that we need to do. We need to find ways to help agencies to better coordinate their efforts both at the Federal level and between the State and local levels to make these services more seamless. Ideally, we should have a single point of contact for all small business so they can quickly and easily find what they need. Small businesses do not have the resources of big corporations, but they should have the same chance to compete.

This bill is a good step towards having a level playing field. I urge my colleagues to support this legislation.

Mr. OSE. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. MANZULLO).

Mr. MANZULLO. Mr. Speaker, I rise today in support of H.R. 327, the Small

Business Paperwork Relief Act as amended by the Senate. The bill represents the first effort in reducing the paperwork burdens that are swamping millions of small businesses. If we can get them out from under this deluge, they can devote themselves to hiring workers, investing in capital, moving the economy forward and cooking spaghetti, which is what my brother does in his Italian restaurant. The gentleman from Maine (Mr. BALDACCI) does the same thing.

Cooks would rather make spaghetti sauce than fill out Federal forms. One of the reasons for this bill is to allow the chefs to spend more time cooking Italian food at our restaurants as opposed to filing all these stupid government forms. People do not go to chef school to fill out forms. They go there to make people happy, to present a good balance of herbs and spices, to be able to know what is on the menu, to be able to change the menu according to people's tastes. But when all the chefs in the small restaurants and all the like-minded small businesspeople in the country have to fill out papers for the Federal Government, then they spend too much time doing that.

Twenty years after the passage of the Paperwork Reduction Act, there is no evidence that the government has reduced the amount of paperwork on small business. Dr. John Graham, who is the current Administrator of the Office of Information and Regulatory Affairs, and who is doing a great job, has begun efforts to reduce paperwork burdens. Even with these efforts, the Federal Government still requires the filing of more than 7,700 forms resulting in nearly 66 million responses with a total burden of more than 7.5 billion man-hours. These paperwork burdens annually cost Americans at least \$61 billion. Convenience stores that sell gasoline may have to prepare as many as 46 different forms accompanied by 250 pages of instructions. Physicians seeking to provide service under the Medicare program send a 30-page application to CMS, while private insurers enroll physicians after a one-page application.

We ask ourselves, is all of this information for small business necessary? Will the government find the information useful? Can the government obtain the necessary information in a less burdensome way? The Small Business Paperwork Relief Act will initiate a process to help answer these questions.

Mr. Speaker, I would like to engage in a colloquy with the gentleman from California (Mr. OSE), the chairman of the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs.

Mr. OSE. Mr. Speaker, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from California.

Mr. OSE. I am happy to engage in a colloquy with the gentleman from Illinois, who is the distinguished chairman of the Committee on Small Business.

Mr. MANZULLO. I thank the gentleman from California for agreeing to engage in this colloquy. I think it is absolutely imperative that the task force created by the bill obtains input from the small business community. I am sure the gentleman from California agrees.

Mr. OSE. I concur with the gentleman from Illinois. I cannot understand how a task force that is designed to reduce the paperwork burdens on small businesses could accomplish its goal without obtaining input from the small businesses that are buried by Federal reporting and recordkeeping requirements.

Mr. MANZULLO. I thank the gentleman from California for clarifying that issue. I also note that the bill would require that the Office of Management and Budget, OMB, publish in the Federal Register and make available on the Internet an annual listing of the compliance assistance resources available to small businesses. I agree that this would make the information more accessible. However, I believe that more can be done. I think that OMB should establish a link on its Website to each agency's single point of contact. Each agency's Website would then have links to each relevant paperwork required for small businesses. I would like the opinion of the gentleman from California on this point.

Mr. OSE. I agree with the gentleman from Illinois. The bill is intended to make information available in a user-friendly format, which means making it easy for small businesses to find the relevant paperwork requirements on the Internet. That would include providing appropriate links on the Office of Management and Budget's Website to the single points of contact established by the bill. In addition, I would expect links on the Office of Management and Budget's Website to other general access points, such as the FirstGov Website and the Small Business Administration's Website.

I look forward to working with the distinguished gentleman from Illinois to ensure that Federal agencies provide appropriate links to this critical information.

Mr. MANZULLO. I thank the gentleman from California for clarifying that issue. I also note that the amended bill is silent on reducing the frequency of small business reporting which would lessen paperwork burdens on small businesses. Since H.R. 327 is primarily intended to reduce paperwork burdens, should not OMB, the agencies and the task force consider reducing periodicity wherever possible?

Mr. OSE. I agree with the gentleman from Illinois that reducing reporting frequency would be an effective way to help small businesses. To ensure no unintended consequences under the Paperwork Reduction Act, any proposed changes in periodicity would be subject to public notice and comment.

Mr. MANZULLO. I thank the gentleman for entering into the colloquy.

Mr. TIERNEY. Mr. Speaker, I yield myself such time as I may consume, just to briefly say that the record should reflect, Mr. Speaker, that that colloquy, of course, reflects the personal opinions of the two Representatives involved and is not the opinion of the committee as a whole or of the House, and also just to indicate that small businesses, and this will put the gentleman's mind at ease, I think, small businesses certainly are included in the process through the provision for public comment of the task force draft report. This committee and the committees over in the Senate did a lot of time negotiating out the resulting provisions of this bill, and we are pleased with that. It has come to a general agreement that I believe is going to pass in the form that is printed.

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

#### PARLIAMENTARY INQUIRY

Mr. OSE. Mr. Speaker, I just want to be sure that I am clear in terms of my colloquy with the gentleman from Illinois (Mr. MANZULLO) in the sense that we did enter it into the RECORD, and it is going to show up in the Journal and what have you, and it will be a part of the legislative record as a part of the recorded record that the transcriptionists and others are taking part in, just to clarify that point.

The SPEAKER pro tempore (Mr. BONILLA). The gentleman is correct. All of the exchange as spoken between both gentlemen will be recorded.

Mr. OSE. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. MANZULLO). We inadvertently left out a couple of items of the record that we are attempting to establish here.

Mr. MANZULLO. Mr. Speaker, I am sorry that I left out a point in our colloquy that is quite important.

Finally, I would like to clarify one point. H.R. 327 as introduced required OMB to annually publish a list of requirements applicable to small businesses organized by North American Industrial Classification System, NAICS, codes and industrial/sector description. In the amended version of H.R. 327 as passed by the Senate, this requirement is modified substantially.

□ 1400

Instead of requiring OMB to annually publish such a listing, it allows the task force to examine the feasibility and benefits to small businesses of publishing lists organized by NAICS code, industrial/sector description, or in another manner by which small businesses can more easily identify requirements with which they are expected to comply.

I would ask the gentleman from California (Mr. OSE), is it your opinion that the best method for classifying the information remains by NAICS codes because that would enable small businesses to best identify the paperwork burdens associated with their businesses?

Mr. OSE. Mr. Speaker, will the gentleman yield?

Mr. MANZULLO. I yield to the gentleman from California.

Mr. OSE. Mr. Speaker, I thank the gentleman for coming back to the podium to address this issue and for raising this critical point. I believe that the information should be organized by NAICS codes. Otherwise a small business searching for information on its paperwork burdens might not find the information most applicable to its business. By using NAICS codes, restaurants could easily find information relevant for restaurants, not information for steel manufacturers.

In conclusion, I fully agree with the gentleman from Illinois on this point, and I thank him for helping me make it part of the record.

Mr. TIERNEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I in no way intended to imply that this colloquy would not appear on the Journal. However, it will not be part of the history of this particular bill, having come through committees and subcommittees and been negotiated.

I daresay that there was no part of that colloquy to which the minority was privy. They were not given the courtesy of an advance copy of that colloquy through the subcommittee. I do not know what the reason for that was, but certainly I do not want to leave it with the public or the Speaker the impression that that was part of the legislative history, the negotiations between the subcommittees, the committees, the Senate or the House, in having the bill come before us.

I would also like to clarify a point that was made by my colleagues during their little discussion, and that is that the task force is required to consider whether publishing a list of the information collection requirements applicable to small businesses would actually be feasible and would actually help small businesses. This bill does not require publication of a list.

The task force should also consider different opinions for organizing such a list if they find it would be feasible and beneficial to small businesses. The bill leaves it up to the task force to consider whether any such list should be organized by NAICS codes or in some other manner that makes it easier for small businesses to identify applicable requirements.

Some people are concerned that such a list will be too unwieldy for anyone to use, and because businesses do not fit neatly into precise categories, businesses will still have to figure out which requirements listed for a given category actually apply to them. So we have asked the task force to look at and see if this would be helpful and to report back to us.

The key point here is that the bill clearly leaves it up to the task force to consider whether publishing any such list makes sense, and, if so, to determine what would be the best way to organize it. It would then be up to Congress to consider the task force findings, colloquies notwithstanding.

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

Mr. OSE. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana (Mr. PENCE).

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

Mr. Speaker, I rise in strong support of the Small Business Paperwork Relief Act.

Mr. Speaker, I serve as chairman of the Subcommittee on Regulatory Reform and Oversight of the Committee on Small Business, and I have spent countless hours listening to small businesses of America plead with Congress to restrain the egregious rulemaking and paperwork requirements of Federal agencies.

Small businesses, as we all know, Mr. Speaker, are on the front lines every day dealing with the real-world implications of overzealous bureaucrats that seldom take into consideration the impact of their rules on the small business sector. Despite the fact that small businesses account for 50 percent of America's employers and two-thirds to three-quarters of net new jobs in the United States, few people inside the Federal Government are listening on an average day. Federal regulation continues to balloon, costing small businesses with fewer than 20 employees \$6,975 per employee to comply.

The Small Business Paperwork Relief Act will, Mr. Speaker, help small businesses face the regulatory burden placed upon them by requiring that compliance assistance resources be made available on the Internet. It will require that agencies have a single paperwork point of contact for small businesses, and that agencies make greater strides to reduce paperwork burdens on small businesses. H.R. 327 will also require the establishment of a task force to study streamlining reporting requirements for small businesses.

Mr. Speaker, nowhere is that paperwork burden more evident than in the Environmental Protection Agency. My subcommittee recently held a hearing on the EPA's TRI Lead rule. This was a classic case of an executive agency subverting the regulatory reform measures that have been put in place over the years.

For example, the EPA failed to do a proper analysis of its impact on small businesses, they failed to do an independent peer review of the science behind the rule, and they failed to do proper small business outreach. All of this will result in a cost of over \$80 million per year to small businesses, and the paperwork regulation that will follow will not in any way reduce the lead released into our environment.

This simply cannot continued. America's small business owners are suffering death by 1,000 paper cuts. They go into work every day armed with the entrepreneurial spirit, with the goal of building a business that will be successful, and what they have found is one of their largest obstacles to success

is not a faulty business plan or a poor economy, but the paperwork and reporting requirements that the Federal Government imposes.

I urge all of my colleagues today to stand by those who make their daily trek into work, to stand by the small business owner, and make it today just a little bit less burdensome. Pass the Paperwork Relief Act.

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

Mr. OSE. Mr. Speaker, I yield 3 minutes to the gentleman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Speaker, I thank my colleague from California for his leadership on this issue.

Mr. Speaker, I rise today and urge all of my colleagues to support H.R. 327, the Small Business Paperwork Relief Act. This plan has the ability to really fuel our economy to new heights by reducing the costs and improving the levels of efficiencies for our small businesses, thereby allowing them to expand and create new jobs.

In my home State of West Virginia, over 80 percent of our businesses are small businesses. In our State, good jobs are at a premium, and economic growth is our continual goal. This plan will support our State and other States in their goal to reach for more job creation and a stronger economy by helping small businesses thrive and perhaps even helping a small business begin.

Mr. Speaker, small business has always been and will continue to be the key to the American dream, but by erecting and ignoring the government barriers that hinder the success of small business, this slows the creation and stifles growth.

We have heard a lot of figures today, but I have a new one. According to recent figures by the Office of Management and Budget, American businesses spend 7.7 million hours each year complying with Federal paperwork at an astounding cost of \$230 billion a year. Just think how many additional people could be employed or how many additional health benefits could be afforded with that much money.

Passing the Small Business Paperwork Relief Act will free the hands of our small business owners by removing the unnecessary regulations that prevent them from doing things that I have mentioned, offering expanded health benefits, employing new employees. All these things could be done with the cost they expend on filling out the mountains of paperwork.

We need to work quickly and pass this so that our constituents will not be cheated and our economy will not be stifled by depriving our businesses of many talented and capable workers. I urge my colleagues to recognize the tremendous benefits of this plan and to pass H.R. 327.

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

Mr. OSE. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Idaho (Mr. OTTER), the vice chairman.

Mr. OTTER. Mr. Speaker, I thank the chairman of our subcommittee for yielding me time, and I also thank him for the leadership that he has shown in an effort to reduce not just the paperwork, but all the burdensome government regulations on all of our small businesses, and, in fact, on the private sector in general.

We already know and we have heard many of the virtues and the merits that this H.R. 327 is going to provide for the private sector. I am hopeful, Mr. Speaker, that this is simply the first in an evolutionary process that we will have in reducing many more of the burdensome regulations not only on paperwork, but of the other rules and regulations that we have on the private sector, and especially the small businesses.

The U.S. Small Business Administration Office of Advocacy recently issued a report called *The Impact of Regulatory Costs on Small Firms*. In this report it is stated, "To comply with Federal regulations, Americans spent \$843 billion in the year 2000. Had every household received a portion of that bill," every family received a proportional share of that bill, each household, it would have cost \$8,164, each household.

I submit, Mr. Speaker, that it did cost each and every one of those households \$8,164. Of course, that is to be added to the \$19,613 that the Federal revenue already collect from each and every household.

Why do I say that the households themselves had to pay \$8,164 each? Because, Mr. Speaker, all you can do when you have a cost accruing from the government to a business and to a value-added product is pass that on to the customer. So we politicians sit down here and we pontificate about how we are not going to tax the people, we are not going to make the people obey the regulations, we are just going to make the businesses do it.

And, quite frankly, businesses pay no taxes. Those that do go bankrupt. There is all kinds of lists of those. But who does pay the taxes are the taxpayers. They are the ones that pay the taxes, each and every one. You want to increase the price of Idaho french fries? Tomorrow morning I will guarantee all the french fry joints in this great Nation of ours you will see the price of french fries go up, because businesses have to collect those taxes.

But it is the sleight of hand. It is the shadowy little area that we always deal in with rules and regulations and taxes in this Congress.

Let us be honest with ourselves and let us tell these folks that not only are we giving the small businesses relief from the paperwork burden, but we are giving the taxpayers, the purchasers, the consumers, those who would consume the services and the value-added goods from our small businesses in this country, we are giving them the relief as well. I think you will see how much more competitive we can become in

this world marketplace for all of our products with this bill.

I would encourage all my colleagues to join the rest of us and pass H.R. 327.

Mr. TIERNEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have no further requests for time. I would just like to make a comment in closing, and that is I think we are doing the exact right thing here today in passing this Small Business Paperwork Relief Act. But I would be remiss if I did not respond somewhat to a lot of the hyperbole that we have heard on the other side.

Nobody wants small businesses to be overburdened with regulations, but certainly I think in the days of Enron and Global Crossing and Tyco and right on down the line, we can all appreciate the damage that has been done in the past couple of decades as we threw regulation after regulation away or loosened them to the point where some corporations, particularly large corporations, have sort of missed their mission and their responsibility to the American people.

In that sense it calls upon government to have the kind of governance that we have always had in this country, and that is a balanced governance. It is a free market with the hand of government regulation balancing it.

The obvious goal here is to strike that balance so it does not overburden business, but still protects the people in the way it should and the way they want it to protect them, whether it is about their health, about collecting taxes that are necessary for public goods and services or so on down the line.

The nameless or faceless bureaucrats that people take to task on the other side of the aisle sometimes are people that are working as hard as they can to do the best job that they can do to provide good public services, and I think they should be commended.

The responsibility lies here. The responsibility lies in this body to make sure that we give them the tools to work with as they craft the regulations, that we have the kind of oversight that is necessary to make sure that when they craft those regulations, they are, in fact, as uncumbersome as possible and get right to the point.

That is part of what this bill is all about today. I think that is why it will pass with an overwhelming majority. I think we have started to do that job, take on some responsibility and give some guidance to the people who craft those regulations and help small businesses, because truly they do need help to have those regulations apply to help the American people and them, but have them do so in the least onerous way possible.

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

Mr. OSE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to briefly note for the RECORD the deep appreciation I have for the chairman of the full com-

mittee and for the ranking member in sitting down and working out the differences that existed on this bill and allowing it to move forward in an expeditious fashion. To that list I would like to add my compliments to the gentleman from Massachusetts (Mr. TIERNEY), who was kind enough to host me in his district yesterday and for which I am grateful.

□ 1415

He has been an able advocate and a staunch supporter of trying to bring some relief to small businesses, and I am grateful for the opportunity to work with him in all six of these issues. I do look forward to working with all three as this bill moves through the process and future bills come before our committee.

Ms. JACKSON-LEE of Texas. Mr. Speaker, small businesses spend millions of hours annually meeting federal paperwork and record-keeping requirements. The time and effort spent by businesses and taxpayers to meet paperwork demands are estimated to equal almost 10% of the nation's Gross Domestic Product. Small businesses spend approximately 7 billion hours annually filling out federal paperwork. This paperwork burden costs small businesses over \$20 billion annually. According to the Small Business Administration, the nation's small businesses have a disproportionate share of the regulatory burden.

H.R. 327, Small Business Paperwork Relief Act, would ease the regulatory paperwork burdens on small businesses. The Act would streamline the regulatory paperwork process of small business owners and family farmers. The bill would also require the government to make a list of compliance assistance resources available on the Internet and would require each government agency to establish a central point of contact for small businesses. With small businesses spending an estimated \$5,100 per employee to comply with various federally mandated paperwork requirements, it is essential that we act on this bill.

Knowing the importance of small businesses to our economy and our communities, I believe that Congress must support small business expansion across America. An estimated 25.5 million small businesses a nationwide employ more than half the country's private work force. They create three of every four new jobs, and generate a majority of American innovations. As the backbone of our economic well-being, all assistance to the growth of small businesses is important to ensure our economic development. Therefore, I urge my colleagues to support H.R. 327, Small Business Paperwork Relief Act.

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

The SPEAKER pro tempore (Mr. SIMPSON). All time for debate has expired. Pursuant to House Resolution 444, the previous question is ordered.

The question is on the motion offered by the gentleman from California (Mr. OSE).

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

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

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

The Sergeant at Arms will notify absent Members.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, following the vote on this motion, the Chair will put the question on motions to suspend the rules and on the approval of the Journal on which further proceedings were postponed earlier today. Those votes will be taken in the following order: H.R. 4794, by the yeas and nays; H.R. 4717, by the yeas and nays; the Journal vote will be de novo.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

The vote was taken by electronic device, and there were—yeas 418, nays 0, not voting 16, as follows:

[Roll No. 233]

YEAS—418

Abercrombie	Coble	Gilchrest
Ackerman	Collins	Gillmor
Aderholt	Combust	Gilman
Akin	Condit	Gonzalez
Allen	Cooksey	Goode
Andrews	Costello	Goodlatte
Armey	Cox	Gordon
Baca	Coyne	Goss
Baird	Cramer	Graham
Baker	Crane	Granger
Baldacci	Crenshaw	Graves
Baldwin	Crowley	Green (TX)
Ballenger	Cubin	Green (WI)
Barcia	Culberson	Greenwood
Barr	Cummings	Grucci
Barrett	Cunningham	Gutierrez
Bartlett	Davis (CA)	Gutknecht
Barton	Davis (FL)	Hall (OH)
Bass	Davis (IL)	Hall (TX)
Becerra	Davis, Jo Ann	Hansen
Bentsen	Davis, Tom	Harman
Bereuter	Deal	Hart
Berkley	DeFazio	Hastings (FL)
Berman	DeGette	Hastings (WA)
Berry	Delahunt	Hayes
Biggart	DeLauro	Hayworth
Bilirakis	DeLay	Hefley
Bishop	DeMint	Herger
Blumenuauer	Deutsch	Hill
Blunt	Diaz-Balart	Hilleary
Boehlert	Dicks	Hinchee
Boehner	Dingell	Hinojosa
Bonilla	Doggett	Hobson
Bonior	Dooley	Hoefel
Bono	Doolittle	Hoekstra
Boozman	Doyle	Holden
Borski	Dreier	Holt
Boswell	Duncan	Honda
Boucher	Dunn	Hooley
Boyd	Edwards	Horn
Brady (PA)	Ehlers	Hostettler
Brady (TX)	Ehrlich	Houghton
Brown (FL)	Emerson	Hulshof
Brown (OH)	Engel	Hunter
Brown (SC)	English	Hyde
Bryant	Eshoo	Inslee
Burr	Etheridge	Isakson
Burton	Evans	Israel
Buyer	Everett	Issa
Callahan	Farr	Istook
Calvert	Fattah	Jackson (IL)
Camp	Ferguson	Jackson-Lee
Cannon	Filner	(TX)
Cantor	Flake	Jefferson
Capito	Fletcher	Jenkins
Capps	Foley	John
Capuano	Forbes	Johnson (CT)
Cardin	Ford	Johnson (IL)
Carson (IN)	Fossella	Johnson, E. B.
Carson (OK)	Frank	Johnson, Sam
Castle	Frelinghuysen	Jones (NC)
Chabot	Frost	Jones (OH)
Chambliss	Gallegly	Kanjorski
Clay	Ganske	Kaptur
Clayton	Gekas	Keller
Clement	Gephardt	Kelly
Clyburn	Gibbons	Kennedy (MN)

Kennedy (RI) Nethercutt Shows  
Kerns Ney Shuster  
Kildee Northup Simmons  
Kilpatrick Norwood Simpson  
Kind (WI) Nussle Skeen  
King (NY) Oberstar Skelton  
Kingston Obey Slaughter  
Kirk Oliver Smith (MI)  
Kleczka Ortiz Smith (NJ)  
Knollenberg Osborne Smith (TX)  
Kolbe Ose Smith (WA)  
Kucinich Otter Snyder  
LaFalce Owens Solis  
LaHood Oxley Souder  
Lampson Pallone Spratt  
Langevin Pascrell Stark  
Lantos Pastor Stearns  
Larsen (WA) Paul Stenholm  
Larson (CT) Payne Strickland  
Latham Pelosi Stump  
LaTourette Pence Stupak  
Leach Peterson (MN) Sullivan  
Lee Peterson (PA) Sununu  
Levin Petri Sweeney  
Lewis (CA) Phelps Tancredo  
Lewis (GA) Pickering Tanner  
Lewis (KY) Pitts Tauscher  
Linder Platts Tauzin  
Lipinski Pombo Taylor (MS)  
LoBiondo Pomeroy Taylor (NC)  
Lofgren Portman Terry  
Lowe Price (NC) Thomas  
Lucas (KY) Pryce (OH) Thompson (CA)  
Lucas (OK) Quinn Thompson (MS)  
Luther Radanovich Thornberry  
Lynch Rahall Thune  
Maloney (CT) Ramstad Thurman  
Maloney (NY) Rangel Tiahrt  
Manzullo Regula Tiberi  
Markey Rehberg Tierney  
Mascara Reyes Toomey  
Matheson Reynolds Towns  
Matsui Rivers Turner  
McCarthy (MO) Rodriguez Udall (CO)  
McCarthy (NY) Roemer Udall (NM)  
McCollum Rogers (KY) Upton  
McCrery Rogers (MI) Velazquez  
McDermott Rohrabacher Vislosky  
McGovern Ros-Lehtinen Vitter  
McHugh Ross Walden  
McInnis Roybal-Allard Walsh  
McKeon Royce Wamp  
McKinney Rush Watkins (OK)  
McNulty Ryan (WI) Watson (CA)  
Meehan Ryan (KS) Watt (NC)  
Meek (FL) Sabo Watts (OK)  
Meeks (NY) Sanchez Waxman  
Menendez Sandlin Weiner  
Mica Sawyer Weldon (FL)  
Miller, Dan Saxton Weldon (PA)  
Miller, Gary Schaffer Weller  
Miller, George Schakowsky Wexler  
Miller, Jeff Schiff Whitfield  
Mink Schrock Wicker  
Mollohan Scott Wilson (NM)  
Moore Sensenbrenner Wilson (SC)  
Moran (KS) Serrano Wolf  
Morella Sessions Woolsey  
Murtha Shadegg Wu  
Myrick Shaw Wynn  
Nadler Sherman Young (AK)  
Napolitano Sherwood Young (FL)  
Neal Shimkus

## NOT VOTING—16

Bachus Millender Roukema  
Blagojevich McDonald Sanders  
Conyers Moran (VA) Shays  
Hilliard Putnam Traficant  
Hoyer Riley Waters  
McIntyre Rothman

□ 1440

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.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic vot-

ing on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

## RONALD C. PACKARD POST OFFICE BUILDING

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4794.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. OSE) that the House suspend the rules and pass the bill, H.R. 4794, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 418, nays 0, not voting 16, as follows:

[Roll No. 234]

YEAS—418

Abercrombie Coble Gilchrest  
Ackerman Collins Gillmor  
Aderholt Combest Gilman  
Akin Condit Gonzalez  
Allen Cooksey Goode  
Andrews Costello Goodlatte  
Arney Cox Gordon  
Baca Coyne Goss  
Baird Cramer Graham  
Baker Crane Granger  
Baldacci Crenshaw Graves  
Baldwin Crowley Green (TX)  
Ballenger Cubin Green (WI)  
Barcia Culberson Greenwood  
Barr Cummings Grucci  
Barrett Cunningham Gutierrez  
Bartlett Davis (CA) Gutknecht  
Davis (FL) Hall (OH)  
Davis (IL) Hall (TX)  
Davis, Jo Ann Hansen  
Davis, Tom Harman  
Deal Hart  
DeFazio Hastings (FL)  
DeGette Hastings (WA)  
Delahunt Hayes  
DeLauro Hayworth  
DeLay Hefley  
DeMint Herger  
Deutsch Hill  
Diaz-Balart Hilleary  
Dicks Hinchey  
Dingell Hinojosa  
Doggett Hobson  
Doyle Hoeffel  
Dooley Hoekstra  
Doolittle Hoekstra  
Doyle Holden  
Dreier Holt  
Duncan Honda  
Dunn Hooley  
Edwards Horn  
Ehlers Hostettler  
Ehrlich Houghton  
Emerson Hulshof  
Engel Hunter  
English Hyde  
Eshoo Inslee  
Etheridge Isakson  
Evans Israel  
Everett Issa  
Farr Istook  
Fattah Jackson (IL)  
Ferguson Jackson-Lee  
Filner (TX)  
Flake Jefferson  
Fletcher Jenkins  
Foley John  
Forbes Johnson (CT)  
Ford Johnson (IL)  
Fossella Johnson, E. B.  
Frank Johnson, Sam  
Frelinghuysen Jones (NC)  
Frost Jones (OH)  
Gallegly Kanjorski  
Ganske Kaptur  
Clayton Keller  
Clement Kelly  
Clyburn Gibbons Kennedy (MN)

Kennedy (RI) Nethercutt Shows  
Kerns Ney Shuster  
Kildee Northup Simmons  
Kilpatrick Norwood Simpson  
Kind (WI) Nussle Skeen  
King (NY) Oberstar Skelton  
Kingston Obey Slaughter  
Kirk Oliver Smith (MI)  
Kleczka Ortiz Smith (NJ)  
Knollenberg Osborne Smith (TX)  
Kolbe Ose Smith (WA)  
Kucinich Otter Snyder  
LaFalce Owens Solis  
LaHood Oxley Souder  
Lampson Pallone Spratt  
Langevin Pascrell Stark  
Lantos Pastor Stearns  
Larsen (WA) Paul Stenholm  
Larson (CT) Payne Strickland  
Latham Pelosi Stump  
LaTourette Pence Stupak  
Leach Peterson (MN) Sullivan  
Lee Peterson (PA) Sununu  
Levin Petri Sweeney  
Lewis (CA) Phelps Tancredo  
Lewis (GA) Pickering Tanner  
Lewis (KY) Pitts Tauscher  
Linder Platts Tauzin  
Lipinski Pombo Taylor (MS)  
LoBiondo Pomeroy Taylor (NC)  
Lofgren Portman Terry  
Lowe Price (NC) Thomas  
Lucas (KY) Pryce (OH) Thompson (CA)  
Lucas (OK) Quinn Thompson (MS)  
Luther Radanovich Thornberry  
Lynch Rahall Thune  
Maloney (CT) Ramstad Thurman  
Maloney (NY) Rangel Tiahrt  
Manzullo Regula Tiberi  
Markey Rehberg Tierney  
Mascara Reyes Toomey  
Matheson Reynolds Towns  
Matsui Rivers Turner  
McCarthy (MO) Rodriguez Udall (CO)  
McCarthy (NY) Roemer Udall (NM)  
McCollum Rogers (KY) Upton  
McCrery Rogers (MI) Velazquez  
McDermott Rohrabacher Vislosky  
McGovern Ros-Lehtinen Vitter  
McHugh Ross Walden  
McInnis Roybal-Allard Walsh  
McKeon Royce Wamp  
McKinney Rush Watkins (OK)  
McNulty Ryan (WI) Watson (CA)  
Meehan Ryan (KS) Watt (NC)  
Meek (FL) Sabo Watts (OK)  
Meeks (NY) Sanchez Waxman  
Menendez Sandlin Weiner  
Mica Sawyer Weldon (FL)  
Miller, Dan Saxton Weldon (PA)  
Miller, Gary Schaffer Weller  
Miller, George Schakowsky Wexler  
Miller, Jeff Schiff Whitfield  
Mink Schrock Wicker  
Mollohan Scott Wilson (NM)  
Moore Sensenbrenner Wilson (SC)  
Moran (KS) Serrano Wolf  
Morella Sessions Woolsey  
Murtha Shadegg Wu  
Myrick Shaw Wynn  
Nadler Sherman Young (AK)  
Napolitano Sherwood Young (FL)  
Neal Shimkus

## NOT VOTING—16

Bachus Millender Roukema  
Blagojevich McDonald Sanders  
Conyers Moran (VA) Shays  
Hilliard Putnam Traficant  
Hoyer Riley Waters  
McIntyre Rothman

□ 1450

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

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## JIM FONTENO POST OFFICE BUILDING

The SPEAKER pro tempore (Mr. SIMPSON). The pending business is the

question of suspending the rules and passing the bill, H.R. 4717.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. OSE) that the House suspend the rules and pass the bill, H.R. 4717, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 415, nays 0, not voting 19, as follows:

[Roll No. 235]

YEAS—415

Abercrombie	Culberson	Herger
Ackerman	Cummings	Hill
Aderholt	Cunningham	Hilleary
Akin	Davis (CA)	Hinchey
Allen	Davis (FL)	Hinojosa
Andrews	Davis (IL)	Hobson
Armey	Davis, Jo Ann	Hoeffel
Baca	Davis, Tom	Hoeckstra
Baird	Deal	Holden
Baker	DeFazio	Holt
Baldacci	DeGette	Honda
Baldwin	DeLahunt	Hooley
Ballenger	DeLauro	Horn
Barcia	DeLay	Hostettler
Barr	DeMint	Houghton
Barrett	Deutsch	Hulshof
Bartlett	Diaz-Balart	Hunter
Barton	Dicks	Hyde
Bass	Dingell	Inslee
Becerra	Dooley	Isakson
Bentsen	Doolittle	Israel
Bereuter	Doyle	Issa
Berkley	Dreier	Istook
Berman	Dunn	Jackson (IL)
Berry	Edwards	Jackson-Lee
Biggert	Ehlers	(TX)
Bilirakis	Ehrlich	Jefferson
Bishop	Emerson	Jenkins
Blumenauer	Engel	John
Blunt	English	Johnson (CT)
Boehlert	Eshoo	Johnson (IL)
Boehner	Etheridge	Johnson, E. B.
Bonilla	Evans	Johnson, Sam
Bonior	Everett	Jones (NC)
Bono	Farr	Jones (OH)
Boozman	Fattah	Kanjorski
Borski	Ferguson	Kaptur
Boswell	Filner	Keller
Boucher	Flake	Kelly
Boyd	Fletcher	Kennedy (MN)
Brady (PA)	Foley	Kennedy (RI)
Brady (TX)	Forbes	Kerns
Brown (FL)	Ford	Kildee
Brown (OH)	Fossella	Kilpatrick
Brown (SC)	Frank	Kind (WI)
Bryant	Frelinghuysen	King (NY)
Burr	Frost	Kingston
Burton	Gallegly	Kirk
Buyer	Ganske	Kleczka
Callahan	Gekas	Knollenberg
Calvert	Gephardt	Kolbe
Camp	Gibbons	Kucinich
Cannon	Gilchrest	LaFalce
Cantor	Gillmor	LaHood
Capito	Gilman	Lampson
Capps	Gonzalez	Langevin
Capuano	Goode	Lantos
Cardin	Goodlatte	Larsen (WA)
Carson (IN)	Gordon	Larson (CT)
Carson (OK)	Goss	Latham
Castle	Graham	LaTourette
Chabot	Granger	Leach
Chambliss	Graves	Lee
Clay	Green (TX)	Levin
Clayton	Green (WI)	Lewis (CA)
Clement	Greenwood	Lewis (GA)
Clyburn	Grucci	Lewis (KY)
Coble	Gutierrez	Linder
Collins	Gutknecht	Lipinski
Combust	Hall (OH)	LoBiondo
Condit	Hall (TX)	Lofgren
Costello	Hansen	Lowe
Cox	Harman	Lucas (KY)
Coyne	Hart	Lucas (OK)
Cramer	Hastings (FL)	Luther
Crane	Hastings (WA)	Lynch
Crenshaw	Hayes	Maloney (CT)
Crowley	Hayworth	Maloney (NY)
Cubin	Hefley	Manzullo

Markey	Pitts
Mascara	Platts
Matheson	Pombo
Matsui	Pomeroy
McCarthy (MO)	Portman
McCarthy (NY)	Price (NC)
McCollum	Pryce (OH)
McCrery	Quinn
McDermott	Radanovich
McGovern	Rahall
McHugh	Ramstad
McInnis	Rangel
McKeon	Regula
McKinney	Rehberg
McNulty	Reyes
Meehan	Reynolds
Meek (FL)	Rivers
Meeks (NY)	Rodriguez
Menendez	Roemer
Mica	Rogers (KY)
Miller, Dan	Rogers (MI)
Miller, Gary	Rohrabacher
Miller, George	Ros-Lehtinen
Miller, Jeff	Roybal-Allard
Mink	Royce
Mollohan	Rush
Moore	Ryan (WI)
Moran (KS)	Ryun (KS)
Morella	Sabo
Murtha	Sanchez
Myrick	Sanchez
Nadler	Sandlin
Napolitano	Sawyer
Neal	Saxton
Nethercutt	Schaffer
Ney	Schakowsky
Northup	Schiff
Norwood	Schrock
Nussle	Scott
Oberstar	Sensenbrenner
Obey	Serrano
Oliver	Sessions
Ortiz	Shadegg
Osborne	Shaw
Ose	Sherman
Otter	Sherwood
Owens	Shimkus
Oxley	Shows
Pallone	Shuster
Pascarell	Simmons
Pastor	Simpson
Paul	Skeen
Payne	Skelton
Pelosi	Slaughter
Pence	Smith (MI)
Peterson (MN)	Smith (NJ)
Peterson (PA)	Smith (TX)
Petri	Smith (WA)
Phelps	Snyder
Pickering	Solis

Souder	Thompson (CA)
Spratt	Thompson (MS)
Stark	Thornberry
Stearns	Thune
Stenholm	Thurman
Strickland	Tiahrt
Stump	Tiberi
Stupak	Tierney
Sullivan	Toomey
Sununu	Towns
Sweeney	Turner
Tancredo	Udall (CO)
Tanner	Udall (NM)
Tauscher	Upton
Tauzin	Velazquez
Taylor (MS)	Visclosky
Taylor (NC)	Vitter
Terry	Walden
Thomas	Walsh
Thompson (CA)	Wamp
Thompson (MS)	Watkins (OK)
Thornberry	Watson (CA)
Thune	Watt (NC)
Thurman	Watts (OK)
Tiahrt	Waxman
Tiberi	Weiner
Tierney	Weldon (FL)
Toomey	Weldon (PA)
Towns	Weller
Turner	Wexler
Udall (CO)	Whitfield
Udall (NM)	Wicker
Upton	Wilson (MN)
Velazquez	Wilson (SC)
Visclosky	Wolf
Vitter	Woolsey
Walden	Wu
Walsh	Wynn
Wamp	Young (AK)
Watkins (OK)	Young (FL)
Watson (CA)	
Watt (NC)	
Watts (OK)	
Waxman	
Weiner	
Weldon (FL)	
Weldon (PA)	
Weller	
Wexler	
Whitfield	
Wicker	
Wilson (MN)	
Wilson (SC)	
Wolf	
Woolsey	
Wu	
Wynn	
Young (AK)	
Young (FL)	

ANNOUNCEMENT OF INTENTION TO OFFER MOTION TO INSTRUCT CONFEREES ON H.R. 3295, HELP AMERICA VOTE ACT OF 2001

Mr. HASTINGS of Florida. Mr. Speaker, pursuant to clause 7(c) of rule XX, I hereby announce my intention to offer a motion to instruct conferees on H.R. 3295 tomorrow.

The form of the motion is as follows:

Mr. HASTINGS of Florida moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendments to the bill H.R. 3295 be instructed

(1) to insist upon the provisions contained in section 504(a) of the House bill (relating to the effective date for the Federal minimum standards for State election systems); and

(2) to disagree to the provisions contained in section 104(b) of the Senate amendment to the House bill (relating to a safe harbor from the enforcement of the Federal minimum standards for State election systems for States receiving Federal funds under the bill).

TERRORIST BOMBINGS CONVENTION IMPLEMENTATION ACT OF 2001

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3275) to implement the International Convention for the Suppression of Terrorist Bombings to strengthen criminal laws relating to attacks on places of public use, to implement the International Convention of the Suppression of the Financing of Terrorism, to combat terrorism and defend the Nation against terrorist acts, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

**TITLE I—SUPPRESSION OF TERRORIST BOMBINGS**

**SEC. 101. SHORT TITLE.**

*This title may be cited as the "Terrorist Bombings Convention Implementation Act of 2002".*

**SEC. 102. BOMBING STATUTE.**

(a) OFFENSE.—Chapter 113B of title 18, United States Code, relating to terrorism, is amended by inserting after section 2332e the following:

**"§2332f. Bombings of places of public use, government facilities, public transportation systems and infrastructure facilities**

*"(a) OFFENSES.—*

*"(1) IN GENERAL.—Whoever unlawfully delivers, places, discharges, or detonates an explosive or other lethal device in, into, or against a place of public use, a state or government facility, a public transportation system, or an infrastructure facility—*

*"(A) with the intent to cause death or serious bodily injury, or*

*"(B) with the intent to cause extensive destruction of such a place, facility, or system, where such destruction results in or is likely to result in major economic loss,*

*shall be punished as prescribed in subsection (c).*

*"(2) ATTEMPTS AND CONSPIRACIES.—Whoever attempts or conspires to commit an offense*

NOT VOTING—19

Bachus	Hoyer	Rothman
Blagojevich	McIntyre	Roukema
Conyers	Millender-	Sanders
Cooksey	McDonald	Shays
Doggett	Moran (VA)	Trafficant
Duncan	Putnam	Waters
Hilliard	Riley	

□ 1457

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

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

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

under paragraph (1) shall be punished as prescribed in subsection (c).

“(b) JURISDICTION.—There is jurisdiction over the offenses in subsection (a) if—

“(1) the offense takes place in the United States and—

“(A) the offense is committed against another state or a government facility of such state, including its embassy or other diplomatic or consular premises of that state;

“(B) the offense is committed in an attempt to compel another state or the United States to do or abstain from doing any act;

“(C) at the time the offense is committed, it is committed—

“(i) on board a vessel flying the flag of another state;

“(ii) on board an aircraft which is registered under the laws of another state; or

“(iii) on board an aircraft which is operated by the government of another state;

“(D) a perpetrator is found outside the United States;

“(E) a perpetrator is a national of another state or a stateless person; or

“(F) a victim is a national of another state or a stateless person;

“(2) the offense takes place outside the United States and—

“(A) a perpetrator is a national of the United States or is a stateless person whose habitual residence is in the United States;

“(B) a victim is a national of the United States;

“(C) a perpetrator is found in the United States;

“(D) the offense is committed in an attempt to compel the United States to do or abstain from doing any act;

“(E) the offense is committed against a state or government facility of the United States, including an embassy or other diplomatic or consular premises of the United States;

“(F) the offense is committed on board a vessel flying the flag of the United States or an aircraft which is registered under the laws of the United States at the time the offense is committed; or

“(G) the offense is committed on board an aircraft which is operated by the United States.

“(c) PENALTIES.—Whoever violates this section shall be punished as provided under section 2332a(a) of this title.

“(d) EXEMPTIONS TO JURISDICTION.—This section does not apply to—

“(1) the activities of armed forces during an armed conflict, as those terms are understood under the law of war, which are governed by that law,

“(2) activities undertaken by military forces of a state in the exercise of their official duties; or

“(3) offenses committed within the United States, where the alleged offender and the victims are United States citizens and the alleged offender is found in the United States, or where jurisdiction is predicated solely on the nationality of the victims or the alleged offender and the offense has no substantial effect on interstate or foreign commerce.

“(e) DEFINITIONS.—As used in this section, the term—

“(1) ‘serious bodily injury’ has the meaning given that term in section 1365(g)(3) of this title;

“(2) ‘national of the United States’ has the meaning given that term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22));

“(3) ‘state or government facility’ includes any permanent or temporary facility or conveyance that is used or occupied by representatives of a state, members of Government, the legislature or the judiciary or by officials or employees of a state or any other public authority or entity or by employees or officials of an intergovernmental organization in connection with their official duties;

“(4) ‘intergovernmental organization’ includes international organization (as defined in section 1116(b)(5) of this title);

“(5) ‘infrastructure facility’ means any publicly or privately owned facility providing or distributing services for the benefit of the public, such as water, sewage, energy, fuel, or communications;

“(6) ‘place of public use’ means those parts of any building, land, street, waterway, or other location that are accessible or open to members of the public, whether continuously, periodically, or occasionally, and encompasses any commercial, business, cultural, historical, educational, religious, governmental, entertainment, recreational, or similar place that is so accessible or open to the public;

“(7) ‘public transportation system’ means all facilities, conveyances, and instrumentalities, whether publicly or privately owned, that are used in or for publicly available services for the transportation of persons or cargo;

“(8) ‘explosive’ has the meaning given in section 844(j) of this title insofar that it is designed, or has the capability, to cause death, serious bodily injury, or substantial material damage;

“(9) ‘other lethal device’ means any weapon or device that is designed or has the capability to cause death, serious bodily injury, or substantial damage to property through the release, dissemination, or impact of toxic chemicals, biological agents, or toxins (as those terms are defined in section 178 of this title) or radiation or radioactive material;

“(10) ‘military forces of a state’ means the armed forces of a state which are organized, trained, and equipped under its internal law for the primary purpose of national defense or security, and persons acting in support of those armed forces who are under their formal command, control, and responsibility;

“(11) ‘armed conflict’ does not include internal disturbances and tensions, such as riots, isolated and sporadic acts of violence, and other acts of a similar nature; and

“(12) ‘state’ has the same meaning as that term has under international law, and includes all political subdivisions thereof.”

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 113B of title 18, United States Code, is amended by inserting after section 2332e the following:

“2332f. Bombings of places of public use, government facilities, public transportation systems and infrastructure facilities.”

(c) DISCLAIMER.—Nothing contained in this section is intended to affect the applicability of any other Federal or State law which might pertain to the underlying conduct.

#### SEC. 103. EFFECTIVE DATE.

Section 102 shall take effect on the date that the International Convention for the Suppression of Terrorist Bombings enters into force for the United States.

### TITLE II—SUPPRESSION OF THE FINANCING OF TERRORISM

#### SEC. 201. SHORT TITLE.

This title may be cited as the “Suppression of the Financing of Terrorism Convention Implementation Act of 2002”.

#### SEC. 202. TERRORISM FINANCING STATUTE.

(a) IN GENERAL.—Chapter 113B of title 18, United States Code, relating to terrorism, is amended by adding at the end thereof the following new section:

#### “§2339C. Prohibitions against the financing of terrorism

“(a) OFFENSES.—

“(1) IN GENERAL.—Whoever, in a circumstance described in subsection (c), by any means, directly or indirectly, unlawfully and willfully provides or collects funds with the intention that such funds be used, or with the knowledge that such funds are to be used, in full or in part, in order to carry out—

“(A) an act which constitutes an offense within the scope of a treaty specified in subsection (e)(7), as implemented by the United States, or

“(B) any other act intended to cause death or serious bodily injury to a civilian, or to any other person not taking an active part in the hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a government or an international organization to do or to abstain from doing any act, shall be punished as prescribed in subsection (d)(1).

“(2) ATTEMPTS AND CONSPIRACIES.—Whoever attempts or conspires to commit an offense under paragraph (1) shall be punished as prescribed in subsection (d)(1).

“(3) RELATIONSHIP TO PREDICATE ACT.—For an act to constitute an offense set forth in this subsection, it shall not be necessary that the funds were actually used to carry out a predicate act.

“(b) JURISDICTION.—There is jurisdiction over the offenses in subsection (a) in the following circumstances—

“(1) the offense takes place in the United States and—

“(A) a perpetrator was a national of another state or a stateless person;

“(B) on board a vessel flying the flag of another state or an aircraft which is registered under the laws of another state at the time the offense is committed;

“(C) on board an aircraft which is operated by the government of another state;

“(D) a perpetrator is found outside the United States;

“(E) was directed toward or resulted in the carrying out of a predicate act against—

“(i) a national of another state; or

“(ii) another state or a government facility of such state, including its embassy or other diplomatic or consular premises of that state;

“(F) was directed toward or resulted in the carrying out of a predicate act committed in an attempt to compel another state or international organization to do or abstain from doing any act; or

“(G) was directed toward or resulted in the carrying out of a predicate act—

“(i) outside the United States; or

“(ii) within the United States, and either the offense or the predicate act was conducted in, or the results thereof affected, interstate or foreign commerce;

“(2) the offense takes place outside the United States and—

“(A) a perpetrator is a national of the United States or is a stateless person whose habitual residence is in the United States;

“(B) a perpetrator is found in the United States; or

“(C) was directed toward or resulted in the carrying out of a predicate act against—

“(i) any property that is owned, leased, or used by the United States or by any department or agency of the United States, including an embassy or other diplomatic or consular premises of the United States;

“(ii) any person or property within the United States;

“(iii) any national of the United States or the property of such national; or

“(iv) any property of any legal entity organized under the laws of the United States, including any of its States, districts, commonwealths, territories, or possessions;

“(3) the offense is committed on board a vessel flying the flag of the United States or an aircraft which is registered under the laws of the United States at the time the offense is committed;

“(4) the offense is committed on board an aircraft which is operated by the United States; or

“(5) the offense was directed toward or resulted in the carrying out of a predicate act committed in an attempt to compel the United States to do or abstain from doing any act.

“(c) CONCEALMENT.—Whoever—

“(1)(A) is in the United States; or

“(B) is outside the United States and is a national of the United States or a legal entity organized under the laws of the United States (including any of its States, districts, commonwealths, territories, or possessions); and

“(2) knowingly conceals or disguises the nature, location, source, ownership, or control of any material support, resources, or funds—

“(A) knowing or intending that the support or resources were provided in violation of section 2339B of this title; or

“(B) knowing or intending that any such funds or any proceeds of such funds were provided or collected in violation of subsection (a); shall be punished as prescribed in subsection (d)(2).

“(d) PENALTIES.—

“(1) SUBSECTION (A).—Whoever violates subsection (a) shall be fined under this title, imprisoned for not more than 20 years, or both.

“(2) SUBSECTION (C).—Whoever violates subsection (c) shall be fined under this title, imprisoned for not more than 10 years, or both.

“(e) DEFINITIONS.—In this section—

“(1) the term ‘funds’ means assets of every kind, whether tangible or intangible, movable or immovable, however acquired, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such assets, including coin, currency, bank credits, travelers checks, bank checks, money orders, shares, securities, bonds, drafts, and letters of credit;

“(2) the term ‘government facility’ means any permanent or temporary facility or conveyance that is used or occupied by representatives of a state, members of a government, the legislature, or the judiciary, or by officials or employees of a state or any other public authority or entity or by employees or officials of an intergovernmental organization in connection with their official duties;

“(3) the term ‘proceeds’ means any funds derived from or obtained, directly or indirectly, through the commission of an offense set forth in subsection (a);

“(4) the term ‘provides’ includes giving, donating, and transmitting;

“(5) the term ‘collects’ includes raising and receiving;

“(6) the term ‘predicate act’ means any act referred to in subparagraph (A) or (B) of subsection (a)(1);

“(7) the term ‘treaty’ means—

“(A) the Convention for the Suppression of Unlawful Seizure of Aircraft, done at The Hague on December 16, 1970;

“(B) the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on September 23, 1971;

“(C) the Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, adopted by the General Assembly of the United Nations on December 14, 1973;

“(D) the International Convention against the Taking of Hostages, adopted by the General Assembly of the United Nations on December 17, 1979;

“(E) the Convention on the Physical Protection of Nuclear Material, adopted at Vienna on March 3, 1980;

“(F) the Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, done at Montreal on February 24, 1988;

“(G) the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, done at Rome on March 10, 1988;

“(H) the Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf, done at Rome on March 10, 1988; or

“(I) the International Convention for the Suppression of Terrorist Bombings, adopted by the

General Assembly of the United Nations on December 15, 1997;

“(8) the term ‘intergovernmental organization’ includes international organizations;

“(9) the term ‘international organization’ has the same meaning as in section 1116(b)(5) of this title;

“(10) the term ‘armed conflict’ does not include internal disturbances and tensions, such as riots, isolated and sporadic acts of violence, and other acts of a similar nature;

“(11) the term ‘serious bodily injury’ has the same meaning as in section 1365(g)(3) of this title;

“(12) the term ‘national of the United States’ has the meaning given that term in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)); and

“(13) the term ‘state’ has the same meaning as that term has under international law, and includes all political subdivisions thereof.

“(f) CIVIL PENALTY.—In addition to any other criminal, civil, or administrative liability or penalty, any legal entity located within the United States or organized under the laws of the United States, including any of the laws of its States, districts, commonwealths, territories, or possessions, shall be liable to the United States for the sum of at least \$10,000, if a person responsible for the management or control of that legal entity has, in that capacity, committed an offense set forth in subsection (a).”

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 113B of title 18, United States Code, is amended by adding at the end thereof the following:

“2339C. Prohibitions against the financing of terrorism.”

(c) DISCLAIMER.—Nothing contained in this section is intended to affect the scope or applicability of any other Federal or State law.

#### SEC. 203. EFFECTIVE DATE.

Except for paragraphs (1)(D) and (2)(B) of section 2339C(b) of title 18, United States Code, which shall become effective on the date that the International Convention for the Suppression of the Financing of Terrorism enters into force for the United States, and for the provisions of section 2339C(e)(7)(I) of title 18, United States Code, which shall become effective on the date that the International Convention for the Suppression of Terrorist Bombing enters into force for the United States, section 202 shall take effect on the date of enactment of this Act.

### TITLE III—ANCILLARY MEASURES

#### SEC. 301. ANCILLARY MEASURES.

(a) WIRETAP PREDICATES.—Section 2516(1)(q) of title 18, United States Code, is amended by—  
(1) inserting “2332f,” after “2332d,”; and  
(2) striking “or 2339B” and inserting “2339B, or 2339C”.

(b) FEDERAL CRIME OF TERRORISM.—Section 2332b(g)(5)(B) of title 18, United States Code, is amended by—

(1) inserting “2332f (relating to bombing of public places and facilities),” after “2332b (relating to acts of terrorism transcending national boundaries),”; and

(2) inserting “2339C (relating to financing of terrorism),” before “or 2340A (relating to torture)”.

(c) PROVIDING MATERIAL SUPPORT TO TERRORISTS PREDICATE.—Section 2339A of title 18, United States Code, is amended by inserting “2332f,” before “or 2340A”.

(d) FORFEITURE OF FUNDS, PROCEEDS, AND INSTRUMENTALITIES.—Section 981(a)(1) of title 18, United States Code, is amended by adding at the end the following:

“(H) Any property, real or personal, involved in a violation or attempted violation, or which constitutes or is derived from proceeds traceable to a violation, of section 2339C of this title.”

Mr. SENSENBRENNER (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be

considered as read and printed in the RECORD.

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

There was no objection.

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

There was no objection.

A motion to reconsider was laid on the table.

□ 1500

#### REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1475

Mrs. CLAYTON. Mr. Speaker, I ask unanimous consent that my name be withdrawn as a cosponsor of H.R. 1475.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on the further motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record vote on the postponed question will be taken tomorrow.

#### 50TH ANNIVERSARY OF UNITED STATES ARMY SPECIAL FORCES

Mr. HAYES. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 364) recognizing the historic significance of the 50th anniversary of the founding of the United States Army Special Forces and honoring the “Father of the Special Forces”, Colonel Aaron Bank (United States Army, retired) of Mission Viejo, California, for his role in establishing the Army Special Forces, as amended.

The Clerk read as follows:

H. CON. RES. 364

Whereas on June 22, 2002, the Special Forces Association will celebrate the 50th anniversary of the establishment of the first permanent special forces unit in the United States Army;

Whereas such unit was created in response to the advocacy of Colonel Aaron Bank (United States Army, retired), known as the “Father of the Special Forces”;

Whereas Colonel Aaron Bank’s service in the Office of Strategic Services and his experience leading resistance fighters against Nazi Germany convinced him of the need for permanent, elite units in the Armed Forces that would specialize in small unit and counterinsurgency tactics, intelligence operations, and the training of indigenous soldiers;

Whereas in 1952 the Army created its first special forces unit, the 10th Special Forces Group, at Fort Bragg, North Carolina, which would later be known for the distinctive green berets worn by its soldiers;

Whereas Colonel Aaron Bank was assigned as the first commanding officer of the 10th Special Forces Group;

Whereas the success of the United States Army Special Forces encouraged the incorporation of principles of force multiplication into the military doctrine of the United States and paved the way for the revitalization of special operations forces in the Navy, Air Force, and Marine Corps;

Whereas these special operations forces have helped revolutionize the conduct of modern warfare;

Whereas special operations soldiers have served with bravery and distinction in every major military conflict in which the United States has been involved in the last 50 years and in innumerable covert operations;

Whereas special operations soldiers are sometimes called upon to conduct missions so secret that their bravery cannot be fully recognized;

Whereas special operations soldiers are playing a critical role in the war against terrorism; and

Whereas thanks to Colonel Aaron Bank and the thousands of United States Army Special Forces soldiers who have followed him, the Armed Forces are better prepared to conduct unconventional warfare and to protect the United States from developing threats: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring), That Congress—*

(1) recognizes the historic significance of the 50th anniversary of the founding of the United States Army Special Forces;

(2) honors the "Father of the Special Forces", Colonel Aaron Bank (United States Army, retired) of Mission Viejo, California, for his role in establishing the United States Army Special Forces;

(3) recognizes the sacrifices and accomplishments of United States Army Special Forces soldiers and of all other special operations soldiers in the Armed Forces;

(4) expresses deep gratitude for the continuing sacrifices of United States Army Special Forces soldiers and of all other special operations soldiers in the Armed Forces now fighting throughout the world in defense of the freedoms challenged by the heinous events of September 11, 2001; and

(5) honors the sacrifices made by United States Army Special Forces soldiers who have trained hard and acquitted themselves with honor by serving valiantly in battle, with many making the ultimate sacrifice to their country, many times in missions so secret that their valor may never be fully acknowledged.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina (Mr. HAYES) and the gentlewoman from California (Ms. SANCHEZ) each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina (Mr. HAYES).

GENERAL LEAVE

Mr. HAYES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 364, the concurrent resolution under consideration.

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

There was no objection.

Mr. HAYES. Mr. Speaker, I yield myself such time as I may consume.

Today, we pay honor and tribute to the fine men and women of our U.S. Army Special Forces and commemo-

rate them on the 50th anniversary of Special Forces this coming Thursday, June 22.

Fifty years ago, Colonel Aaron Bank's service in the Office of Strategic Services and his experience leading resistance fighters against Nazi Germany convinced him of the need for permanent elite units in the Armed Forces. He envisioned a force that would specialize in small unit and counterinsurgency tactics, intelligence operations, and the training of indigenous soldiers. As a result of Colonel Bank's efforts, in 1922 the Army created the first permanent special operations force, the 10th Special Forces Group at Fort Bragg, North Carolina. Colonel Bank became the commander of these soldiers, who are known for their distinctive green berets. Becoming a highly specialized and effective component of our military, the U.S. Navy, Marine Corps, and Air Force have all followed suit in creating special operations units.

The Special Forces have helped revolutionize the way we wage war, and they are an integral part in prosecuting the war on terrorism. When I was in Afghanistan a few months ago, I was not only very impressed by the capabilities and effectiveness of Special Forces, but also very touched by their professionalism and positive impact on the Afghan society. These are the key to the security and the future of Afghanistan, and they are doing a fantastic job.

Today we honor the sacrifices made by the special operations soldiers of the Armed Forces who have trained hard, served valiantly in battle, and made the ultimate sacrifice for their country, many times in missions so secret that their valor may never be fully acknowledged. It is right that we also express our deep gratitude for the continuing sacrifices of Army Special Forces soldiers, many of whom are based in my district at Fort Bragg, North Carolina, and of all other special operation soldiers in the Armed Forces now fighting throughout the world in defense of the freedoms challenged by the heinous events of September 11, 2001.

I call on my friends and colleagues to pass this legislation, sending a message loud and clear today to our U.S. Special Forces that your efforts are honored, and your sacrifices are appreciated by this Congress and a truly grateful Nation.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. Cox).

Mr. COX. Mr. Speaker, I thank the gentleman for yielding me this time, and I am very pleased that the committee would bring forth my legislation today to honor both Colonel Aaron Bank, my constituent, and the Special Forces that he played such an indispensable role in founding.

Colonel Bank is widely recognized as the founder of America's Special Forces. This weekend, the Special Forces will be celebrating their 50th

anniversary. Given this historic anniversary and Colonel Bank's contribution to the way in which America successfully conducts modern warfare, it is appropriate to honor this man to whom we owe so much.

Colonel Bank, who is now 99 years old, was an officer during World War II assigned to the Office of Strategic Services, the precursor to the Central Intelligence Agency. He fought in Europe behind enemy lines, and after the war he spent time in Southeast Asia searching for U.S. prisoners of war.

Colonel Bank's experience in leading resistance fighters taught him the potential of these new tactics in modern warfare. It showed him the usefulness of military personnel trained in small unit tactics, foreign languages, and subversion. His prescience led him to undertake a new mission: The formation of Special Forces within the Army. They would specialize in small-unit counterinsurgency tactics, intelligence operations, and the training of indigenous soldiers throughout the world.

The idea for such small elite units with specialized training was not at first recognized by military thinkers. It was not accepted. The United States had just emerged from a war fought with enormous citizen armies in which large swaths of territory were occupied and held by ground forces. The invasion of Normandy in June 1944 seemed to epitomize this military doctrine: the use of overwhelming force and numbers to drive back, in this case, the German forces. The military successes of World War II and the emerging threat of the massive Red Army in Eastern and Central Europe seemed to provide little reason to question this line of thinking.

However, much of the key fighting that secured Normandy for the Allies in fact took place not along the beaches there, but behind German lines, where American and British paratroopers dropped in and operated small units. These men had more specialized training and had operated more as teams than the average GI. Here were the ingredients for a new thinking on military maneuver, and Colonel Bank himself had parachuted behind German lines in occupied France to train German defectors in sabotage and other methods of undermining Nazi control.

These experiences convinced him that with the proper training, guerilla forces could effectively fight the enemy from within. They could disrupt communications and could conduct special operations to prepare the area for conventional forces. Colonel Bank then made a career decision. He placed his own prestige and his own reputation behind this idea and fought for it. He lobbied the Pentagon intensively for the creation of such forces, and his advocacy paid off.

In June 1952, the U.S. Army Special Forces were created with the establishment of the original 10th Special Forces Group. Appropriately, Colonel

Bank was made the first commanding officer of the unit. That unit eventually spawned the Green Berets and provided the impetus for the formation of the Navy SEALs, the Marine Corps' Force Recon, and the Army's counterterrorism specialists, the Delta Force.

Over the past half century, Colonel Bank's vision of small-unit operations has proven prophetic. The Special Forces have played a role in almost every major military engagement and, just as importantly, in crucial clandestine missions that have never made the headlines. The Special Forces have trained counterinsurgency operations and conducted diversionary campaigns to distract enemy forces. They have hunted drug kingpins throughout Central America. They have secured pathways for the distribution of humanitarian supplies in the Horn of Africa.

Now our Special Forces are engaged in a new challenge: finding and destroying the cells of al-Qaeda. Our Special Forces are figuring prominently in our war on terrorism. They have operated for weeks at a time behind enemy lines, and they have incurred the brunt of U.S. casualties in this new 21st century war. Their successes, though, are a testament to Colonel Bank's vision, his legacy that has revolutionized how America conducts 21st century warfare.

It is thus fitting, Mr. Speaker, that we should show our appreciation for the sacrifices that our Special Forces are currently making on the war on terror and in every corner of the world. This measure honors the brave men and women who have served in this capacity over the past 50 years, and especially the man who created these elite units. It is with great pride that I ask this body to pass this legislation to honor Colonel Bank for his achievements.

Ms. SANCHEZ. Mr. Speaker, I yield myself as much time as I may consume.

I rise in support of H. Con. Res. 364, introduced by the gentleman from Orange County, California (Mr. COX) which recognizes the 50th anniversary of the United States Army Special Forces. The United States Army Special Forces was created on June 20, 1952, when the original 10th with Special Forces Group commanded by Colonel Aaron Bank was activated at Fort Bragg, North Carolina. From this a permanent force of unconventional soldiers serving in small-scale conflicts behind enemy lines was formed.

The success of this group, to be known as the Green Berets, acted as a catalyst for the creation of similar special operations units within our Navy, Air Force, and Marine Corps. Colonel Aaron Bank, an OSS operative who remained in the military after the war, worked tirelessly to convince the Army to adopt its own conventional guerilla-style force. Bank and Volckmann convinced the Army chiefs that there were areas in the world not susceptible to conventional warfare, but that would

make ideal targets for the unconventional harassment and guerilla fighting.

Special operations as envisioned by Bank were a force multiplier where you had a small number of soldiers who could sow a disproportionately large amount of trouble for the enemy. Confusion would reign among enemy ranks, and the objectives would be accomplished with an extreme economy of manpower. It was a bold idea, one that went against the grain of traditional concepts.

In the spring of 1952, Bank went to Fort Bragg to choose a suitable location for a psychological warfare/Special Forces center. He then went about assembling a group of soldiers who would serve as the foundation of the new unit. Bank did not want raw recruits. He wanted the best troops in the Army, and he got them. They were a group of men who were looking for new challenges to conquer. They were all volunteers willing to work behind enemy lines in civilian clothes if necessary.

And that last item was of no small matter. If caught operating in civilian clothes, a soldier was no longer protected by the Geneva Convention and would more than likely be shot on site if captured. These first volunteers were extremely brave, and they did not worry about these risks, and after months of intense preparation, Bank's unit was finally activated on June 19 of 1952 at Fort Bragg. It was designated the 10th Special Forces Group, with Bank as the commander, and on the day of activation, the total strength of the group was 10 soldiers: Bank, 1 warrant officer, and 8 enlisted men.

That was soon to change, however. Bank began training his troops in the most advanced techniques of unconventional warfare, and as defined by the Army, the main mission of Bank's unit was to infiltrate by land, sea, or air deep into enemy-occupied territory and organize the resistance/guerilla potential to conduct Special Forces operations with an emphasis on guerilla warfare.

But there were also secondary missions. They included deep-penetration raids, intelligence missions and counterinsurgency operations. It was a tall order, one which demanded a commitment to professionalism and excellence perhaps unparalleled in our American military history. But Bank's men were up to that challenge, and by 1958 the basic operational unit of Special Forces had emerged as a 12-man team known as the detachment, or the "A-team." Each member of the A-detachment, two officers, two operations and intelligence sergeants, two weapons sergeants, two communications sergeants, two medics, and two engineers, were trained in unconventional warfare and cross-trained in each other's specialties, and they spoke, each of them, at least one foreign language. This composition allowed each detachment to operate if necessary in two six-

man teams or basically split the A-team.

On November 23, Colonel Bank will be 100 years old, and throughout his life he has demonstrated unwavering loyalty and willingness to take on the most dangerous assignments to achieve the goal of his mission.

□ 1515

During World War II, he served at the Office of Strategic Services. Under that capacity, he was called on to organize a team of German-speaking Americans and French soldiers to dress and train as German SS soldiers with the mission to assassinate Hitler. Although the mission was terminated on the eve of its deployment, Colonel Bank and his soldiers risked certain death by agreeing to serve on this incredibly dangerous mission.

He was the commander of the 107th Airborne Infantry Regimental Combat Team during the Korean War. He has a rich past. He is respected by many military and world leaders. And even recently, leaders of the Special Forces contacted Colonel Bank for his advice on military strategy. In 1997, I spoke and kicked off the Operation Bank to Bank, the Walk Across America, which brought the retired members of the Special Forces Association who started in Newport Beach, California, to walk across America covering eight States and 2,640 miles honoring the Green Berets and raising money for a Special Forces museum.

It was my pleasure on that day when I met Colonel Aaron Bank. Today it is my pleasure to call him the Father of the Special Forces on the 50th anniversary of his contribution to our Nation's efforts to preserve democracy and freedom.

Given their contribution to the war on terrorism, it is even more appropriate that we honor the tens of thousands Special Forces alum and the more than 8,000 men and women currently serving as Special Forces soldiers in defense of America.

Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. SKELTON), the ranking member of the Committee on Armed Services.

Mr. SKELTON. Mr. Speaker, I thank the gentlewoman for allowing me to add my voice to this effort.

Mr. Speaker, when one walks into the Special Operations Center, in the lobby thereof on the right-hand side there will be a portrait of the late gentleman from Virginia, Dan Daniels, for it was he on June 26, 1986, who introduced a bill to establish the National Special Operations Agency. We have Special Operations Command as a result of his efforts, and the efforts on the other side of the Capitol, particularly with the help of Retired Lieutenant General Sam Wilson; this command was activated on April 16, 1987. U.S. Special Operations Command provides highly trained, rapidly deployable and regionally focused personnel to support the combatant commanders. Today,

there are some 46,000 Special Forces personnel in the Army, Navy and in the Air Force.

Today we commemorate the 50th anniversary of the Special Forces of the Army. I rise to support H. Con. Res. 364. The First Special Service Force of the Second World War is considered to be the predecessor to the present U.S. Army Special Forces. General George C. Marshall determined that an elite force recruited in Canada and our country was required to conduct raids and strikes in snow-covered mountainous terrain. These men were trained in demolitions, rock-climbing, amphibious assault, and ski techniques, and were also provided airborne instructions. The First Special Service Forces was known as The Devil's Brigade. It was inactivated in the south of France near the end of World War II.

Colonel Aaron Bank, who served in the OSS at the time, proposed a permanent, small elite unit to do this counterinsurgency work. So in June 1952, the first unit of Special Forces was activated. The 10th Special Forces Group was established at Fort Bragg. Let me add my voice to that of the gentlewoman from California (Ms. SANCHEZ), the gentleman from North Carolina (Mr. HAYES), and others, and urge that it be adopted.

Mr. HAYES. Mr. Speaker, I yield 1 minute to the gentleman from Maryland (Mr. BARTLETT).

Mr. BARTLETT of Maryland. Mr. Speaker, I rise to ask unanimous support of H. Con. Res. 364.

This Thursday, June 20, will mark the 50th anniversary of the founding of the U.S. Army Special Forces under the leadership of Aaron Bank.

The Special Forces are the best of the best. Through their storied history, they have achieved popular recognition and acclaim as the Green Berets in honor of their distinctive headgear.

As a Marylander, I am proud to say that the Maryland Army National Guard Second Battalion 20th Special Forces Bravo Company makes its home at the Gunpowder Military Reservation in Baltimore County.

At age 99, Aaron Bank is still alive and vigorous. It is without reservation that we acclaim him as a living legend. He is indeed the father of the Special Forces, and it is right and proper that he is recognized as such in H. Con. Res. 364. I urge my colleagues to join me in congratulating Colonel Aaron Bank and all of the current and former generations of Green Berets for 50 years of outstanding service to our country.

Ms. SANCHEZ. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentlewoman for her leadership on this issue and the gentleman from California (Mr. COX) for the sponsorship, with the leaders of the Committee on Armed Services; and I rise to support H. Con. Res. 364 and honor the father of the Special Forces in such a great leader as Colonel Aaron

Bank, and to acknowledge the 50th anniversary of this great organization.

I can speak first hand of the organization only through the constituents that I have represented in Texas, so many who have been part of the Army Special Forces. I have heard their commitment, dedication, but particularly their pride in the service that they have given, the extra mile, the challenges that they are willing to accept, that no challenge is too great for them to be able to achieve or accomplish.

It is interesting as I have traveled to a number of sites since my election to Congress where there have been armed conflict, Bosnia, the Albanian ethnic purification that was attempted, we realize that the Armed Forces and their Special Services were key to the success of ending those conflicts. But now more than ever with the continuing war against terrorism and the continuing presence that we will have to have in Afghanistan, I can say first-hand that the Special Services are key to this country's success in fighting terrorism.

It is a vision of Colonel Bank's that should continually be admired and promoted. I thank him for his thoughts and vision, for thinking about that special type of force that is needed to provide the leadership, the courage and the refinement of fighting these unique and special circumstances. It is with great admiration that I join in supporting this particular resolution honoring the Special Forces for their 50 years, and to say that we hope that they will succeed and be in service for 50 more years on behalf of the United States of America.

Mr. HAYES. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. SHIMKUS), who also is a lieutenant colonel, airborne and ranger-qualified in the Army Reserve.

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

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

Mr. Speaker, I am honored to be here speaking about what Colonel Bank has done for the country. It has been mentioned about the fruit not falling far from the tree. I want to mention some of the Special Operations Command individuals that had an impact on my life through this organization.

I just briefly remember my first company commander, who is now a retired lieutenant colonel in the Army, John Everett, who was an A Team leader before he commanded my company, where I was a lowly second lieutenant platoon leader. Then there was my brigade commander, Wayne Downing, who now is retired Special Operations Command commander, and now works for the former governor of Pennsylvania, Tom Ridge, and the Agency of Homeland Security; and also my first command Sergeant Major Quesada, who was on the raid to Sontay in North Vietnam. All had great impacts on my

life, along with my friends and classmates in airborne class who graduated in July of 1980, and my ranger class that graduated in April of 1981.

The Special Forces are designed around light, lethal mobile, and independent operations. A key to that is NCO leadership: proficient, trained soldiers who can operate on their own and operate successfully. That is really now the mode for the transformation of the Army, and the success in Afghanistan just shows that the vision of Colonel Bank has produced great fruit.

As the Army struggles with transformation in this new era when we have new enemies, the model of the Special Operations Command of lighter, quicker, independent action, more lethal, and junior NCO leadership, is a model by which I think we will be well served in the defense of this country for many, many years to come.

Mr. Speaker, I am really honored to have this opportunity to speak on the floor in support of my classmates who are still members of the Special Operations Command, and all those who have gone before to make this country a better place.

Ms. SANCHEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Colonel Bank is a very interesting guy. He will be 100, as I said, in November. I want to reiterate that he is still alive and kicking and doing a great job for us. I will remind Members that until his 75th birthday, he ran several miles a day. In fact, when he had his troops, sometimes he had an ambulance follow them during their workouts because some of the new young recruits did not know how difficult it was going to be in those units. Even today, he rides a stationary bike four days a week. He lives in Orange County, California; and we are very proud of him, as we are of all our Special Forces from over the years.

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

Mr. HAYES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first I thank the gentleman from California (Mr. COX) for his leadership in helping bring this resolution forward, and also I thank the gentlewoman from California (Ms. SANCHEZ) for her leadership and interest in this vital project, and the ranking member of our Committee on Armed Services, the gentleman from Missouri (Mr. SKELTON).

Their efforts and their time spent in bringing this measure to the floor expeditiously are most appropriate and appreciated. These folks that we honor today, past and present, are first and foremost warriors; but they are also engineers, teachers, and medics. They bring stability and peace to the regions in the areas that they touch.

□ 1530

They represent us with incredible distinction and make clear the old adage that simply says, our citizen soldiers clearly recognize the difference

between good and evil, and they are not willing to live in a world where evil prevails.

In honor of the Airborne, the Special Forces and for Colonel Shimkus, I close by saying simply:

Stand up, hook up, shuffle to the door  
Leap right out and count to four.  
If your main don't open wide,  
You got a reserve by your side.  
Airborne.

Ms. JACKSON-LEE of Texas. Mr. Speaker, the fog and friction of war ruled the day when seven American special operations forces died on an isolated mountaintop in Afghanistan. The battle at Takur Ghar took place during Operation Anaconda. U.S. military officials sent a special operations reconnaissance element to a key piece of terrain. As the team reached the 10,000-foot mountaintop, the team's assault helicopter took immediate ground fire. In the course of the next two hours, the special operations team went back to rescue their mate, who had fallen out the back of the assault helicopter. He continued to fight until his death. That fight is a microcosm of men and women who are in the Army's Special Forces. The military personnel that fought on Takur Ghar, displayed dedication, bravery, selflessness, courage and unity. This is who our Special Forces are.

The Special Forces Regiment uses a twelve-member team concept. It assigns multifaceted missions including counter-terrorism, direct action, strategic reconnaissance, psychological warfare, civil affairs, and training foreign military and para-military forces in counter-insurgency operations. Special Forces Soldiers are teachers who are trained in foreign languages and are called on to teach military skills to people around the world. They operate in urban, jungle, desert, mountain, maritime, and arctic environments and are sometimes called on to survive for months at a time behind enemy lines.

Special Operations Forces are an elite, specialized military unit which can be inserted behind the lines to conduct a variety of operations, many of them clandestine. Special Operations Forces are characterized by "combinations of specialized personnel, equipment, training and tactics that go beyond the routine capabilities of conventional military forces." SOF personnel are carefully selected and undergo highly demanding training. U.S. Army SOF include 26,000 soldiers from the Active Army, National Guard, and Army Reserve who are organized into Special Forces units, Rangers units, special operations aviation units, civil affairs units, psychological operations units, and special operations support units. Special operations forces and predecessor U.S. units have played a role in most U.S. conflicts. In 1985, Congress noted that the U.S. SOF provide an immediate and primary capability to respond to terrorism.

Colonel Aaron Bank is truly a legend. If life were like fiction, Colonel Bank would be the leading character in one of the most dramatic stories of the 20th century. He is called the "Father of the Green Berets." Colonel Bank was born in New York City in November of 1902. As a young man he lived in Europe and learned French and Russian. He enlisted in the U.S. Army in late 1939 and graduated from OCS in 1940. He was commissioned in the Infantry and served as the Tactical Officer of a railroad battalion at Camp Polk in Lou-

isiana. In 1943, when the Army called for linguists to join the newly formed Office of Strategic Services (OSS) [predecessor of the Central Intelligence Agency], Colonel Bank stepped forward. Under the Command of Colonel William B. ("Wild Bill") Donovan, Colonel Bank parachuted into occupied France in the Rohn Valley to train and fight with the French resistance. Colonel Bank was made Chief of Guerilla Operations. He operated in the area of Avignon and Nimes, along with other OSS Jedburgh Teams. Colonel Bank was involved with some of the most intriguing operations and personalities of that era. He was actively involved with the famous Operation "Iron Cross"—the plot to assassinate Adolph Hitler.

Following World War II, Colonel Bank served as Commander of Counter-Intelligence in Bavaria until 1950. He also served in Korea, where he was the executive officer of a Regimental Combat Team. From 1951–1952, Colonel Bank was assigned to the Special Operations Branch, Psychological Warfare Staff at the Pentagon. It was here that the idea for the First Special Forces Group took form. On June 19, 1952, this idea became reality. This occurred when Colonel Bank activated the 10th Special Forces Group, the original Special Forces unit. Colonel Bank commanded the Group at Bad Toelz, Federal Republic of Germany until 1954. In 1986, Colonel Bank was honored with the title of Colonel of the Regiment for all U.S. Army Special Forces.

The Army Special Forces live quietly by their motto "De Oppresso Liber", Latin for "To Free the Oppressed". Therefore, I salute the United States Army Special Forces and Colonel Aaron Bank on the historic significance of the 50th anniversary of the founding of the United States Army Special Forces.

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

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from North Carolina (Mr. HAYES) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 364, as amended.

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

A motion to reconsider was laid on the table.

#### HOMELAND SECURITY ACT OF 2002—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107-227)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to Union Calendar and ordered to be printed:

*To the Congress of the United States:*

I hereby transmit to the Congress proposed legislation to create a new Cabinet Department of Homeland Security.

Our Nation faces a new and changing threat unlike any we have faced before—the global threat of terrorism. No

nation is immune, and all nations must act decisively to protect against this constantly evolving threat.

We must recognize that the threat of terrorism is a permanent condition, and we must take action to protect America against the terrorists that seek to kill the innocent.

Since September 11, 2001, all levels of government and leaders from across the political spectrum have cooperated like never before. We have strengthened our aviation security and tightened our borders. We have stockpiled medicines to defend against bioterrorism and improved our ability to combat weapons of mass destruction. We have dramatically improved information sharing among our intelligence agencies, and we have taken new steps to protect our critical infrastructure.

Our Nation is stronger and better prepared today than it was on September 11. Yet, we can do better. I proposed the most extensive reorganization of the Federal Government since the 1940s by creating a new Department of Homeland Security. For the first time we would have a single Department whose primary mission is to secure our homeland. Soon after the Second World War, President Harry Truman recognized that our Nation's fragmented military defenses needed reorganization to help win the Cold War. President Truman proposed uniting our military forces under a single entity, now the Department of Defense, and creating the National Security Council to bring together defense, intelligence, and diplomacy. President Truman's reforms are still helping us to fight terror abroad, and today we need similar dramatic reforms to secure our people at home.

President Truman and Congress reorganized our Government to meet a very visible enemy in the Cold War. Today our Nation must once again reorganize our Government to protect against an often-invisible enemy, an enemy that hides in the shadows and an enemy that can strike with many different types of weapons. Our enemies seek to obtain the most dangerous and deadly weapons of mass destruction and use them against the innocent. While we are winning the war on terrorism, Al Qaeda and other terrorist organizations still have thousands of trained killers spread across the globe plotting attacks against America and the other nations of the civilized world.

Immediately after last fall's attack, I used my legal authority to establish the White House Office of Homeland Security and the Homeland Security Council to help ensure that our Federal response and protection efforts were coordinated and effective. I also directed Homeland Security Advisor Tom Ridge to study the Federal Government as a whole to determine if the current structure allows us to meet the threats of today while preparing for the unknown threats of tomorrow. After careful study of the current structure, coupled with the experience

gained since September 11 and new information we have learned about our enemies while fighting a war, I have concluded that our Nation needs a more unified homeland security structure.

I propose to create a new Department of Homeland Security by substantially transforming the current confusing patchwork of government activities into a single department whose primary mission is to secure our homeland. My proposal builds on the strong bipartisan work on the issue of homeland security that has been conducted by Members of Congress. In designing the new Department, my Administration considered a number of homeland security organizational proposals that have emerged from outside studies, commissions, and Members of Congress.

#### THE NEED FOR A DEPARTMENT OF HOMELAND SECURITY

Today no Federal Government agency has homeland security as its primary mission. Responsibilities for homeland security are dispersed among more than 100 different entities of the Federal Government. America needs a unified homeland security structure that will improve protection against today's threats and be flexible enough to help meet the unknown threats of the future.

The mission of the new Department would be to prevent terrorist attacks within the United States, to reduce America's vulnerability to terrorism, and to minimize the damage and recover from attacks that may occur. The Department of Homeland Security would mobilize and focus the resources of the Federal Government, State and local governments, the private sector, and the American people to accomplish its mission.

The Department of Homeland Security would make Americans safer because for the first time we would have one department dedicated to securing the homeland. One department would secure our borders, transportation sector, ports, and critical infrastructure. One department would analyze homeland security intelligence from multiple sources, synthesize it with a comprehensive assessment of America's vulnerabilities, and take action to secure our highest risk facilities and systems. One department would coordinate communications with State and local governments, private industry, and the American people about threats and preparedness. One department would coordinate our efforts to secure the American people against bioterrorism and other weapons of mass destruction. One department would help train and equip our first responders. One department would manage Federal emergency response activities.

Our goal is not to expand Government, but to create an agile organization that takes advantage of modern technology and management techniques to meet a new and constantly evolving threat. We can improve our

homeland security by minimizing the duplication of efforts, improving coordination, and combining functions that are currently fragmented and inefficient. The new department would allow us to have more security officers in the field working to stop terrorists and fewer resources in Washington managing duplicative activities that drain critical homeland security resources.

The Department of Homeland Security would have a clear and efficient organizational structure with four main divisions: Border and Transportation Security; Emergency Preparedness and Response; Chemical, Biological, Radiological and Nuclear Countermeasures; and Information Analysis and Infrastructure Protection.

#### BORDER AND TRANSPORTATION SECURITY

Terrorism is a global threat and we must improve our border security to help keep out those who mean to do us harm. We must closely monitor who is coming into and out of our country to help prevent foreign terrorists from entering our country and bringing in their instruments of terror. At the same time, we must expedite the legal flow of people and goods on which our economy depends. Securing our borders and controlling entry to the United States has always been the responsibility of the Federal Government. Yet, this responsibility and the security of our transportation systems is now dispersed among several major Government organizations. Under my proposed legislation, the Department of Homeland Security would unify authority over major Federal security operations related to our borders, territorial waters, and transportation systems.

The Department would assume responsibility for the United States Coast Guard, the United States Customs Service, the Immigration and Naturalization Service (including the Border Patrol), the Animal and Plant Health Inspection Service, and the Transportation Security Administration. The Secretary of Homeland Security would have the authority to administer and enforce all immigration and nationality laws, including the visa issuance functions of consular officers. As a result, the Department would have sole responsibility for managing entry into the United States and protecting our transportation infrastructure. It would ensure that all aspects of border control, including the issuing of visas, are informed by a central information-sharing clearinghouse and compatible databases.

#### EMERGENCY PREPAREDNESS AND RESPONSE

Although our top priority is preventing future attacks, we must also prepare to minimize the damage and recover from attacks that may occur.

My legislative proposal requires the Department of Homeland Security to ensure the preparedness of our Nation's emergency response professionals, provide the Federal Government's response, and aid America's recovery

from terrorist attacks and natural disasters. To fulfill these missions, the Department of Homeland Security would incorporate the Federal Emergency Management Agency (FEMA) as one of its key components. The Department would administer the domestic disaster preparedness grant programs for firefighters, police, and emergency personnel currently managed by FEMA, the Department of Justice, and the Department of Health and Human Services. In responding to an incident, the Department would manage such critical response assets as the Nuclear Emergency Search Team (from the Department of Energy) and the National Pharmaceutical Stockpile (from the Department of Health and Human Services). Finally, the Department of Homeland Security would integrate the Federal interagency emergency response plans into a single, comprehensive, Government-wide plan, and would work to ensure that all response personnel have the equipment and capability to communicate with each other as necessary.

#### CHEMICAL, BIOLOGICAL, RADIOLOGICAL, AND NUCLEAR COUNTERMEASURES

Our enemies today seek to acquire and use the most deadly weapons known to mankind—chemical, biological, radiological, and nuclear weapons.

The new Department of Homeland Security would lead the Federal Government's efforts in preparing for and responding to the full range of terrorist threats involving weapons of mass destruction. The Department would set national policy and establish guidelines for State and local governments. The Department would direct exercises for Federal, State, and local chemical, biological, radiological, and nuclear attack response teams and plans. The Department would consolidate and synchronize the disparate efforts of multiple Federal agencies now scattered across several departments. This would create a single office whose primary mission is the critical task of securing the United States from catastrophic terrorism.

The Department would improve America's ability to develop diagnostics, vaccines, antibodies, antidotes, and other countermeasures against new weapons. It would consolidate and prioritize the disparate homeland security-related research and development programs currently scattered throughout the executive branch, and the Department would assist State and local public safety agencies by evaluating equipment and setting standards.

#### INFORMATION ANALYSIS AND INFRASTRUCTURE PROTECTION

For the first time the Government would have under one roof the capability to identify and assess threats to the homeland, map those threats against our vulnerabilities, issue timely warnings, and take action to help secure the homeland.

The Information Analysis and Infrastructure Protection division of the

new Department of Homeland Security would complement the reforms on intelligence-gathering and information-sharing already underway at the FBI and the CIA. The Department would analyze information and intelligence from the FBI, CIA, and many other Federal agencies to better understand the terrorist threat to the American homeland.

The Department would comprehensively assess the vulnerability of America's key assets and critical infrastructures, including food and water systems, agriculture, health systems and emergency services, information and telecommunications, banking and finance, energy, transportation, the chemical and defense industries, postal and shipping entities, and national monuments and icons. The Department would integrate its own and others' threat analyses with its comprehensive vulnerability assessment to identify protective priorities and support protective steps to be taken by the Department, other Federal departments and agencies, State and local agencies, and the private sector. Working closely with State and local officials, other Federal agencies, and the private sector, the Department would help ensure that proper steps are taken to protect high-risk potential targets.

#### OTHER COMPONENTS

In addition to these four core divisions, the submitted legislation would also transfer responsibility for the Secret Service to the Department of Homeland Security. The Secret Service, which would report directly to the Secretary of Homeland Security, would retain its primary mission to protect the President and other Government leaders. The Secret Service would, however, contribute its specialized protective expertise to the fulfillment of the Department's core mission.

Finally, under my legislation, the Department of Homeland Security would consolidate and streamline relations with the Federal Government for America's State and local governments. The new Department would contain an intergovernmental affairs office to coordinate Federal homeland security programs with State and local officials. It would give State and local officials one primary contact instead of many when it comes to matters related to training, equipment, planning, and other critical needs such as emergency response.

The consolidation of the Government's homeland security efforts as outlined in my proposed legislation can achieve great efficiencies that further enhance our security. Yet, to achieve these efficiencies, the new Secretary of Homeland Security would require considerable flexibility in procurement, integration of information technology systems, and personnel issues. My proposed legislation provides the Secretary of Homeland Security with just such flexibility and managerial authorities. I call upon the Congress to implement these measures in order to

ensure that we are maximizing our ability to secure our homeland.

CONTINUED INTERAGENCY COORDINATION AT THE  
WHITE HOUSE

Even with the creation of the new Department, there will remain a strong need for a White House Office of Homeland Security. Protecting America from terrorism will remain a multi-departmental issue and will continue to require interagency coordination. Presidents will continue to require the confidential advice of a Homeland Security Advisor, and I intend for the White House Office of Homeland Security and the Homeland Security Council to maintain a strong role in coordinating our governmentwide efforts to secure the homeland.

#### THE LESSONS OF HISTORY

History teaches us that new challenges require new organizational structures. History also teaches us that critical security challenges require clear lines of responsibility and the unified effort of the U.S. Government.

President Truman said, looking at the lessons of the Second World War: "It is now time to discard obsolete organizational forms, and to provide for the future the soundest, the most effective, and the most economical kind of structure for our armed forces." When skeptics told President Truman that this proposed reorganization was too ambitious to be enacted, he simply replied that it has to be. In the years to follow, the Congress acted upon President Truman's recommendation, eventually laying a sound organizational foundation that enabled the United States to win the Cold War. All Americans today enjoy the inheritance of this landmark organizational reform: a unified Department of Defense that has become the most powerful force for freedom the world has even seen.

Today America faces a threat that is wholly different from the threat we faced during the Cold War. Our terrorist enemies hide in shadows and attack civilians with whatever means of destruction they can access. But as in the Cold War, meeting this threat requires clear lines of responsibility and the unified efforts of government at all levels—Federal, State, local, and tribal—the private sector, and all Americans. America needs a homeland security establishment that can help prevent catastrophic attacks and mobilize national resources for an enduring conflict while protecting our Nation's values and liberties.

Years from today, our world will still be fighting the threat of terrorism. It is my hope that future generations will be able to look back on the Homeland Security Act of 2002—as we now remember the National Security Act of 1947—as the solid organizational foundation for America's triumph in a long and difficult struggle against a formidable enemy.

History has given our Nation new challenges—and important new assignments. Only the United States Congress can create a new department of

Government. We face an urgent need, and I am pleased that Congress has responded to my call to act before the end of the current congressional session with the same bipartisan spirit that allowed us to act expeditiously on legislation after September 11.

These are times that demand bipartisan action and bipartisan solutions to meet the new and changing threats we face as a Nation. I urge the Congress to join me in creating a single, permanent department with an overriding and urgent mission—securing the homeland of America and protecting the American people. Together we can meet this ambitious deadline and help ensure that the American homeland is secure against the terrorist threat.

GEORGE W. BUSH.

THE WHITE HOUSE, June 18, 2002.

#### SPECIAL ORDERS

The SPEAKER pro tempore. Without prejudice to the possible resumption of legislative business, and 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.

#### PRESCRIPTION DRUG PLAN

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

Mr. FILNER. Mr. Speaker, I rise today in support of a true prescription drug plan that would cover all the seniors in America. Under Medicare, a Democratic prescription drug benefit would be voluntary and universal. Every senior would have access, no matter where they live or what their income.

Soaring prices for prescription drugs are putting medicine out of reach for millions of seniors. Many of them are being forced to choose between paying for prescription drugs or paying for food. No older American should be faced with that decision.

The House Republican prescription drug plan is a sham proposal that provides no real guarantee at all. Let us do the math, Mr. Speaker. Republicans argue that they have a \$2,500 gap in coverage. That gap is bad enough, but the reality is even worse. Here is the math that will compare apples to apples. Under the Republican drug plan, the beneficiary pays as follows: a \$250 deductible, and then a \$150 coinsurance for the first \$1,000 of drugs, and then a \$500 coinsurance for the next \$1,000 of drugs. Add that up and that is \$900 out-of-pocket spending for the first \$2,000 worth of prescription drugs.

But that is not the end of it. You then have to calculate how much additional money a beneficiary must spend out of pocket to get to the \$4,500 out-of-pocket limit that the Republicans have. That is \$3,600. The gap for which the beneficiary is 100 percent on the hook in the Republican Medicare bill is

\$3,600. After a beneficiary obtains \$2,000 worth of drugs, they get no more coverage from the Republican Medicare drug plan until they spend another \$3,600 out of their own pocket. Therefore, before Medicare pays another cent, a beneficiary must obtain \$5,600 worth of prescription drugs for the year.

That is pretty complicated, and that is what the Republicans are counting on, that they will just use some words and you will not be able to do the math. But you have got to understand it. The Republican Medicare proposal has even greater gaping holes than they want to admit. Under their plan the benefit is so limited that it will not be worthwhile for many middle-class seniors to even enroll, it will not cover all seniors, and there is even a bigger problem. The Republican plan forces seniors to shop for and buy a private insurance plan, a plan which virtually every insurance company in America says they will not even offer because it is not worth it, and so seniors will have to go without coverage at all.

We know this model does not work. It did not work in 1965, and that is why we created Medicare to begin with. The insurance companies, as I said, say it will not work either. The Health Insurance Association of America said it will not offer drug-only policies.

The Republican prescription plan does nothing to slow prescription drug prices from continuing their upward spiral, and the Republican plan is simply guaranteed to fail. There they go again, putting words on a bill which has no meaning for the average American today.

Learn how do the math, everybody, because this is going to be a basic debate in America over the next few weeks. We need to pass a meaningful prescription drug plan that uses Medicare to make drugs affordable and provides a universal voluntary benefit for all seniors.

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

(Mr. JONES of North Carolina addressed the House. His remarks will appear hereafter in the Extension of Remarks.)

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

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

#### HOMELAND SECURITY

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

Mr. SOUDER. Mr. Speaker, last week the hearings began on the new Depart-

ment of Homeland Security. Yesterday my Subcommittee on Criminal Justice, Drug Policy and Human Resources held a hearing titled "Homeland Security Reorganization: What Impact on Federal Law Enforcement and Drug Interdiction?" Last week in the Committee on Government Reform, our Subcommittees on Civil Service and on National Security held a joint committee hearing, the first ones on homeland security. I wanted to share a few of the things that we have already learned through these hearings as well as in the media the last few days, because we are starting these and we may be actually moving the markup through committee next week. So we are on a fast track.

Many people are reacting, "Aren't you moving awfully fast?" The answer is yes. The biggest problem we face in the government whenever you tackle one of these things is bureaucratic inertia combined with congressional committee inertia, and everybody can find many reasons not to go ahead. Unless we put this on a fast track to get it out of committee by the July break and out of the full House and Senate by the August break, the likelihood is that this government reorganization will die just like they have every other year. In fact, the class of 1994 came in committed to all sorts of reforms of government, and anything we did not achieve that first year was very difficult to achieve as the organization and the inertia kind of takes over. So I strongly support moving ahead.

But it also means that we need to understand certain basic trade-offs we are making and go into this with our eyes wide open. The witnesses yesterday at our hearing were all nongovernmental, which meant that they had the ability to speak out without any restrictions. They included the former Commandant of the Coast Guard, Admiral Kramek; Mr. Donnie Marshall, the former Director of DEA; Mr. Peter Nunez, former Assistant Secretary for Enforcement of the Treasury Department; Mr. Doug Kruhm, former Assistant Commissioner for the U.S. Border Patrol in INS; Mr. Sam Banks, former Acting Commissioner, U.S. Customs; and Dr. Stephen Flynn from the Council on Foreign Relations, who had worked with the Rudman-Hart Commission.

Among the things that they pointed out at the hearing, and I thought Dr. Flynn made a terrific point that many in Congress and many in the media simply do not understand, which has led to much of the confusion about why is this agency not in, why is this agency not in, why is it done this way, and that is if you look at this, and this is the way the Rudman-Hart Commission looked at it and clearly was behind the President's thought, is this really deals with catastrophic security.

It is our basic function of every department to provide for security, and most of those are homeland security. We cannot have one Cabinet agency have everybody in it. So you look at

this as catastrophic. Furthermore, the agencies that have been combined in the Department of Homeland Security are basically the meet-and-greet, in Dr. Flynn's words, basically; in other words, a border agency. So if you called this the Department of Border Catastrophic Security, you would understand why INS is there, why Border Patrol is there, why Customs is there, why the Coast Guard is there, and the logic behind the system that we are about to address. Because if you view it as homeland security, you can have every policeman in, you can have every enforcement division in, you can have every sort of organization in this.

FEMA is also in this. It deals with the catastrophic results. So although it is not border, it also deals with catastrophic security. If we broaden this too much, we will not have any agency that makes any sense. But there are some things that possibly should go in it, and there are some things we need to look at.

□ 1545

Number one, by putting Customs, Coast Guard, Border Patrol and INS in, we have now multitasked a number of these agencies and changed their primary mission to homeland security away from their previous mission.

I would like to insert at this point an article from Newsday newspaper that ran today by Thomas Frank that picks up a couple of the difficulties on multitasking. I wanted to touch on a few of those, and then I have another insertion at the end of my remarks.

[From Newsday, June 18, 2002]

GETTING "LOST IN THE SHUFFLE", CONCERNS ON NONTERROR DUTIES

(By Thomas Frank)

WASHINGTON.—A group of former top federal officials warned yesterday that President George W. Bush's proposed new Department of Homeland Security could weaken other federal law-enforcement activities, such as drug interdiction.

The concerns arise because the new department would take in 22 federal agencies that do every thing from investigating counterfeiting and intercepting drugs to rescuing boaters and providing immigrant benefits.

"A major concern in a reorganization like this is that their nonterrorism duties are going to get lost in the shuffle," Peter Nunez, a former assistant treasury secretary for enforcement, told a congressional panel studying the proposed department. Adm. Robert Kramek, a former Coast Guard commandant, said the new department "will be detrimental" under the Bush administration's plan to give no additional money to the agencies.

"We're talking about moving blocks around on a playing board without increasing the number of blocks," Kramek said. He noted that the proposed homeland security budget of \$37.5 billion would be one-tenth of the \$379-billion Bush has requested for the Defense Department.

With 41,000 employees, the Coast Guard would be the largest agency in the new department, followed by the Immigration and Naturalization Service and the new Transportation Security Administration, which will employ about 41,000 when it hires security workers at all U.S. commercial airports. Kramek said the Coast Guard is planning

next year to scale back functions not related to domestic security, such as drug and migrant interdiction, maritime safety and fisheries enforcement.

"We're going to have to put some money where our intention is to make sure this is done right," Kramek said, echoing members of Congress who have called for additional funding for the agencies that would be moved into the new department. White House officials have said more money could be added after Congress adopts an initial 2003 budget for the new department.

The hearing yesterday marked the beginning of an intense period of deliberations as Congress tries to create the new department either by the year-end goal set by Bush, or by Sept. 11, as proposed by House Minority Leader Richard Gephardt (D-Mo.).

The hearing's topic—how the new department would affect federal law enforcement—is one of many questions Congress will debate as it decides what agencies should be included and under what conditions.

"There will be a profound impact on federal law-enforcement agencies unrelated to terrorism," said Rep. Mark Souder (R-Ind.), chairman of the House criminal justice subcommittee. Congress must "determine how best to ensure the continuation and preservation of these missions in the new department," he added.

Rep. Elijah Cummings (D-Md.) pressed witnesses on whether a heightened government focus on fighting terrorism would signal a lessened emphasis on anti-drug efforts that might embolden local drug dealers who intimidate neighborhoods. "We're fighting terror every day," Cummings said of his inner-city Baltimore neighborhood.

Donnie Marshall, a former Drug Enforcement Administration chief, said authorities need to continue fighting dealers and recognize that terrorists will increasingly look to illegal activities such as drug dealing to finance their operations.

One clear example is the Coast Guard. How does the Coast Guard make a trade-off when their primary mission before had been search and rescue? A sailboat tips over. They are now down watching, say, a midlevel warning, we do not have a hard warning, whether we are going to get attacked on a chemical plant on the water, and for practical purposes these warnings could be any water anywhere in the United States.

But let us say we have a boat that is watching along the Ontario side north of Detroit. A sailboat tips over in Huron, there is only one boat there, where do they go? Do they go for the possibility that somebody may be drowning, versus protecting from a catastrophic terrorism question? If we do not put adequate resources in this Department, this will be the daily trade-off, because we are going from a mission of 2 percent on catastrophic terrorism of the Coast Guard to it now being their primary concern.

What does this mean for drug interdiction, because the primary intercepts in the Caribbean and the Eastern Pacific, the western side of Mexico have been the Coast Guard, but the boats cannot simultaneously be off California and down off Mexico.

Furthermore, what does it mean for fisheries in Alaska? When the salmon circulate through, if you see these 3-mile-long nets and things coming out

of Japan or Russians and other groups that are trying to pirate the salmon in the oceans, if we do not have Coast Guard there to protect that, they could capture the salmon, and there will not be any spawning the next year.

Clearly if you have a boat out in the middle of the Pacific Ocean protecting the salmon runs and the salmon's circular patterns, that boat is not off of Washington State.

So there are many trade-offs, and over the next couple days I would like to talk about those. I include my opening statement from June 17 for the RECORD.

Today's hearing is the first we have held since President Bush announced his proposal to create a new cabinet Department of Homeland Security. In that respect, we will be breaking new ground as we begin to consider how best to implement such an ambitious and important reform proposal prior to considering it in the full Government Reform Committee in the coming weeks.

This is not, however, the first time we have considered the important issues of federal law enforcement organization, drug interdiction, border security, or their interrelationship with the increased demands of homeland security. We have held six field hearings on border enforcement along the northern and southern borders of the United States, I have personally visited several other ports of entry, and we have had two Washington hearings on the implications of homeland security requirements on other federal law enforcement activities. This is in addition to our ongoing oversight of America's drug interdiction efforts.

Our work as a Subcommittee has made very clear that the U.S. Customs Service, the Immigration and Naturalization Service, and the U.S. Coast Guard, which are among the most prominent agencies in the proposed reorganization, have critical missions unrelated to terrorism which cannot be allowed to wane and must be fully maintained. The House has to carefully consider the interrelationship of these law enforcement missions with the demands of homeland security.

The Administration has defined the mission of the proposed new Department solely as one of preventing and responding to acts of terrorism. The concept of "homeland security" has to be defined more broadly to include the many other diverse threats to our nation which are handled on a daily basis by these agencies, as well as other law enforcement activities. It is clear that there is simply too much else at stake for our nation to define the issues solely as ones of terrorism.

Let me illustrate my point with a brief but very clear example of the risks which could be posed when resources are allocated single-mindedly. This map illustrates the deployment of Coast Guard assets prior to the September 11th attacks. They are balanced and allocated to a number of important missions, such as drug interdiction, illegal migrant interdiction, and fisheries enforcement. I believe it is apparent here that a vigorous forward American presence had been maintained in the Caribbean and Eastern Pacific for counterdrug missions and law enforcement.

A second map shows how the resources were temporarily (and correctly I should emphasize) deployed after the attacks to respond to the terrorist attacks. It is evident here that the enhancement of immediate homeland security had to come at the price of the customary missions of the Coast Guard. The chart also shows the redeployment of our assets from the front lines to a

"goal-line" defense centered on the east and west coasts of the United States itself. In the critical transit zone of the Eastern Pacific, for example, the deployment went from four cutters and two aircraft to a lone cutter.

This is not a criticism of the tremendous response by the Coast Guard or, by extension, any other agency. Most would agree that the approach taken was wholly appropriate over all the short term, and redeployments have subsequently moved the picture much closer to an equilibrium today. However, I believe that these charts are a clear illustration that an intensive focus on homeland security cannot be maintained over the long run without coming at the expense of other tasks. This lesson is equally applicable to every other mission of every other agency that will potentially be affected by the reorganization plan.

However this reform emerges, it is inevitable that there will be a profound impact on federal law enforcement activities unrelated to terrorism, on our nation's drug interdiction and border control efforts, and on operations at several federal departments within the Subcommittee's jurisdiction. Our challenge as we move through this process will be to determine how best to ensure the continuation and preservation of these missions within the new Department. We also must optimize the organization of other agencies, such as the DEA, the FBI, and law enforcement in the Treasury Department, which share tasks with agencies destined for the new department. And finally, we must consider the many incidental benefits and synergies which will arise from the President's proposal. These include increased operational coordination of narcotics and migrant interdiction efforts among agencies that will now be united, as well as a significantly improved focus on the links between the drug trade and international terrorism.

#### REFORMING THE ARMY CORPS OF ENGINEERS

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

Mr. BLUMENAUER. Mr. Speaker, my goal in Congress is to assure that the Federal Government is a better partner to State and local communities, especially in developing infrastructure.

Through its construction of water projects, the Army Corps of Engineers has been a major player in this career throughout our Nation's history. Recently some have questioned the Corps' planning and construction process and its ability to economically and environmentally justify its projects.

I have joined with other Members of Congress in calling for reform and modernization of the Corps of Engineers, including updating the principles and guidelines by which it operates, addressing and prioritizing the Corps' enormous project backlog, and developing a system of independent review.

Perhaps most important, I think we need to examine the role that Congress itself plays in pushing through poorly conceived water resources projects.

Last week, the General Accounting Office issued a document which illustrates why Corps reform is urgently needed, especially a new process for independent review of Corps projects.

The GAO report specifically examined the Corps' economic justification for the Delaware River channel deepening project. It found "miscalculations, invalid assumptions and outdated information" led the Corps to overestimate the project benefits by over 300 percent. It found that the Corps had violated basic economic principles in its economic feasibility studies, projecting benefits of over \$40 million a year, when, in fact, the GAO found the benefits would be approximately one-third of that amount.

According to the GAO, the Corps had "misapplied commodity growth rate projections, miscalculated trade route distances, and continued to include benefits for some import and export traffic that has declined dramatically over the last decade."

One of the most egregious examples of bad economics in the report found that the Corps assumed the same one-way distance for each of several trade routes, including the distance from Pennsylvania to Australia, to South America, Europe and the Mediterranean.

The Corps is supposed to have a system of controls in place to catch these errors. Unfortunately, the GAO report concluded that the Corps' quality control system was "ineffective in identifying significant errors and analytical problems."

In order to restore the public confidence in the Corps, we need to ensure that other Corps projects around the country do not suffer from the same economic errors. It is clear that the system currently in place is not functioning correctly if it failed to catch such errors as the Delaware project's. That is why I am working with my colleagues in the Corps Reform Caucus to propose a system of independent peer review for Corps projects. Many of the mistakes identified by the GAO report could have been identified and remedied by independent peer review.

This process that my colleagues in the House and the Senate and I are proposing would not lengthen the Corps' investigation and construction process. Indeed, contrary to the claims of some critics, a streamlined review process could be applied to Corps projects around the country that meet certain criteria, actually speeding up the study and construction progress.

Take the Delaware River project, for example. It has been studied for 10 years, since 1992. Now the GAO is recommending after a decade that the Corps prepare a new and comprehensive economic analysis of the project's costs and benefits, address uncertainties, engage an external independent party to review the economic analysis, and then resubmit that to Congress. This extra review could take years to complete and could have been avoided entirely with independent peer review.

The Army Corps of Engineers has made enormous contributions to our Nation's history, to its infrastructure development, and continues to play an

essential role in water resources management. However, as the GAO report pointed out, this is one of several incidents that have eroded the public's trust in this planning process.

I look forward to working with my colleagues to make sure that all the Corps projects are economically justified and based on sound environmental science. Currently our Subcommittee on Water Resources of the Committee on Transportation and Infrastructure is working on the reauthorization of the Water Resources Development Act, which directs these Corps operations. This is a timely opportunity to develop legislative language to achieve these reforms.

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

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

#### ISSUES CONCERNING HOMELAND SECURITY DEPARTMENT

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. Mr. Speaker, I am pleased that the President's homeland security bill was delivered today. I am on two committees that have been considering homeland security, so I particularly welcome the President's work. Some of us have been there for over a year now, even a year before September 11.

All or parts of some agencies are, of course, to go together in a new department. When I say "all or parts," I am indicating simply one of the details to be decided. The devil may be in the details, but so are the angels.

I would like to tease out three issues that I think can be dealt with if we look them squarely in the face and understand they should not be barriers.

First, there is the unfortunate issue of silence or delay on Civil Service protection for the thousands of workers that would be coming. We could begin by, it seems to me, conceding that wholesale denial of Civil Service status would create an unnecessary issue and would be very unfortunate.

We are talking about people who do many different kinds of things, most of them not related to anything that could remotely be considered the Nation's security. The mantra will be, "Hey, let's decide all of that later." That creates needless uncertainty and opposition to this bill. Most of these employees will be doing what they have always been doing. The few who will be handling truly confidential information should be treated accordingly.

We must not let homeland security become like the use of other overbroad

terms, like "executive privilege" or "national security." There ought to be a presumption in favor of Civil Service status for these employees. If you can overcome it, that is one thing. Let us not begin by saying let us strip these workers of their Civil Service status.

Let me raise two other concerns, District of Columbia concerns. Wisely, the District and the President have understood the District of Columbia is the first responder for the entire Federal presence, the White House, the Congress, many Federal employees, 200,000 of them, all of those facilities.

In one of the bills I was able to place the District at the table so that the District can coordinate all that is necessary in order to be a first responder. In fact, the Justice Department Terrorism Task Force has been working just that closely with the District.

In the President's bill I will seek to insert such an understanding. The President, I think, already understands this. The President has asked our own Mayor, Tony Williams, to be a part of his Homeland Commission that he just formed this week, so I think he understands that the first responder has to be in on the details from the beginning.

Finally, there is the issue of where to locate the Department. The troubling word in the Washington Post today is about the possible location outside the District of Columbia. It was said this was only in the discussion phase. Let it stop there. I bring to the floor not only my own parochial concerns, that this is the Nation's Capital, and this is where important Cabinet agencies should be. There have executive orders for decades now indicating that. But I have a more important reason to offer.

The United States Government owns and controls 180 acres 3 miles from the Capitol with all the possibility for the setbacks. We probably only need 20 or 30 of those acres. It is the old Saint Elizabeth's Hospital campus, with some of the best views in Washington. FEMA is already looking at this land for its new headquarters. It is close in. It would not cost us any money. If you try to go somewhere outside of Washington, you will get wholesale opposition from those communities because they do not want their land off the tax rolls. Ours is already off. The Federal Government already owns it. The District is making use of the east campus for a new public safety communications facility. It makes sense for us to look very closely at the Saint Elizabeth's campus, this huge campus, if we are talking about placing another huge agency under the aegis of our own government.

These are matters that should not become issues. They will require study. They will mean that we have to take our time to get at the details, put them on the table and consider all the options, instead of jumping to conclusions about where to locate the agency or who to strip of his job protection.

Let us not put unnecessary issues on the table. There will be many hard

issues on the table. The issues I have named, these three issues, where to locate, to make sure that the District is included in the bill, and to make sure that people are not stripped of their Civil Service protection, these should be easy issues if we mean to get this bill out by September 11, or certainly by the time we leave to go home at the end of this session.

#### THE HIGH PRICE OF PRESCRIPTION DRUGS IN AMERICA

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

Mr. GUTKNECHT. Mr. Speaker, I rise today to talk about an issue that more and more Americans are aware of, and that is, first of all, the high price that Americans pay for prescription drugs, but, more important even than that, the difference between what Americans pay and what the rest of the world pays for the same drugs.

I have with me a chart that I have updated several times over the last several years, and it is one of those areas where the more you learn about this, the angrier you become at the system.

Let me point out some of the prices, because I know these are hard to read here in the Chamber and on C-SPAN. But let me point out a few of these.

Here we have Augmentin, a very commonly prescribed drug. The average price in the United States for a 30-day supply, \$55.50. That same drug in Europe on average sells for \$8.75.

Let us take a drug like Claritin. Claritin is a drug going off of patent. It still sells in the United States when we made up this chart for about \$89. In Europe, the same drug sells for \$18.75

□ 1600

Another drug that many Americans are very familiar with is the drug Premarin. Many women take the drug Premarin, especially as they reach menopause. Mr. Speaker, \$55.42 is the American price; \$8.95 if you buy that drug in Europe. It goes on and on. Zolof, a very commonly prescribed drug; in the United States a 30-day supply is \$114; in Europe it is \$52.50.

Let me point out another very important drug that has done a lot of good in this country and around the world for people who suffer from diabetes, and something like 27 percent of all Medicare expenditures are diabetes related. Glucophage in the United States costs \$124.65, and in Europe that drug is only \$22.

Now, what we are talking about here are the same drugs made in the same FDA-approved facilities that are sold in both places. It would be easy for us to come to the floor of the House and say, shame on the pharmaceutical industry. Well, I am not here to say shame on the pharmaceutical industry. They are only doing what any capitalist company would do, and that is that they are maximizing their market opportunities.

Now, it is not shame on the pharmaceutical industry. It is shame on the FDA, and it is shame on us here in Congress for allowing this to happen.

I want to point out something else, and then I will yield to the gentleman from Georgia. Why this gets very important is because last year, according to the National Institutes of Health Health Care Management, prescription drugs went up 19 percent here in the United States. The average Social Security cost of living adjustment was only 3.5 percent. One more chart I will show, because this is the most difficult one of all.

Earlier, one of our colleagues, the gentleman from California (Mr. FILLNER), was talking about affordability; and affordability is the real issue. It is not about coverage; it is about affordability. He said that there was not enough coverage in the Republican plan that the members of the House Committee on Ways and means and the Committee on Commerce are putting together.

Well, here is the number that the Congressional Budget Office tells us. Over the next 10 years, this is how much they estimate seniors will spend on prescription drugs. This is a 1 and then an 8, and then 000,000,000,000; that is \$1.8 trillion. We cannot afford prescription drugs because the prices are too high. If we could do what some of us want to do, and that is at least open up the American markets to imports, we could save at least 35 percent. Mr. Speaker, I say to my colleagues, 35 percent of \$1.8 trillion is \$630 billion just for seniors, just over the next 10 years.

Mr. Speaker, I yield to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I appreciate the gentleman yielding to me. I want to say the great advantage of reimportation is not only does it save money now, it does it without a new government program, and it is a market-driven change.

The gentleman often quotes Ronald Reagan, who said that markets are powerful things, more powerful than armies. Here we already have groups like Canada Meds. I am not familiar with it, but I understand it is on the Internet. Canada Meds can save American seniors right now on their prescriptions, of all of the drugs that the gentleman mentioned, 30, 40, 50 percent routinely. It is not just for people who are 65 years old. If you are a mother with three kids and they have earaches, as small children frequently do, you can save that money today. This is going to happen with or without the United States Congress.

Mr. Speaker, I agree with the gentleman. Shame on the FDA, and shame on the United States Congress for not passing a law to let the neighborhood pharmacist take advantage of these low Canadian prices.

#### BRINGING DOWN THE COST OF PRESCRIPTION DRUGS

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

Mr. KINGSTON. Mr. Speaker, I will start off by yielding to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, I want to come back to something that the gentleman from Georgia just said, and I think it is an important comment. What we are talking about now is the prescription drug benefit under Medicare that will benefit seniors, and it will benefit seniors. We are going to put \$350 billion into a program and that clearly will benefit seniors. But it will do nothing for those families right now who are struggling to pay for expensive drugs because they have a sick child. That is where, if we allowed reimportation, we could dramatically bring down the price of drugs, not just for seniors, but for everybody.

Mr. KINGSTON. Mr. Speaker, here is a letter from a woman in Colorado who says that she actually is now getting her Tamoxifen from Canada. It took a little longer to get the prescription filled, but it is \$160 savings every 2 months, \$80 a month savings. That is a lot of money for somebody on a fixed income.

Mr. GUTKNECHT. Mr. Speaker, that is almost \$1,000 a year.

Mr. KINGSTON. Absolutely. There are some other things that we have talked about that we think Congress should do to continue to decrease the price of drugs. We mentioned reimportation; we mentioned the prescription drug benefit on Medicare. But there are also issues such as malpractice reform, patent reform, decreasing the time for drug approval that it takes the FDA to sign off on a new drug, and also to look into the overprescription. The gentleman may know that the University of Minnesota has actually done studies on this where they have found as high as 40 percent of the drugs taken by seniors no longer need to be taken, or the prescription is actually wrong, and that is costing millions and millions of dollars each year.

Mr. GUTKNECHT. Mr. Speaker, if the gentleman will yield, I think we have to attack this problem on many fronts. The more we learn about it, the more we realize there are an awful lot of problems.

One of them is all of the money that the pharmaceutical companies are spending on marketing. I happen to believe in free speech, so they ought to be able to advertise; but we ought to at least know how much of that drug dollar is going to advertising. They ought to have to disclose that to people like us so that seniors know how much they are spending on marketing.

Mr. KINGSTON. Mr. Speaker, there are some companies who are actually leading the way. Eli Lilly, to their

credit, has stopped this practice of going to a doctor's office and buying the whole staff lunch for the day, and then leaving them with trays and trays of free prescriptions for samples. I think Eli Lilly should be commended for leading the way into a different way of marketing, and I think other drug companies should take a look at that.

I want to talk just real briefly on patents. Prozac went off patent last August, and the price of Prozac fell 70 percent. The question is, when we pay for so much of the research and development on a new drug as American taxpayers, should drug companies still be given a 17-year patent? I think that should be something that we should discuss. Maybe it should be longer. Maybe it should only be 5 years, though.

Mr. GUTKNECHT. Mr. Speaker, I think if we are paying for most of the research, and something else most Americans do not know, and that is 44 percent of all of the money spent on basic research in the world is spent by Americans and American companies.

Mr. KINGSTON. Mr. Speaker, it is something we should look at.

Finally, this approval process, sometimes it takes as long as 8 years to get FDA to approve a new drug. We should reduce that, particularly for drugs that are often being used in European countries that are already on the market, there is a track record for them, and the FDA is still holding them up. We have to ask ourselves how many people are dying or suffering or are in pain during this approval process that had they been living in another country, then they could get access to their medicine.

Mr. GUTKNECHT. Mr. Speaker, coming back to the cost of research, I think we in the United States ought to be willing to pay our fair share for research. When we look at these charts, clearly we should not be required to subsidize the starving Swiss.

Mr. KINGSTON. Again, Mr. Speaker, these drugs are things that seniors are paying too much for right now. We have a woman in our office who has a relative in El Paso. To get a prescription filled in El Paso it is \$90. To go over the border to Juarez is \$29 for Lipitor. It is such a tremendous savings. But we see some of these drug companies, their ads are slick, they are expensive, they are enticing. I have no problem with them spending that money that way; but I do have a problem with saying we can import our tomatoes, we can import all of our other groceries from Mexico or Canada or any other country; but when it comes to drugs, even FDA-approved drugs, we have special roadblocks for that, and it hurts American consumers. We have the North American Free Trade Agreement; and by golly, we ought to be able to leave Detroit and go over to Windsor, Ontario, and buy drugs.

Mr. GUTKNECHT. Mr. Speaker, in the era of the Internet, NAFTA and

world trade, the FDA should not be allowed to stand between American consumers and lower drug prices.

Mr. KINGSTON. Mr. Speaker, I appreciate the gentleman's hard work on this, and I look forward to working with him on this legislation.

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

(Mr. PAYNE 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 Georgia (Ms. MCKINNEY) is recognized for 5 minutes.

(Ms. MCKINNEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

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.)

#### BLUE DOGS HAVE THE RIGHT PLAN FOR FISCAL RESPONSIBILITY

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

Mr. TURNER. Mr. Speaker, I want to compliment my colleagues, the gentleman from Minnesota (Mr. GUTKNECHT) and the gentleman from Georgia (Mr. KINGSTON), for their presentation a few moments ago regarding the high cost of prescription drugs and their support for legislation that would allow the reimportation of drugs to allow our seniors to get the prices that are now offered in Mexico, Canada, and the citizens of every other country in the world, except the United States.

I want to make it very clear that all of us on the Democratic side of the aisle have supported that legislation, and we really think we should go further and that we should provide fairness in drug pricing to all American seniors by requiring our drug manufacturers to end that practice of price discrimination that results in the very problem that they were talking about. That is to say drug manufacturers are selling the same medicine in the same bottle with the same label, on average, about half the price in every country in the world except the United States where we pay the premium.

Our senior citizens are hurting today because they cannot afford the \$400 and the \$500 and the \$600 and the \$700 prescription drug cost. That is why Demo-

crats have proposed not only fairness in drug pricing by our drug manufacturers, but we have supported a universal prescription drug benefit as a part of the Medicare program to be sure that all seniors can have their prescription medications as a part of the regular Medicare program that has worked so well in this country for our seniors for so many years.

I come to the floor today during this Special Order hour on behalf of the Blue Dog Democrat Coalition. That coalition consists of 33 fiscally conservative Democrats in this House who believe very strongly that this country is going in the wrong direction with regard to its fiscal affairs. We believe in balanced budgets and paying down our almost \$6 trillion national debt. We believe that it is time to face up to the reality that we are now robbing the Social Security trust fund to run the rest of the government, something that this Congress a year ago pledged not to do on at least four or five occasions by record votes on the floor of this House.

It seems that the Congress and the administration have not been candid with the American people about our fiscal affairs. But what most Americans remember is that a year ago we were talking about record surpluses in our Federal budget. We were talking about surpluses, as I remember President Clinton saying, as far as the eye can see. And when President Bush came into office with those projections of surplus, he called on this Congress to pass the largest tax cut in the history of America. I voted for that tax cut because I believe people need tax relief. But when I voted for it, we were projecting over \$5 trillion in excess funds that would flow into the Treasury of the United States over the next 10 years. The tax cut took about half of that estimated surplus.

The problem is that we stand here today 1 year after the enactment of that tax cut and the entire remaining balance of that estimated surplus is also gone. In fact, we are back at the point where we are not projecting surpluses over the next decade; we are projecting deficits. So once again, the Congress of the United States and the administration is putting the operations of our Federal Government on a credit card, a credit card that will be passed on to our children and our grandchildren.

Mr. Speaker, I have a chart that will depict what has happened. What this chart shows us is the history of the Federal budget since the last years of the administration of President Lyndon Johnson.

□ 1615

It traces the history through the Nixon years and the Ford years, the Carter years, the Reagan and Bush I years, the Clinton years, to the present administration. And what this chart shows is the history of the Federal budget deficit, and we are talking about the deficit outside of the Social

Security Trust Fund, the Medicare Trust Fund, and the other trust funds of the government that the law says shall be protected for those uses.

The American people and this Congress agreed a long time ago that when people pay their payroll taxes into the Social Security Trust Fund, that money ought to be used for people's Social Security benefits, not to run the rest of the government. Unfortunately it has not worked that way. But the general budget of the Federal Government's history is depicted here, and so what we have had over time is a history of deficits. Congress went for 30 years before 1996 with deficits every year, and those are shown on this chart. This chart shows that those deficits got really big during the Reagan and Bush I years, and in 1991 when President Clinton assumed office, we began to pull our way out of deficit spending.

Until the last year of the Clinton administration, we actually had in the Federal Government a true, genuine surplus outside of the Social Security Trust Fund and other trust funds. We had a genuine surplus for 1 year in fiscal year 2000. President Bush came into office and said that we had to give some money back to the American people as if to say it was in the bank, when it really was no more than a projection of a future surplus that has turned out to be an incorrect estimate. The surplus went away.

As I said, about half of it was taken by the tax cut, but the other half disappeared because the economy turned south on us. We actually experienced, as my colleagues know, a recession. We also had September 11, which has required a significant amount of Federal dollars in order to fight the war against terrorists and to protect the security of our homeland. So the surplus is gone, and the estimates are that we are back into deficits. And here are the projections for the next 5 years showing how deeply into debt the Federal Government is estimated to go.

So what we are seeing is that the Congressional Budget Office has told this Congress that the estimated deficits for the next 5 years will be even greater than they have ever been in the history of our Federal Government.

Blue Dog Democrats believe that this is wrong. We believe that when we send young men and women into far-off places like Afghanistan to protect our freedoms and our liberties, that the rest of us who are back here at home should be at least willing to pay the bill. Otherwise we are telling those young men and women that not only are they going to fight the war to protect our freedom, but when they get back home, during their good income-earning years when they reach midlife and full adulthood, that those young men and women will have to pay the bills for the war that they went as young people to fight, and we think that is wrong.

And this administration and the leadership in this Congress has not

been honest with the American people about our fiscal affairs because on the floor of this House once a week our Republican leadership presents another tax cut for us to vote on. There are tax cuts that will not take effect until 2011 because there are proposals to extend the tax cut that we voted for last June. So we are down here debating whether or not we should have a tax cut, to extend a tax cut that will not expire until 2010. We are down here spending valuable time debating matters that, if history holds, about half this Congress will not even be here. Somebody else will be serving in 2011.

Democrats believe it is wrong to be telling the American people that we can fight this war without making sacrifices, sacrifices that must be shared by all of us, not just the young men and women in uniform. So Blue Dog Democrats say that we ought to be paying our bills. There is no question that the bill collector is at the door.

This next chart talks about an issue that will be debated over the next few weeks by this Congress; that is, the issue of the debt ceiling. We call it the statutory debt limit. There is a law on the books that says how much debt our Congress and our President can incur for future generations, and current law says the debt limit is \$5.95 trillion, almost \$6 trillion. The law says that we cannot incur any more than that. The problem is we are bumping up against that debt ceiling.

Now, a year ago when we were debating these tax cuts, the President and the Secretary of the Treasury said, oh, we will not have to worry about the debt ceiling until 2008. In fact, they were projecting that we might even be in a situation where we will be paying off our national debt too quickly, and have to pay a premium in order to pay it off before it is really due.

All that sounds really amusing in retrospect, because today the Secretary of the Treasury tells us that unless we raise the statutory debt ceiling in a matter of just a few months, or, in fact, really just a few weeks, we will default on obligations of the United States Government. We will not be able to pay people's Social Security checks, and we will not be able to pay the Federal Government's bills, because we will not have the statutory authority to incur the debt; that is, to borrow the money to pay those bills. So the administration says we need to increase the debt limit, and they want us to increase it by \$750 billion.

Now, the Blue Dog Democrats understand the reality of where we are today, and we understand that the debt ceiling will have to be raised in order to prevent default on the obligations of our government. But Blue Dog Democrats believe that when we vote for that increase, number one, it should be a modest increase, so we are not writing a blank check to the Congress and the President to keep incurring more and more debt.

It should be a modest increase, and it should be coupled with a requirement

that the President submit to the Congress a new budget to put us back into a balanced budget situation by the year 2007. We would like it to be quicker, but the reality is that we are in a position where we are projecting deficit spending at such a level that unless there are dramatic changes in our tax structure, we cannot possibly get back into a balanced budget until 2007. So we are saying to the President, yes, we will give an increase in the debt limit, but as a condition to do it, we want the President and the Congress to adopt a new budget to show the American people we can get our fiscal house in order by 2007.

We also want that increase in the debt limit to be subject to passage of legislation that would continue some budget enforcement mechanisms, we call them pay-go rules, that require this Congress to operate on a pay-as-you-go basis, and make sure that we do not increase spending unless we understand that there is a way to pay for it.

Finally, we believe that as part of any agreement to raise the debt ceiling, that we should have a responsible and reasonable limit on what we call discretionary spending. That is the spending that we vote on every year in a whole series of appropriations bills. We believe there ought to be caps agreed upon that that spending will not go over, so that we have a way of controlling the spending by this Congress.

Those three requirements we think are reasonable requests before we cast a vote to increase the statutory debt limit.

To show another chart that will depict our fiscal condition, I would like to direct Members' attention to this chart entitled "From Debt-Free to \$2.8 Trillion in Debt in 2011."

Before we passed the tax cut last June, the projections were that we would actually have a surplus over the 10-year period. That is why we were able to vote for the tax cut. What we projected was that the debt that this country owes, much of which is owed to the public, these people out there that are buying all these Treasury notes, Treasury bills, and Treasury bonds every time the Treasury has an auction, we projected a year ago that there would be no debt held by the public after 10 years. That is how rosy the picture was projected to look. In fact, we projected we would have a total elimination of the debt held by the public.

Here we are a year later, and the current projections are that by 2011 there will be \$2.799 trillion owed by our Federal Government to those people who will buy those Treasury bills, Treasury notes, and Treasury bonds. That is how dramatic the change in the Federal financial picture is over just 1 year's time.

Now, some people would like to say that, well, this is all okay, and do not get worried about this because we are in a war on terrorism, and we have had

to spend a lot of money. That is true, but the reason we are going to have \$2.8 trillion in publicly held debt in 2011 is not totally due to the war. Some estimate that maybe 20 percent of this number might be due to what we expect to spend over the next decade on protecting the homeland and fighting the war. Nobody really knows.

But the truth is that the tax cut that we passed last June took away about half of our estimated surplus, and the recession and the change in the economy took away about one-fourth of it, and maybe one-fourth of it disappeared because of what we are having to spend to fight the war.

The bottom line is this: This Congress and this administration have not told the American people that the circumstances that existed when we passed the major tax cut have dramatically changed, and this country is now headed towards some of the deepest deficits and largest debt that we have ever seen in our history.

Blue Dog Democrats believe that we have an obligation to run the Federal Government just like the Members and I try to run our households and our own personal businesses. We do not incur a debt at my house unless we know how we can repay it within a reasonable time. The Federal Government does not seem to understand that. The Federal Government, as Members know, has no requirement in law for a balanced budget, and Blue Dog Democrats wish we could change that with a constitutional amendment, because most all of us served in our State legislatures, where they have a provision in State Constitutions that says that we have to balance the budget, and we cannot incur debt unless we have a popular vote of the people to issue bonds for whatever purpose.

But in Washington there has never been such a requirement. We can spend the money all day long and do not have to pay the bill. All we do is charge it to the credit card. The only constraint that exists today is this Federal debt ceiling that we are now bumping up against that the President is asking us to increase by \$750 billion. That is the only constraint on unrestrained spending, and the only restraint on ever-increasing debt.

□ 1630

Another chart which I would like to show my colleagues is what I like to call the greatest waste in Federal spending that I believe this can point to; and I will be the first to tell my colleagues, I believe the Federal Government can save some money and cut some costs and eliminate waste, but one of the biggest categories of waste in our Federal Government is what we spend every year just on interest because the Federal Government has run up this almost \$6 trillion national debt.

This chart shows us what the estimated interest payments on our national debt is going to be. It shows us what the estimated interest payments

were last year when we had that estimated surplus, and that was a \$709 billion interest cost over 10 years; but as I mentioned, things have changed since last June. We have had September 11. We had the war on terrorism. We have had the recession, and so the estimates now of how much interest it will cost us to service the Federal debt of \$6 trillion has increased by \$1 trillion. The estimates are that now we will spend in interest alone 1.8, almost \$1.8 trillion of our hard-earned tax money just to service the interest on the \$6 trillion national debt that we owe.

Blue Dog Democrats believe that is a terrible waste of taxpayer money, and the sooner we can get the national debt paid down and quit paying this kind of interest, the better off our children and our grandchildren are going to be. So the Blue Dog Democrats say, yes, we understand that we are bumping up against the Federal debt ceiling. We understand that we have got to do something in order not to default on all the Social Security checks and other obligations that the Federal Government owes; and we know that that debt limit is being reached within the next few weeks, but Blue Dog Democrats say no blank check on ever-increasing debt.

We say we will increase the debt in a modest amount, only if there is a commitment on the part of the President and the Congress for the President to submit a new budget that will be in balance by the year 2007, if we pass legislation ensuring that we continue our budget enforcement mechanisms that keep us on a pay-as-you-go basis and if we have reasonable caps on the various categories of spending for this year's budget. It is no more than someone would do at their home or in their business. We think we ought to do it in Washington. So that is what the Blue Dog Democrats are proposing to this Congress.

There are 33 members of the Blue Dog Coalition. They work hard every day, trying to be sure that the taxpayers are getting every bit of value out of every tax dollar that we pay. We are trying to be sure that the American people understand the finances of our Federal Government so that the pressure of the American people will be brought upon this President and this Congress to say enough is enough; and if we are not paying our bills, if we are putting all of our obligations and all of our expenditures on a credit card for our children and grandchildren, we want it to stop. That is what the Blue Dog Democrats believe, and that is what we are working hard for in this Congress.

Another way to describe our deteriorating fiscal picture is to share the recent estimates of the Congressional Budget Office with my colleagues. The Congressional Budget Office is that arm of the Congress that gives us our official numbers when we come down here and we debate tax cuts and we debate spending, we talk about debt. We

are relying on the numbers that the Congressional Budget Office gives us. That keeps us all honest. It is a bipartisan body.

The Congressional Budget Office says that for the first 8 months, the first 8 months of this fiscal year, our Federal Government has run a deficit of \$149 billion. Contrast that with what was going on during the first 8 months of the last fiscal year, 2001, where we were running a surplus of \$137 billion. So in 1 year's time we move from running a surplus in the first 8 months of the fiscal year of \$137 billion, to the current fiscal year during those first 8 months of running a deficit of \$149 billion. That is a dramatic swing in the fiscal condition of our Federal Government.

Tax receipts are running much lower than anyone anticipated. The recession has been longer and slower to turn around than we had expected, and we know now from what the Congressional Budget Office tells us that for the entire fiscal year we will likely end up with a deficit of well over \$100 billion.

So how do we go from 8 years of improving fiscal circumstances to now finding ourselves unfortunately having to look forward to record deficits once again? I am sure my colleagues can get a lot of people to give us a lot of different answers to that question; but the bottom line is, things have changed and yet this Congress seems to operate as if nothing has changed when it comes to dealing fiscally responsibly with our Federal tax dollars.

I am glad to have on the floor with me this afternoon one of the leaders of the Blue Dog Democrats, the gentleman from Arkansas (Mr. BERRY), who speaks with about as much clarity and common sense as anybody I have ever met in the Congress; and I am pleased to yield to the gentleman to talk on this very important issue.

Mr. BERRY. Mr. Speaker, I thank my distinguished friend from Texas. The gentleman has been a great leader on this issue and a great leader for the Blue Dogs and a great leader for the State of Texas and this country; and we appreciate the effort he is making here today, also.

Mr. Speaker, it is a sad day when we have to come back to this floor when only a little over a year ago we still had surpluses. We had been presented with an opportunity in this country to clear up the debt. We knew that if we were prudent, if we operated in a fiscally responsible manner, if we followed or had followed the Blue Dog plan, which said, first, take care of Social Security and Medicare and pay off the debt that we owe, and let us do that, and then let us take a little bit of the money, all of this wonderful money that had been projected, let us take a little bit of that money and do the things we know we should do for our military, do the things that we know we should do for our senior citizens, make the necessary investment to be sure that this country continues to be successful economically, make the necessary investments to be sure we are

secure, and then let us provide some tax cuts, let us take part of it and provide some tax cuts, we had a list of priorities there.

We now have a disastrous situation facing us. In a little over a year, we are told now that we have already borrowed an additional \$300 billion in less than a year, and it is going to take, by the time we get to the end of this year, another \$450 billion to keep the country floating, to keep us solvent. That is \$750 billion we have borrowed from our children and grandchildren.

We come to this floor day after day, week after week; and all of us declare how much we love our children, how much we love our families. We talk about family values endlessly; and at the same time, we conduct our fiscal matters as a Congress as if there were no tomorrow, as if no one has to answer for this.

What we are asking for, Mr. Speaker, is for all of us to sit down, let us forget this partisan stuff. It does not get us anything. We have got a serious problem. We have got a homeland security issue and a national security issue that we must address and we will address it. We have other top-priority issues that the Nation must deal with. Prescription drugs for our senior citizens. We know how to do these things. We can set the priorities and balance this budget and protect Medicare and Social Security and not pass an enormous debt on to our children and grandchildren.

I cannot imagine a situation where anyone would intentionally pass on a debt to their next generation just because they were too irresponsible to deal with it themselves. This is something that the Blue Dogs have great concern about.

Over and over we have presented a responsible plan to this House. We put it up for a vote and we lose, and we have been presented with the plan that got the most votes, that puts us \$750 billion deeper in debt today by the end of this year than we were a year and a half ago. It puts our children and grandchildren at a tremendous disadvantage. In fact, when they are presented with the debt, the unfunded obligation of Social Security and Medicare and the other necessities that they are going to have to deal with when their time comes, I do not know how they are going to deal with it. It becomes more of a burden than they are going to be able to carry.

I think, Mr. Speaker, it is time, it is past time that both sides, the Democrats and the Republican, let us sit down. We can figure this out. We can do this right. We are willing.

I remember just a little over a year ago how excited the Blue Dogs were. We had a new administration come into town. We were looking forward to working with a new administration to craft a budget that would be responsible, that would pay off the debt, not add to it, but pay it off, take that burden off of our children, not make it greater.

I will never forget, and I have mentioned this several times, the Director of the Office of Management and Budget, Mr. Daniels, came to the Blue Dog meeting; and he very confidently told us the greatest fear we have, the thing we are most concerned about, is that we are going to pay off all of the debt, the economy is going to be doing so well that we are going to pay off all of the debt and no one will be able to buy a U.S. Treasury bond. That is almost laughable. In fact, we would laugh about it today if it was not so serious.

It is not a laughing matter when we talk about passing this horrendous debt on to our children and grandchildren. It is not a laughing matter when we talk about we are squandering the opportunity to make Social Security and Medicare permanent, make sure that Social Security and Medicare are there for the senior citizens that are going to come into the program in the next 15 to 20 years. This is not a laughing matter. It is a very serious matter.

So, Mr. Speaker, what we are asking for is let us sit down at the table together. Let us work this problem out. Let us do the right thing for America. Let us do the right thing for our children and grandchildren. Let us do the right thing for this country, and let us honor the people that founded this country, the people that fought for this country, the people that gave their lives so that this great Nation of freedom and liberty could exist. Let us not squander this opportunity that we still have to do the right thing.

Mr. TURNER. Mr. Speaker, I want to thank the gentleman from Arkansas for his comments and for his strong leadership for fiscal responsibility. He speaks with a great deal of common sense and enjoys the respect of the entire Congress.

Next, I yield to the gentleman from Utah (Mr. MATHESON), another member of the Blue Dog Coalition who has worked very, very hard trying to get this Federal Government back on a course of fiscal responsibility, who sponsored legislation to do that, who has been a real leader in this House; and it is an honor to yield to him.

□ 1645

Mr. MATHESON. Mr. Speaker, I appreciate the gentleman from Texas yielding to me, and I want to thank him for continuing to be such an articulate spokesman on this issue. Just another reason why I am real proud to be a Blue Dog.

When I came to Congress, and I am a freshman, so I am here in my first term in Congress, I had the opportunity to consider different groups to affiliate with and issues to focus on. And before I even got here as a candidate, I was talking about the notion of fiscal responsibility, about what a great opportunity we have right now to take our Federal budget and really work in a good way to reduce debt and to reduce the burden of debt on future genera-

tions. The Blue Dog message was one that was so consistent with mine, it was a great experience for me to learn about this group and be affiliated with them.

But that is only one reason why I am happy to be a Blue Dog. The other reason I am happy to be a Blue Dog is that the Blue Dogs have a reputation for being very straight up. We put the figures and facts out on the table, and we are happy to work with people. And we say that in an honest way. We are prepared to reach across the aisle and work with anybody in this House, regardless of party, regardless of ideology. We want to work with them to come up with good ideas for being fiscally responsible.

We have gone through some tough times this past year in this country, and our circumstances have changed. No question about that. We all are supporters of the fact that we have to put in significant resources in terms of this war on terrorism and efforts to increase homeland security. These are tough issues, and we have not resolved them yet. In fact, the needs for this war on terrorism and the needs associated with homeland security are going to be developed for years to come probably, in terms of us knowing where we are going to be.

So that is a significant factor, as I said, and we support committing those resources. I know the Blue Dog coalition is very supportive of defending our borders and defending our people. But with that change in circumstance, clearly, it seems to me, that calls for reassessing where we are in terms of our total Federal budget because we have just had this significant change in our requirements, and coupling that with an economic downturn and revenues being down and projected deficits coming in, those are all reasons why we need to look at this.

My concern is that while we have been talking about this, that people are not taking it seriously and looking at it. This is our opportunity now, because we are running up against our credit limit. We have not had to take a vote here in Congress on the debt limit for a number of years because we were running surpluses. Now we will have to take a vote on this. And the Blue Dogs are not trying to say we are not going to raise the debt limit. The Blue Dogs are prepared to stand up for a straight-up debt limit increase as long as it is associated with a commitment to develop a plan for how we are going to get out of this pattern of increasing debts year upon year upon year.

I do not like taxes. I do not think any of us like paying taxes. But if we want to take action to make sure future generations pay a lot of taxes, just keep running up the debt now, because those future generations are going to have to be paying the interest on that debt. We are talking about a heavy tax burden on future generations. That is certainly not a legacy that I want to leave, and I would like to think most

people in the Congress, on both sides of the aisle, do not want that to be their legacy, but I am concerned that is the direction we are going.

Now, we sit here and talk about this, I recognize there is no easy way out of that. I will admit that. This is going to take a lot of work and a lot of smart people getting together to try to work through this, to get our budget situation going from a path of increasing deficits to where we are back on the path of fiscal responsibility. Nobody has a monopoly on all the good ideas around here, not one individual, not one party, but as Blue Dogs, we are sincere in our request that people sit down with us.

We are ready to roll up our sleeves and work hard, and ready to face the tough decisions. That is why our constituents elected us. We are supposed to take on the tough issues, and this is a tough issue. My concern is that right now Congress is not willing to address where we are going. We are too concerned about short-term considerations in the next election. We need to be looking at the next generation in the way we make our decisions.

So as Blue Dogs, every week, we come out on the House floor to try to highlight this issue, because it is such an important issue to us. It is such an important issue to my constituents. I hear about it all the time when I go back home. So, as I say, we are sincere in our request. We have been out here many times. People have not taken us up on it yet, but we are getting to the point where this debt limit is going to be hit. The Senate has already passed a debt limit bill to raise the debt limit, and now it is our time. It is our time here in the House.

Now, if we turn this into a partisan situation, I suppose the majority party, if they can reach consensus, can pass a debt limit increase without Democratic votes. We, as Blue Dog Democrats, are prepared to offer a vote in favor of raising that limit, as I said earlier, as long as it includes with it some sense of a plan or a process by which we are going to come up with a plan to get us away from this path of deficit spending. That is what we are asking.

That, to me, is such a common-sense request, because if you are in the private sector, whether it be your household budget, or whether you are in the business world, if you are spending out more than you are taking in, you know you have to change something over the long run. You just cannot keep doing that over time because it does not work. And particularly if you want to borrow more money, it does not work, because nobody will lend you that money because you do not have a good story to tell how you are going to get out of that pattern. So when you go for that car loan or you go for that home mortgage, the banker will look you in the eye and say, tell me how you are going to pay me back. A very reasonable request.

I think the citizens of this country ought to be asking Congress how are you going to pay us back? How are you going to pay back this debt? That is a fair question, and it is incumbent upon us to take that on.

So here we are again today. Week after week we raise this issue. I make the request one more time. I ask Members of the House, let us get away from the rhetoric, let us sit down and let us work together on this very difficult issue. Let us do the right thing for future generations, let us do the right thing to get our budget back on track. That is what the Blue Dogs are all about, and I hope that people will take us up on this offer.

With that, Mr. Speaker, I will yield back to the gentleman from Texas.

Mr. TURNER. Mr. Speaker, I thank the gentleman from Utah, and again I thank him for his leadership on this issue. The gentleman represents a new generation of leaders in the Congress, leaders that have a conscience as well as an understanding that we have to pay the bills.

That reminds me of the diversity of the Blue Dog coalition. We have Members from all over the country now, from Texas to Florida, New York to California, to Utah. We have Anglos, Hispanics, African Americans. We have Congressmen and Congresswomen all committed to the central principle of the Blue Dogs, and that is we need to balance the Federal budget, pay down this \$6 trillion national debt, and ensure that we do not pass that on to our children and to our grandchildren.

One other Member of the Blue Dog coalition that has joined us on the floor here today is the gentleman from California (Mr. SCHIFF). He is an outstanding member; has been a leader on many issues of fiscal responsibility. He came to the Congress after a distinguished career in the California Assembly, and I am very pleased to yield to him.

Mr. SCHIFF. I thank the gentleman for yielding to me and for his sustained leadership in dealing with the country's fiscal situation.

Mr. Speaker, it was not so long ago, in fact it was just last year, that the administration was warning Congress of the dangers of paying down the debt too fast. We were entertaining scenarios where the Nation would have no debt, and what would the consequences of that be. These were the discussions that were going on in this very Capitol just a year ago. Well, would that these dire prophecies had come true and that we were today faced with that dangerous prospect of a Nation without debt.

In fact, we are very far from being a Nation without debt. Our debt has only increased since last year. Our deficits have only spiraled since then, because not long after those warnings of those dire predictions of a debt-free America, war and recession intervened, and now we are in a situation where this Nation faces deficits as far as the eye can see.

Some are proposing, in fact, to aggravate the deficits we have now. Some are proposing that we pass tax cuts not that are effective today or tomorrow, but that will not take effect for 10 years. We had a vote last week on one such proposal. We had a vote the week before on yet another. And at the same time we are proposing further tax cuts that will not take effect until more than a decade from now, the leadership is proposing that we increase the national debt by three-quarters of a trillion dollars.

Now, these votes do not take place on the same day. It would be very difficult, I think, to schedule a vote to cut taxes 10 years from now on the one hand and to raise the national debt on the other and have the votes back to back. That would be very difficult to justify. But, in fact, that is exactly what is taking place on the House floor.

We recently had a vote on the war-time supplemental appropriations bill. That is a measure that every Member of Congress supports. It provides necessary supplemental funding for the war effort. But buried in that bill of a couple weeks ago was a provision to allow the national debt to increase \$750 billion. Now, why was that buried in that bill? It was buried there because Members did not want to have to justify or explain how it is we could be voting to extend tax cuts beyond 10 years from now when at the same time we are raising our national debt. We are, in fact, borrowing the money to provide some of these cuts.

That is not any way to run a Nation. That is not how we run our budgets at home; that is not how we ought to run our budgets here. What we have to do is recognize that the prosperity that we enjoyed in the last 10 years was contributed to by the fact that we had our budget in balance; that, in fact, we were running a surplus for the first time in many, many years, and keeping our budget in balance had the effect of keeping interest rates low, making the dream of home ownership possible for so many American families.

Have we forgotten already the benefits of having a budget that is in balance, of paying down the national debt, the confidence that that inspires in American markets, the impact it has on the lower interest rates we pay on our mortgages or on our credit card debt? That is a real tax on the American people. You are taxed every time you pay your mortgage. You are paying for the cost of borrowing money. And we are making that more expensive for you because, in effect, the Federal Government is competing with you to borrow money whenever we run a deficit, whenever we are in debt.

So the action we take in raising the national debt by \$750 billion means that your mortgages are going to be more expensive, that you are going to be paying more in interest rates, that your children are going to pay more, that a prescription drug benefit may be

placed out of reach because we simply do not have the resources to pay a billion dollars a day in interest and try to provide prescription drug benefits for seniors that cannot afford to pay for their medicine and pay their rent and buy their groceries at the same time.

So what do we do? The administration says we need to raise the debt limit; that we need to borrow, or we are going to default. Are we in the Blue Dogs advocating that we go into default? Of course not. No one in the House is advocating that we default on our fiscal obligations. But what we are advocating, what we are asking of the leadership of this House is to work with us on a more modest increase in the national debt and, at the same time, work with us on a plan to get this country back to a balanced budget. They have to go hand in hand.

American taxpayers would not want to increase the debt limit on a credit card without any plan for how they were going to pay off their credit card debt. That would not be a smart investment. The same is true for the Nation. Before we extend the limit of what this country can borrow, we ought to require of this Congress and this administration that we come up with a plan to balance the budget over the intermediate term and the long term, recognizing that in the face of the war on terrorism, in the face of our efforts to pull ourselves up from this economic downturn, that we may have to endure deficits in the short term. Still, in the midterm and in the long term, we must get back to putting our fiscal house in order.

And all of this begs a question, Mr. Speaker: Where have all the budget hawks gone? Where have all the advocates of a balanced budget gone? There used to be some great voices in this Chamber for balancing the budget, for paying down the debt. Many of my colleagues on this side of the aisle won their seats in the House 15 years ago and 20 years ago by campaigning against the spiraling national debt.

□ 1700

Where have they gone? Why have we forgotten so readily the value of the importance to our future of having a balanced budget?

So today we urge our colleagues to work with us. Let us have a modest increase in the debt in light of the present difficulties, in light of the demand for resources for the war on terrorism. Let us have a modest increase in the debt. But let us accompany that increase with a plan that gets us to a balanced budget once again. Let us not dramatically expand our national debt with no plan whatsoever. That simply is not being a good trustee for the American people. And that is the challenge ahead of us today, to work together, with this House, Democrats and Republicans, with our colleagues in the Senate, with the administration. We can do this. We can do this. We have done this before. It is not easy.

There are many things that we would like to do that are competing for the same resources, but we have to recognize that if we do work together and we do take down this national debt, pay it off, reduce our deficits, that means that the billion dollars a day that we are spending in interest we can spend one day's worth of that interest on building new schools in your neighborhoods. We can spend another day of that interest providing prescription drug benefits to seniors. We can spend another day of that interest on fixing potholes in the roads. We can spend another day of that interest in making sure that we expand health care access to children. We can give another day of that interest back to the taxpayer and help them pay their personal debts and their personal obligations. And this is just with a week's worth of interest, \$7 billion that can be provided in the form of additional tax cuts or that can be provided in the form of additional services for the American people if we do not saddle ourselves with nonproductive debt, and that is the challenge.

And I want to applaud my colleagues who have worked so hard and for many years to bring about a sense of fiscal discipline in this body, to restore the commitment that we have made, both parties, to provide valuable services to the people we represent, to not encumber the future of this country and our children's future in a debt they cannot climb out from under. This is our time, this is our challenge, and I think we are up to it.

Mr. TURNER. Mr. Speaker, I thank the gentleman from California (Mr. SCHIFF) for his comments. And I think the reality of our current fiscal condition is certainly as he stated, and I think every Blue Dog Democrat believes we need to give the American people as much tax relief as we can afford to give them. But he is exactly right that when there are tax cuts proposed on the floor of this House week after week, the reality is whatever tax cuts are approved today over and above what we have already done for the American people in the largest tax cut in our history that was passed last June, those additional tax cuts will just be paid for with borrowed money. So we are going to take money out of the Social Security trust fund or borrow money from the public so we can run the government and give these additional tax cuts.

That is not fiscally responsible, and I certainly appreciate the fact that all of us want to be able some day to vote for additional tax cuts. I certainly do. But I think that what the Blue Dog Democrats stand for is first making sure that we are paying the obligations of the United States Government, whatever they may be; and it is a tragedy to think that the course that we are now following will result over the next decade of an additional trillion dollars in interest costs to the American taxpayer, wasted money just paid out on interest just because of the course of

fiscal irresponsibility that we are now embarked upon.

I pointed out this chart early in our hour, and I want to point it out as we close. Just 1 year ago when the President submitted his budget, it was estimated that we would not reach the statutory debt limit set by this Congress until the year 2008.

Mr. Speaker, we now know that we are bumping up against that debt limit, too. If we continue along the path of the President's budget submitted to us in January/February of this year, we will see record increases in the debt owed by the taxpayers of this country to the extent of an increase of over \$2 billion over the next decade. That is a course that we should not follow.

That means that the young men and women fighting for our freedom today in Afghanistan and other far-off places will not only sacrifice in the battles that they fight for our freedom today, but when they come home someday, when they are in their middle years, their highest income earning years, they will have to pay the bill for the very war that they went today to fight.

The sacrifices that will be required of the people of this country to win this war on terrorism are indeed great, and they are sacrifices that all of us must be ready to share in. The Blue Dog Democrats are here to remind Congress and the President that somebody has got to be willing to pay the bills. Today the debt collector is at the door, and he is knocking. He is telling us that we are running this government off the Social Security trust fund at a time when Social Security will be under the greatest stress in its entire history. As the baby boom generation retires and becomes eligible for Social Security is just the time that we see the projections of an ever-increasing Federal debt and growing deficits in our annual Federal budgets.

We need to be honest with the American people. We need to be willing to tell them the truth, and we need to be able to act in a bipartisan way recognizing the reality of our current fiscal situation and recognizing that every one of us is going to have to do everything necessary to win the war on terrorism to protect the security of this country, and together we must be willing to pay the bill.

So we have come here today and shared together in this hour of time on this floor to simply say to this Congress and this President, let us work together to balance our budget, to pay our bills, and to be sure that we do not pass the costs of today's government and today's war on to our children and our grandchildren.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3389, NATIONAL SEA GRANT COLLEGE PROGRAM ACT AMENDMENTS OF 2002

Ms. PRYCE of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 107-514) on the resolution (H. Res. 446) providing for consideration of the bill (H.R. 3389) to reauthorize the National Sea Grant College Program Act, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 1979, SMALL AIRPORT SAFETY, SECURITY, AND AIR SERVICE IMPROVEMENT ACT OF 2002

Ms. PRYCE of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 107-515) on the resolution (H. Res. 447) providing for consideration of the bill (H.R. 1979) to amend title 49, United States Code, to provide assistance for the construction of certain air traffic control towers, which was referred to the House Calendar and ordered to be printed.

PRESCRIPTION DRUG COVERAGE

The SPEAKER pro tempore (Mr. KENNEDY of Minnesota). Under the Speaker's announced policy of January 3, 2001, the gentleman from Kentucky (Mr. FLETCHER) is recognized for 60 minutes as the designee of the majority leader.

Mr. FLETCHER. Mr. Speaker, as we speak tonight, there is a committee marking up the prescription drug bill which will provide prescription drug coverage for all seniors in this country. I believe it is one of the most pressing issues in health care that we face today, and so I am glad that we are going to spend this next hour talking about the House prescription drug plan; and I thank the gentleman from Louisiana (Chairman TAUZIN), and the gentleman from Florida (Mr. BILIRAKIS), the chairman of the subcommittee, for their leadership in bringing this bill to the floor and making sure that we have a plan that is reasonable, doable, and will provide immediate relief for seniors.

I am accompanied by some of my colleagues today, and at this time I yield to the gentleman from Kentucky (Mr. WHITFIELD). I know this has been an important issue that the gentleman has worked on.

Mr. WHITFIELD. Mr. Speaker, prescription drugs for seniors on Medicare, this is an issue which has been before the Congress for quite some time. There has been a discussion about it for a number of years. If Members will recall, last year for the first time the House of Representatives under our leadership did pass a meaningful prescription drug benefit for senior citi-

zens throughout the country. We all know how difficult it is for some of these seniors to pay for the prescription drugs that they have been prescribed for their particular condition.

One of the disappointing things about last year was that although the House passed a meaningful prescription drug benefit, the Senate did not pass one. So we found ourselves back this year at the same place that we started last year. So we made it very clear on the Republican side of the aisle that we were committed to a meaningful prescription drug benefit for senior citizens that would not bankrupt the country. Because, obviously, we can spend a trillion dollars over 10 years, or \$2 trillion over 10 years, but that certainly would not be fair to the young men and women who are out working today with children.

Their employer does not provide health insurance for them, and they have made too much money for Medicaid to provide their health coverage, and they are not old enough for Medicare and yet they are paying taxes that go for the Medicare beneficiary and the Medicaid beneficiary. We tried to be reasonable about this to get a prescription drug benefit on the books to get started in a meaningful way, and our proposal will spend \$350 billion over 10 years. I have a chart here that shows the House Republican principles on this issue.

One, we obviously want to strengthen Medicare, and we are committed to a prescription drug benefit.

Two, we want to lower the cost of prescription drugs now. We want to guarantee that for all seniors, prescription drug coverage will be covered under Medicare.

We want to improve Medicare with more choices and savings, and obviously we want to strengthen Medicare for the long-term future.

The other side of the aisle has made a lot of arguments that we are not spending enough money on prescription drugs. As I stated earlier, many of us agree with that. But when we have a Nation at war against terrorism, when we are just coming out of a recession, it is important that we get this on the books and that we be reasonable in our approach; and I think that is precisely what we are doing.

But yet I want to make it very clear because the other side of the aisle has indicated that this is not a meaningful prescription drug benefit program, which I would disagree with. But if, for example, you are a single person on Medicare today under our bill, if your salary is \$13,000 and below, then all of your prescription drugs will be paid for by the Federal Government. If you are a married couple and your joint income is \$17,910 or less, then all of your prescription drugs will be paid for by the Federal Government.

□ 1715

And if you are married and you are making about \$21,000 a year, under our

proposal even some of that will be subsidized for you in addition to the other benefits that will be there for you.

So I am quite excited that tomorrow the Committee on Energy and Commerce will begin marking up this important legislation to provide finally prescription drugs for our senior citizens. My only hope is, and I am convinced, by the way, that the House of Representatives will pass it again, and my only hope is that the U.S. Senate will step up to the plate and not make this a political issue just because we are approaching an election but will step up to the plate and enter into meaningful dialogue so that they too will pass a prescription drug benefit that we can send to the President; and I know that President Bush has indicated time and time again that he will sign the legislation.

I think tomorrow is a big day for senior citizens throughout the country and for all of us who have parents and aunts and uncles who need this benefit, because, as I said, we will begin marking this up tomorrow and I think within 3 days it will be coming out of our committee and then hopefully going to the floor. I appreciate very much the gentleman yielding to me this evening. I look forward to working with him tomorrow and the next 2 to 3 days as we try to finish this matter up.

Mr. FLETCHER. I thank the gentleman from Kentucky for coming and joining us tonight. You were talking about the Democrats and some people talking about this is not a big enough plan, but it is interesting when we look to just a year ago, there was an amendment offered by the gentleman from South Carolina (Mr. SPRATT), a Democrat, that set aside only \$303 billion and we have a list, and I think this is virtually every Democrat, voted for that. Yet now 1 year later, in a political year, in an election year, we have a political statement that it is not enough, even though we increased it from \$303 billion in our budget, set aside for prescription drugs and enhancing and improving Medicare, to \$350 billion. All of a sudden in an election year we hear this demagoguery, it is not enough. I really appreciate what you have said on that.

Mr. WHITFIELD. If I may make an additional comment. You are exactly correct. We are being challenged, also, of trying to raid the Social Security trust fund to pay for this. I would point out that between 1936 when Social Security started and 1995, a period that was controlled by Democrats except for about 4 years, they spent over \$800 billion from the Social Security trust fund; and no one raised questions about it, no one objected about it; and not until 1994 when the leadership of this House changed were we able to start reversing that.

One other comment that I would make is that the U.S. Senate, I am sure of what they are going to do is they are going to put out a prescription drug plan that may be in the trillions of dollars, who knows what it will be, which

is very easy for them because they did not pass a budget on their side of the aisle. And so they are not bound by any constraints whatsoever. So for them to criticize us about spending too much money and bankrupting Social Security, which is a false allegation, they do not even have a budget. And so they are going to send a plan over here that we know will be so expensive that we will not be able to adopt it. But this is a great starting point. You have provided great leadership on this issue since you have been in Congress. I want to commend you for that.

Mr. FLETCHER. I thank the gentleman from Kentucky.

Next I would like to recognize another gentleman that has joined us this evening on this discussion, a very important subject, prescription drugs, one of our newer Members who has taken a leadership role on this, the gentleman from Oklahoma (Mr. SULLIVAN). We are glad to have him here this evening. Certainly we appreciate him coming and sharing his remarks as we address this very important issue.

Mr. SULLIVAN. Mr. Speaker, I thank the gentleman from Kentucky for all his hard work on this very important issue. I have only been in Congress for about 4 months. When I was campaigning, I would go door to door. One of the biggest issues I heard from seniors was about Social Security, people living on fixed incomes, maybe had a small pension, but it was about prescription drugs. One lady that did not live too far from me, I remember going to her house. She said that she got about \$900 a month from Social Security and her husband had passed away, he had a small pension from the railroad, and she was paying \$1,000 a month for prescription drugs. Luckily she had a son that had an okay job and was helping her out. We need to change that.

Over the recess, this last recess we had, I went home and visited many senior centers in Tulsa and the surrounding areas. After meeting with thousands of seniors, it became clear that prescription drugs is definitely needed. It is a simple fact that every senior should have access to the prescription drugs they need. Yet we know that "simple" is not always synonymous with "easy." I firmly believe that it is important to pass legislation that will not just last for 10 years like the Democrat plan, but for generations and future generations to come. Therefore, as this body of Congress debates legislation, we must be responsible. The bill must be fiscally achievable this year, next year and for years to come. We must not fail our seniors today, tomorrow or 50 years from now.

The legislation that has been introduced by the House Republicans provides a guideline that accomplishes these goals by offering coverage on a voluntary basis to all seniors. Most seniors pay between \$1,800 and \$1,900 per year on their prescriptions. This bill will cover the majority of seniors'

costs, including 80 percent of the first \$1,000 after a deductible and 50 percent on the next \$1,000.

This plan is workable, this plan is simple, and this plan is right for American seniors. I urge my colleagues to join me in supporting this common-sense approach to ensuring our seniors have the prescription drug coverage they need and deserve. I would like to again thank the gentleman for Kentucky for all his hard work.

Mr. FLETCHER. I thank the gentleman from Oklahoma. Before he leaves, let me just ask him a question and make a remark. It certainly sounds like you have had a number of town hall meetings. As I go around my district in central Kentucky and I have had some town hall meetings with seniors, I really hear that this is probably the most pressing issue. You mentioned that illustration of the \$1,000 a month of income. I hear this, especially from widows, women that have worked very hard all their life but they worked in the home. They are left with Social Security, which is very inadequate to provide for all the things they need in addition to prescription drugs. I just want to thank you and see if you have any further comments on that and this plan that we brought out here that would pay virtually 100 percent of coverage for those individuals that you talked about.

Mr. SULLIVAN. A lot of women are outliving men, too. You hear a lot of that at these meetings as well. A lot of times, too, they say, Well, John, we have heard this a lot about prescription drugs and we know you can't just give drugs to everybody. We want a plan that you can actually do. I have told them that we passed a budget, we put the money in this budget to accomplish this goal, and we can get this done in this Congress. This is not pie in the sky; this is a doable plan that we can accomplish this session of Congress. We all know that the President has said that he wants this done, he wants it on his desk, he will sign this bill. So it will be a travesty if this does not pass.

Mr. FLETCHER. We certainly appreciate the gentleman from Oklahoma being here tonight and his leadership on this very important issue, taking up this issue in a manner that, as you have described, is reasonable, responsible and, the big word, "doable." This is doable. When you look at the alternative plans that the minority is offering, this is a plan that escalating costs would require ever, ever, ever-increasing taxes on hard-working Americans. Yet they have offered no explanation other than saying, well, we will sunset this plan after a few years so that we do not have to deal with the runaway costs that their plan incurs. You are absolutely right as you have taken the leadership to represent your folks back in Oklahoma, that this plan is very reasonable, it is very fiscally responsible, it is a tremendous benefit to our seniors, and it is doable. It can be done.

I want to thank the gentleman for joining us this evening.

Next I would like to recognize, and I have spoken about the chairman of the Committee on Energy and Commerce who has just been tremendous in taking the leadership. This is a very, very tough issue. I am very pleased and honored to serve with the gentleman from Louisiana (Mr. TAUZIN) on the Committee on Energy and Commerce and want to certainly yield to him on this issue. I again thank you for your leadership. We plan on marking up this bill tomorrow and because of your leadership, we are going to be able to do that.

Mr. TAUZIN. I thank the gentleman from Kentucky. Let me also thank you as the newest member of the Committee on Energy and Commerce not simply for taking the lead to literally organize our efforts here on the floor to make sure that this bill is not just successful through the committees but that we actually pass it through the floor of this House and give the Senate time and a chance to work on their version of this bill so we might accomplish it before the November elections instead of just talking about it interminably. I want to thank you for all the great work you have already done on health care issues in the past and again what a great asset you have become to the Committee on Energy and Commerce and our work on health care.

Let me perhaps sum up the major components of what we have negotiated with the Committee on Ways and Means and which we will hopefully bring to the floor in good shape next week as we go through our committee process this week. The major components of what we are suggesting is that it is time to quit talking and to put in place a real and sustainable entitlement program within Medicare that will provide access to drugs at more affordable cost to the seniors of America who must depend upon drugs today for their daily and annual health care needs. The same way seniors in the 1960s depended upon hospitals and clinics, seniors now depend upon drugs to maintain their lives in successful quality time.

Those of us who still enjoy parents and grandparents, I still have a mother whom I love dearly, know that were it not for the Medicare system being there for her and the amazing advances of drug therapies and the capacities of modern pharmaceuticals to continue to make her life not only comfortable and enjoyable but vibrant and alive, understand how critical it is we change Medicare to create this new benefit.

Unlike the Senate bill, which they can outbid us on the dollars they can spend because they are not bound by any budget, they have never passed a budget, and I should say the other body, just as the other body can outbid us, so can our colleagues in the House outbid us if they do not want to abide by the budget numbers. But the budget numbers provide us with \$350 billion.

We were charged with crafting an entitlement program, a program that would last forever, that would not be sunsetted, that would be available to seniors and they would know it is available for the rest of their lives. That is the first thing we did. We crafted a drug benefit within Medicare that was truly an entitlement.

The second thing we did was to make it voluntary, just as part B is, just to make sure that seniors know that if they like it, they can sign up and accept the benefits of it or they can decide they would rather not have it, they would rather have a private insurance plan that they are enrolled in or perhaps not invest in this plan at all. What we know from those who have looked at our plan is that we expect, from the managers of Social Security and from CBO estimates, that as many as 93 to 97 percent of the seniors of America will likely take advantage of this new drug benefit. Why? First of all, because if any senior lives under 175 percent of poverty, the plan provides total subsidy of the premium, in other words, total subsidy support, total support within this \$350 billion that we are going to spend over 10 years toward the purchasing of this drug coverage for them.

Secondly, we know that seniors are going to like this. Even though they may not get all of the drug cost covered in the first \$1,000 and \$2,000 under the plan, we know they are going to like it for one very important reason, because it includes catastrophic coverage. Because it says at some point, whatever number we eventually agree upon in our markup, at some point the medical drug expenses will not bankrupt a senior, that at some point the costs get covered by this program and they will not have to suffer the loss of their home or their pension or their savings as a result.

When I talked to my mom about our plan and I explained to her that for \$35 a month, she would have a plan that covers 80 percent less a deductible of the first \$1,000 of expenses, 50 percent of the second \$1,000, but, more important, I said, Mom, at some point once you have reached the out-of-pocket limit of the bill, whatever we decide it may be and we think it is going to be under \$4,000, at that point you have no more drug expenses, that this plan will cover you and you won't lose the savings account that Dad left for you and you won't lose the house that he built for you and you won't lose your security, you won't have to spend yourself into poverty to get drug coverage.

Mom said, Sign me up today. Sign me up now, son. Get me in this program. The bottom line is we know that seniors are going to want to look for something that is permanent, voluntary and gives them these kinds of benefits.

The other thing I want to point out is that in this bill we also repair a lot of the reimbursements to Medicare, hospitals and doctors and nurses and

teaching facilities, not 100 percent yet because we still have some work to do to do total repair, but we repair some of those reimbursement concerns and we make sure that the doctors in fact get a positive reimbursement in the years ahead and that nurses and hospitals get positive reimbursements to make sure that Medicare is always available in all the communities of America.

The last thing we want to see is some community lose its Medicare providers because we failed to take care of some of the reimbursement concerns and the cliffs and the walls that some of these providers are about to hit. And so this bill addresses, within the confines of the dollars available to us in the budget, this drug benefit program but also the needs of the provider community to make sure that, in fact, doctors and nurses and hospitals are still available to carry out ordinary Medicare services to folks like my mom and to folks like your seniors in your community.

□ 1730

Last of all, in the bill we obviously want to make sure that the Medicare+Choice programs that have been available and are still available as an option to seniors in this great country are still available. So we help make sure we stabilize those programs within this bill.

In other words, we want to make sure that seniors have as many options as possible, options in Medicare+Choice, where it is available, and hopefully stabilize it so it continues to be available; secondly, options to continue to receive health care through Medicare at the hospitals and clinics, through the nurses and doctors and providers of our Medicare system; and, most importantly, to add this important new drug benefit option to seniors.

Now, can we get it done? You betcha. Can we get it done this year, pass it into law this year? Yes, we can. This is doable. This is not a program that ends in 5 years, as the other body would provide. It is not a program that goes over our budget. It is within our budget, and it is doable.

We pass it on this floor next week, and the other body has all the time in the world to get their act together and meet us in a conference and make it happen this year for the seniors of America.

Listen, this is not a benefit that can wait. Seniors are desperate for some help in their drug coverage. Seniors are desperate for us to pass this into law, and we have got our chance next week.

I want to thank the gentleman and all the Members of the Committee on Energy and Commerce who began the markup process today and are going to work with me through the next 3 days to make sure we produce a product that this House can act on next week, one we can get done and finished so the Senate can move and we can eventually sign this important new addition to Medicare into law.

I thank the gentleman for his sterling work on the Committee on Energy and Commerce and for calling this special order tonight.

Mr. FLETCHER. I thank the gentleman from Louisiana (Chairman TAUZIN). It is certainly a privilege to serve with the gentleman. Again, I want to thank the gentleman for the endless hours that he has put into it, him and his staff and the other members on the committee, to put together this bill. It is the culmination of several years' work.

We have improved on the bill we passed a year-and-a-half or 2 years ago. We made some tremendous improvements, as the gentleman stated. That is why it is estimated that 93 to 97 percent of the seniors would find this plan so attractive that they would take advantage of it, just as the gentleman's mother said.

Let me thank the gentleman also for his leadership. The Committee on Energy and Commerce has historically taken a very strong leadership role in health care, and the gentleman has continued not only that, but enhancing that leadership role, and it is a privilege to serve with the gentleman. I thank him for coming and sharing the time with us this evening.

As we continue to look at this, the chairman of the Committee on Energy and Commerce mentioned that we set aside \$350 billion, and yet the Democrats, the minority party, did not offer any particular number for a budget. They did not offer any kind of plan to set aside any money at all for prescription drugs for our seniors. Yet they are beginning to roll out a plan that will probably spend between \$800 billion over 10 years to \$1.2 trillion.

They offered no plan to pay for that. They have not said whether they are going to cut education, national security or homeland security. Are they going to cut health care benefits to other individuals? Where are they going to get the money? Or are they going to offer an accompanying tax increase bill, because that is what they are talking about. They constantly talk about the fact of the tax relief that we passed for the American people.

So it would only make sense if they are offering a bill that rings up deficits as far as the eye can see, they would have to offer either some offsets in education, health care, national defense, homeland security, something to offset that, or offer a tax increase. I just do not see that happening.

I am additionally glad to have the gentlewoman from Pennsylvania, around the Pittsburgh area, with us also. She was here the other evening and shared some time. She has taken a leadership role on this. I know she has a lot of seniors in her district that she is very close to and concerned about. The gentlewoman from Pennsylvania (Ms. HART), we are glad to have you here this night. I yield to the gentlewoman.

Ms. HART. Mr. Speaker, I thank the gentleman from Kentucky (Mr. FLETCHER) for spending time on this issue.

People around the country are learning what our plan is all about. They are beginning to understand that we are responding to the concerns they have discussed with us, our principles: that we lower the cost of prescription drugs for every senior; that we guarantee that the prescription drug coverage will be available to them under the Medicare plan they are so used to receiving their health care through; that we improve Medicare, the whole plan, with more choices for them and more savings for them; and also that down the road Medicare will still be there, that we make sure we strengthen it for the future.

But the prescription drug issue is one that is new to Medicare, and it is one that as I know in the gentleman from Kentucky (Mr. FLETCHER) traveling in his district and those of us who have had an opportunity to speak today have all experienced the discussions with our constituents about this issue.

I am from Pennsylvania, where we actually currently have a State prescription drug plan. It is a very good plan, but it does not cover every senior. The concerns that I heard while I served in the State senate before I came here to Washington included the concerns that said, "You know, I am a senior citizen. I am not poor, but my prescription drug costs are so high that they are making us poor." It is couples that basically were very comfortable until one of them was stricken with a more serious illness and was hospitalized, and then went out of the hospital to maintain his or her health and found that the cost of \$1,000 a month or so was going to break them. It is something that was not really helped by the State of Pennsylvania's PACE program, because it is strictly a benefit available only to people who qualify by income.

I think it is important that we note that. Although Pennsylvania's plan has helped a lot of folks and continues to help a lot of folks, our plan is more comprehensive.

I recently held a roundtable discussion at home, and a gentleman who was with us that day talked to us about the maintenance and the prescription drugs that his wife needed to take for an ailment that she had and how they were making the choices that you do not want anyone to say they are making between some level of sustenance and the prescription drugs they needed to keep their health. It was clear to me that no matter whether a person in our roundtable was someone with very low income or someone with more moderate or higher means, that they believed that the Medicare system should certainly address the issue of prescription drugs. That is why we have gone in that direction. It is important for us to do that.

People have come to rely on Medicare as their health coverage once they

reach retirement. It is something that gives them peace of mind. They know they will be taken care of if they go to the hospital, if they see their doctor. Those issues that take a little bit of that concern away from them also, I think, help with their health. Unfortunately, now the worry that many of them have faced as a result of not knowing how to pay for their prescription drugs has caused a lot more problems for them.

Our plan will make sure that that worry goes away. It provides 100 percent coverage for low-income seniors and a small premium for coverage for higher-income seniors. The whole point is to make sure that people know they will be taken care of.

Our roundtable discussion gave me the opportunity to talk to the senior citizens in my district about what they really want to see. They said they like the idea we will make the coverage available to everyone, but please do not force them to avail themselves of that coverage, because if they have a good pension, and a lot of people in my district are doing okay, have a decent pension from their retirement that gives them some drug coverage, and they like what they have, they want to keep it. So it is a voluntary plan. That is one of the other important things. We do not force anybody into a plan they are not interested in being part of, but it is available to everyone. So that is the key.

The group wanted to know if it would cover every senior, not just the low-income seniors that were covered under Pennsylvania's current plan. I said, of course. The plan was to look at what was working well in the States that have those kinds of plans, but beef them up with other coverage for those who may not be covered by some of the States that have plans, like ours. It is called the PACE program. Like I said earlier, it is based on income only.

As you see, if you have a certain low level of income, under our Medicare prescription drug coverage plan, you will be covered for free. It will be very similar to our program at home. But what is better about the Medicare drug coverage plan that we have, that the Republicans have proposed, is that it does not stop here. It would provide prescription drug coverage for those who are higher income so that part of their costs would be covered.

I think the average senior citizen, some statistics we found show that the average senior who pays \$2,100 in prescription drugs would save over 50 percent under our plan. That is a lot of money. All the seniors I met with urged me to ensure that those coverages would be available. They also said they wanted to make sure that if someone has extremely high costs, that they will be helped as well, even if they have a higher income. Like I said, it is available to every senior.

Our plan addresses people who are in a dire financial situation, and it does not force them to make a choice be-

tween sustenance, between food and their prescription drugs; between paying the rent or paying that mortgage, if they still have one; or other expenses and prescription drugs. They should not have to make that choice. These are a lot of the World War II generation, people who have served their communities all their lives. The least we can do now is to provide them with really what is an updated Medicare coverage.

It is a good plan. It is voluntary. It reduces costs for every senior. Prescription drugs are what people need as they age and they face illnesses to keep them healthy and out of the hospital. Our goal is to try to keep people as healthy as possible, so our Medicare prescription drug coverage is certainly something that is going to help them, keep them healthy and active, as they are today, so many seniors.

If we can keep them healthy and active, in the long run Medicare is going to save money, because they will be out and working and being active and out of the hospital, which is the key. I think it will be better for them, their families, and obviously for their peace of mind.

I thank the gentleman for allowing me to be part of tonight's discussion.

Mr. FLETCHER. Mr. Speaker, we appreciate the gentlewoman's leadership role and her coming.

As the gentlewoman was talking about those low-income seniors, I was reminded of a senior that I talked to. It was a group of seniors, but one of the individuals from a senior citizens center came up and talked to me who managed it. He said there was a gentleman in that center, and that the first half of the month he was just a perfect gentleman in every way. The last half of the month, however, his countenance and behavior changed substantially. When they really investigated, it was because he was a low-income senior, fixed income, and could only take his medicine for half a month. That is all he could afford.

So this plan is doable. It is not a pie-in-the-sky plan that we see the minority offering. That pie-in-the-sky plan would actually keep us from passing this bill as we pass it if the Senate does not take it up. Yet this would provide for that gentleman I am talking about, for the seniors the gentlewoman has alluded to and talked about specifically. It would provide 100 percent coverage for these low-income seniors. It would prevent that gentleman I was talking about from having that terrible experience of having to just take half a month of his medications and then have the consequences of that.

So I thank the gentlewoman for joining me.

Ms. HART. Mr. Speaker, if the gentleman will yield further, I was going to add to that that his physician would have sat him down and told him exactly what he needed to do to maintain his health. He probably has every intention of doing that. All we need to do

is help him do it, because he is perfectly willing, I am sure, to take the medications that he needs to maintain his health. We just need to give him the wherewithal to get those medications.

Mr. FLETCHER. Absolutely. One of the things I find out with these seniors in my experience, in practicing medicine with some of these seniors, they are very proud people. They are not used to having to come up and saying, I cannot afford this for the rest of the month, because they worked very hard. We put them in a very awkward position, and so it is very difficult for them to come.

With this kind of plan, it would be within Medicare. Just like the plan they receive now, it would be something that is an entitlement, they earned this, and it would prevent that from happening.

The gentlewoman is absolutely right. We appreciate her being here. I know the people of Pennsylvania are very proud to have her represent them.

Next as we continue this discussion, I want to just say as we look at Medicare, it was established in 1965. The next gentleman has not been here that long, but he has been here longer than I have, and he is a very distinguished member of the Committee on Energy and Commerce. He represents southern Illinois, and in his new district actually he will be bordering my home State of Kentucky.

I yield to the gentleman from Illinois (Mr. SHIMKUS). We are glad to have him here tonight. We appreciate his leadership on the Committee on Energy and Commerce, as well as his leadership on the prescription drug effort and this bill and being with us here this evening.

Mr. SHIMKUS. Mr. Speaker, I thank the gentleman. It an honor to have the gentleman on the Committee on Energy and Commerce, and his expertise helps us move important health care legislation.

Mr. Speaker, we do have the best health care in the world, but it has problems, and it has challenges. Really one of the most frustrating things for me is to try to address how the Federal Government is a good or bad partner in all the different aspects of health care.

A lot of my colleagues have spent a lot of time talking about the prescription drug benefits in this plan, but there are some other benefits in this package that I also want to make sure that we highlight and address.

One is, of course, a little self-serving, is my own piece of legislation, H.R. 4013, which we are going to include, the Rare Diseases Act. Being the sponsor of the bill, it encourages better treatment, better diagnostic procedures and cures for large numbers of rare diseases and disorders.

□ 1745

These are diseases that are very catastrophic to the individual; but in terms of the number of population, it is based

upon a large population of the country, it is a very small percentage. So there are great challenges, and people who want to try to invest to find a cure, since the population is so small, we have to really encourage people to do the research and the development, and we have to encourage them to try to find the new medicines to help do that.

Although each of these illnesses affects less than 200,000 people, a total of 25 million Americans, one in nine, today suffer from at least one of the 6,000 known rare diseases. A lot of the familiar ones that we have heard about, Lou Gehrig's disease is one of these diseases, Tourette syndrome is another one, that if not included in this provision, would probably get left out, and then we would not have the incentive to help this segment of the population that are afflicted by some of these terrible diseases.

So that is why I am excited about the markups that are occurring in actually two committees, our committee and the Committee on Ways and Means. They are very similar, I think there will be some differences, but we will work them out when we bring that bill to the floor.

But I also appreciate the fact that our bill meets the budgetary guidelines, and that is no small task. We pass a budget, we fight over the budget, that fight is over. We pass it on the floor, and then we have that slice of the financial pie to be able to address a prescription drug issue and some reform provisions. It is no small task, and I applaud the leadership on both sides, from the Committee on the Budget to the chairman, for making that happen.

Again, the other thing that I wanted to highlight real quickly are some of the other provisions in here that are very, very beneficial, especially to rural and small communities throughout southern Illinois. All people who deliver those services, all hospitals will see increasing payments in 2003 for hospitals by reducing the market basket, inflation adjustment rate.

Sole community hospitals will increase payments in 2003 for rural hospitals by the full market basket resulting in a 3.3 percent increase.

There is a lot of terminology here. I come from the military, from an Army background; and we had acronyms out of the world. So one we see here is the DSH payments, which stands for disproportionate share. This bill will increase the DSH payments for rural and small hospitals in urban areas by increasing the cap from 5.7 to 10 percent over 5 years beginning next year. It addresses an issue of critical access hospitals wherein it reinstates special cash-flow provisions, fixes special physician payment adjustments; and we can see the complexity of health care in here when we have all of these specific areas that we are trying to fix with this legislation. The legislation imposes flexibility in the size requirement as defined by the number of beds,

and reauthorizes rural flexibility grants.

Home health. It benefits home health care, which is a major provider of something we believe in and that has really taken a beating since 1997.

It also increases hospice care. As an individual, and as many families have concerns when someone is dying in the family and hospice comes. It is a great service. We need to help that service. It is a great way to ease someone into that next transition from this life to the next by having care and concern at home, and hospice gets reinforced financially.

It helps direct graduate medical education. It helps teaching hospitals in rural areas and in small cities to receive additional direct graduate medical education assistance.

In studies of geographic adjustment for physicians, there is a differential in payments for physicians. This will help to quantify and qualify for that.

It addresses ambulance transportation. I have a great aunt on my wife's side who had to be moved. Some of the movement was funded, some of it had to be paid out-of-pocket, and the out-of-pocket was not a very good way to be transported 50 miles.

The last thing was indirect medical education. There is an increase of 5.5 percent in 2003 and 6 percent in 2004.

Mr. Speaker, a lot of my colleagues have come to the floor and talked about the benefits of people having access to prescription drugs. Illinois has a pretty good program too for the poor. This will help build on that. But there are other provisions in this bill that as we get the bill through the committee and as we work with the Committee on Ways and Means and we get it on the floor, if we stay within the budget guidelines, not only can we provide seniors with some hope for the future of some assistance with their prescription drug costs, but we can really start addressing some of the catastrophic concerns that have evolved based upon the funding mechanisms for rural and poor hospitals.

That is why I am pleased to come down to the floor and speak in support of this bill.

Mr. FLETCHER. Mr. Speaker, I want to thank the gentleman for coming and sharing. He brought out a lot of the other details of this bill which are very, very important. We can provide all of the health care out there, but if there are no providers that are willing to participate in this program, the seniors would have no access to health care. This makes some very important corrections, as the gentleman mentioned, for rural hospitals, physicians, hospice, home health, those things that ensure that not only do we have this coverage for prescription drugs, but that we have providers that will participate fully so that seniors will have full access to the health care they need.

The gentleman mentioned the rare diseases, and something I think is a

moral obligation, and I want to thank the gentleman for taking the leadership. It is not a large number of people, but if you have ever known a family or been in a family or had a family member that is afflicted with one of these diseases, it has a tremendous impact. I want to thank the gentleman for all of his work and leadership on that. We are glad to see that.

I wanted to ask the gentleman a question. We have the gentleman from Illinois (Mr. KIRK) here, and I know Kentucky has shortfalls in Medicaid. We have \$700 million shortfalls, and that is similar to a lot of the States around. This provides, for those that are dual-eligible for Medicare and Medicaid, it helps buy out those transitions for 10 years and saves the States \$40 billion, which is tremendously needed in Kentucky, and I know the gentleman mentioned that, and I would like to give the gentleman an opportunity if he would like to speak to that point.

Mr. SHIMKUS. Mr. Speaker, we have been working with the State government in sharing what information we have about the bill being presented, and they are very excited about it, not just because of that provision, but also because of the assistance with the prescription drugs. The States are in financial crisis. Illinois, I think, had a \$1.2 billion shortfall which they have been wrangling with now for months, and they have had to make some tough decisions. We, through this legislation, will be able to help bring more flexibility and more support for rural health care.

Health care in America again is a very frustrating thing, if one is really following the dollars and cents. I think the only way we survive is through partnering, through working with local community hospitals. There is a lot of hospitals that are writing off millions of dollars of uncompensated care. And they are providing a great public service. Maybe not just a public service, maybe a lot of them are religious affiliated hospitals and that is part of their mission, but they are still writing it off and they are real dollars. So by working with the State and the Federal Government partnering, by working with community hospitals, whether they are tax-supported or faith-based organizations, we can continue to provide the care that this country expects us to provide, not just for those of us who are employed and have good plans, but for those who are less fortunate or are retirees or are those who are in transition away from work at this time.

Again, I thank the gentleman for the time, and I think the State will be very excited to get this bill out of committee and on to the floor. The gentleman from Illinois (Mr. KIRK) may make some comments about how the State of Illinois will also benefit.

Mr. FLETCHER. Mr. Speaker, I thank the gentleman. I yield to the gentleman from Illinois (Mr. KIRK). We

thank him for his leadership and the experience that he has brought, not only to this issue, but to Congress in general in his work in the past, representing the suburbs of Chicago. We thank the gentleman for coming and joining us this evening.

Mr. KIRK. Mr. Speaker, I thank the gentleman. I am absolutely in awe of the gentleman's work product and what the gentleman has done. I want to help the gentleman in every way possible.

Mr. Speaker, when Medicare was established in 1965, prescription drugs given outside the hospital did very little. Republicans and Democrats both left it out of a Medicare program. Today, prescription drugs given outside of the hospital carry much of the load in medical care. Republicans and Democrats agree on a bipartisan basis that it is time to add prescription drugs to Medicare for needy seniors. Many States, such as my own home State of Illinois, already have done so; but it is time for the Federal Government to do its part.

The real difference between the two parties, Mr. Speaker, is one of cost. The minority's plan would create an open-ended, unlimited program to subsidize even very wealthy seniors who are ready to take part and already have a prescription drug plan. Costs would skyrocket, dipping into Social Security and limiting funding to restore our national security. The minority's price tag for their plan could exceed \$800 billion. Do we sacrifice homeland security or national defense or Social Security or education to pay for their plan?

Last year, in a nonelection year, most minority members voted for a prescription drug plan that cost \$325 billion over 10 years. Now, in an election year, the number has nearly tripled. But if we are to adopt a plan which costs so much, eventually, we will have to break a promise made to seniors.

The majority plan cares for needy seniors without putting financial pressure on Social Security or denying the needs of our men and women in uniform in Afghanistan's front lines. Our plan is balanced. It protects needy seniors and does not break the bank.

I just want to close by saying that by not breaking the bank, our plan means that a promise made to America's seniors is a promise that will be kept, and we need to design a plan we can afford to keep so that seniors can count on this.

I applaud the leadership of the gentleman on this, and I thank him for all he has done to bring this plan before the House of Representatives.

Mr. FLETCHER. Mr. Speaker, I thank the gentleman. I think he has made some very good points, points that are new and the first time they have been made here tonight, and that is, if the plan previously was enough, not only in an election year, how are they going to pay for that? Particu-

larly the part about an open-ended entitlement for wealthy seniors that would actually end up bankrupting Medicare and threaten it in the future.

One of the things that really concerns me is that if we look at the Democrats' plan, \$800 billion to \$1.2 trillion over 10 years, the estimated cost of that. Now, where are they going to get that? Are they going to get it from education, national defense, homeland security? Are they going to have to raise taxes? What we have under their plan is that they would have to raise taxes on our hard-working people. These are our teachers, these are the folks that are working in the kitchen. These are folks that are just barely making it by, new families that are trying to ensure that they can buy their first home. We will be taking from them, and we will be supporting the prescription drugs totally for folks like Ross Perot.

I think the gentleman pointed out a real moral dilemma and a real moral shortfall in their plan, so I thank the gentleman for coming tonight.

Mr. KIRK. Mr. Speaker, if the gentleman will yield, I would just say that it is important to note seniors will count on the commitment that we are making. So it is important that the commitment that we make is one that we can keep. By designing an affordable plan, we will be there for seniors in the future.

Many seniors remember when the Congress created a catastrophic health care plan and then revoked it just a short time later, so that the promise made was not a promise kept. The gentleman and I both want to care for seniors, and we both want to make sure that their house cannot be taken away because they have been bankrupted through prescription drug costs. Our plan does that. But we do not want to design a plan which some future Congress cannot afford to pay for, with all of the other demands.

America's seniors, more than any other generation, knows that there is a war on, and that we have to make a responsible commitment that we can afford to keep. That is why I applaud the direction that the gentleman is going in here with this plan; because under this plan, we will make commitments to seniors and we will be able to afford to keep them.

Mr. FLETCHER. Mr. Speaker, again, I thank the gentleman, and I thank him for the good representation for the folks from Illinois there.

I have here a list. The gentleman mentioned that previously the Democrats had supported this bill.

□ 1800

Let me read off just a few names of Democrats in a nonelection year who voted not for \$350 billion, but had voted for less, \$303 billion, and they thought that was very adequate, very good for prescription drugs. Now these same people say that \$350 billion is not adequate. Maybe it has to do with the fact that this is an election year.

Let me read some of the names: the gentleman from Missouri (Mr. GEPHARDT), the gentleman from Michigan (Mr. DINGELL), the gentleman from Michigan (Mr. BONIOR), the gentleman from California (Ms. PELOSI), and the gentleman from California (Mr. STARK). These are Members that we will hear talk about this \$350 billion not being enough. Why? I think clearly we see that they want to make a political statement in an election year.

Our plan, again, is very doable, very reasonable. The real dilemma here that we have in America is that no senior should have to choose between food and medicine. I think any of us who have been out to our senior citizen centers, those who have practiced medicine, have seen that dilemma.

Now, in practicing medicine, we try to give samples, and pharmaceutical companies have certainly given away free medication. But we have a plan here that will make sure that this is not the order of the day in America; that we will eliminate this dilemma by providing coverage to those seniors who are having to make that choice now.

We have gone over some of the principles:

One, it is a voluntary plan; very important. Members have heard that 93 to 97 percent of seniors will take advantage of this because this plan is so attractive.

It provides choice; it is a voluntary plan. This is unlike the Democrats' plan, the minority plan, which provides one single formula. Now imagine that. That means a bureaucrat is going to be managing every single pharmaceutical drug that one can have in their medicine cabinet. That means we politicize every single new product that comes out that is produced.

Of all the wonderful medications that we have had, and that is the reason we have this problem with rising costs is because we have had tremendous technological advances in pharmaceutical agents, imagine every one of those agents being politicized to the point of deciding are we going to add this to the formulary or not.

We would have the House of Representatives and the Senate and bureaucrats micromanaging this sort of thing when it really needs to be out there where patients and seniors have a choice between plans, and how they choose the plans will drive what medications are on those plans. That is why choice is extremely important.

This plan guarantees every senior will have at least two choices; at least two, minimum. We anticipate they will have more than that.

It is a guaranteed plan. It is not something we put up and say, we can afford this very large plan for a few years, and then we are going to have to sunset it. That is like putting a chair out and asking the senior to have a seat, and then right at the time they begin to sit down, we pull it right out from under them. We do not think that

is responsible, and it is not something we could even fathom doing to our senior citizens. So this is a guaranteed entitlement that will go on and extend.

It also provides immediate savings. The CBO has estimated in the past it will provide up to 30 percent. We do not know exactly what the number is, but we do know it will provide immediate relief. That is now for seniors as they walk in.

If we have an employer-based insurance plan, we walk in and get a reduction on our pharmaceutical drugs, but seniors do not. They pay sometimes up to 25 percent more. That is not fair. By the power of negotiating, we can reduce that and give them savings immediately.

It also provides catastrophic coverage. Anybody who has out-of-pocket expenses of over \$4,500 will get those expenses fully covered. What does this prevent? It prevents individuals from having to bankrupt themselves and spend a lifetime of savings due to runaway drug costs. This is a protection we find when we talk to seniors that most of them, and overwhelmingly the majority of them, desire.

So this lowers drug costs now, and guarantees all seniors will have coverage under Medicare. It is under Medicare. It will improve Medicare with more choices and more savings. We talked about the provider changes, the hospital changes, and some of the other changes.

We did not talk a lot about the Medicare+Choice, which has about 5 million Americans participating in that plan. We want to make sure they continue to have the coverage they have, and it will strengthen Medicare for the future.

We talked about, for those low-income individuals, about those making \$17,910 for couples or \$13,290 for singles, this will fully cover their expenses, so we will have no low-income seniors or seniors on fixed incomes having to decide between food and medicine.

There are a couple of other charts I would like to get here. Let me say, who thinks that \$350 billion is enough for Medicare? One, the House Democrats thought that. On the Spratt amendment, the gentleman from South Carolina (Mr. SPRATT) offered House amendment No. 21 to the fiscal year 2002 budget resolution which said \$350 billion is enough. Now, again, they have changed their tune on that. The tripartisan Senate group June 7, 2002, said in Congress Daily \$350 billion is adequate.

Next, I talked about the expenditures: What is reasonable, what is doable. The House Democrats triple Medicare spending in just 1 year. If we look, it goes from 400- to over \$1.2 trillion in 1 year.

Now, they talk about tax breaks, and they do a lot of talking about the tax relief bill that we gave, yet when we look at that, many of the Democrats voted for that tax relief bill. Now they are talking about the fact that our pre-

scription drug bill is not affordable because of the tax relief we gave to the American people.

They are offering a bill that triples the expenditures of Medicare. They talk about, with class warfare as part of their discussion, that we are not able to afford that because we gave some tax relief to the hard-working Americans.

Well, I would like for them to step up and say how are they going to pay for this triple expenditure that they have, and is it doable? There are some on the Senate side who have offered a bill and sunset it after a few years because they know they cannot afford it, particularly in the outlying years. Again, that is not, I think, a morally reasonable thing and a doable thing that we can enact here. We need to enact a bill that is responsible and doable.

Next, let me point again to tell Members that the Senate Democrat plan expires in 2010. We see an expiration. Ours is a continuing entitlement that will be for seniors from now on. It is a responsible way of doing a bill and will continue to provide those benefits that we have talked about.

Who supports this bill? We could go through: the 60 Plus Association, the Alliance to Improve Medicare, the ALS Association, the American Academy of Dermatology Association. We could go right on down and look at number of associations. The Kidney Cancer Association, the Health Association of New York State. Florida AIDS Action sponsors this and supports this bill. There is the Society for Thoracic Surgeons, United Seniors Association, the Visiting Nurses Associates. We also have American Urological, American Association of Cataract and Refractive Surgery.

What we have is an overwhelming number of the providers that are actually taking care of patients and seniors, groups that actually are speaking on behalf of seniors who support this bill.

In conclusion, let me say that this bill is a very responsible bill. Again, I want to thank the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Florida (Mr. BILLRAKIS) for their work. The Committee on Energy and Commerce will be beginning to mark up a bill tomorrow to provide a Medicare prescription drug benefit for every senior in America.

I want to close out. I appreciate the opportunity to speak this evening on this very important subject. I feel very hopeful that we can get this passed and pass it on to the next body to take it up, and pass this bill for the seniors across America.

#### FY 2003 FUNDING TO PAKISTAN

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

Mr. PALLONE. Mr. Speaker, I would like to take this opportunity to raise

my concerns regarding U.S. financial assistance to Pakistan.

Mr. Speaker, I understand that after September 11, the U.S. needed to coordinate with President Musharraf because of Pakistan's proximity to Afghanistan. Although the U.S. worked with Musharraf in the war on terrorism, I was skeptical, and I still remain skeptical, that Musharraf could fight both global terrorism and local terrorism by Islamic fundamentalists that still takes place in Kashmir and India.

It is now clear that Musharraf's promises to crack down on terrorists at the line of control in Kashmir and to crack down on terrorist camps and schools in Pakistan were just promises that went unfulfilled. When a leader says he will crack down on terrorism, but in the same breath make statements like, "Kashmir runs in our blood," or will refer to terrorists as freedom fighters, that should be evidence enough that he is not truthful with regard to terrorism.

Regardless of his empty promises on fighting terrorism in Kashmir, and despite his lies about holding democratic elections, the U.S. in fiscal year 2002 allocated hundreds of millions of dollars to Pakistan in both economic and military aid. The U.S. provided \$600 million in economic assistance in fiscal year 2002, \$73 million for border security, \$75 million in FMF in the supplemental, and \$50 million in military assistance.

In addition, the recently passed supplemental contained \$40 million for Pakistan, and an additional \$250 million is being sought by the administration for economic development and assistance.

I agree that Pakistan is in dire need of economic and humanitarian assistance, but I strongly objected to the military assistance provided to Pakistan by the U.S., especially considering the fact that Pakistan was not and still is not a democracy.

Mr. Speaker, I think it is important for us to evaluate the situation in Pakistan before setting aside further money in fiscal year 2003 for economic aid to Pakistan, and certainly for military assistance to Pakistan. The atmosphere post-September 11 was different, and it was appropriate for the U.S. to provide aid to Pakistan since Musharraf was helpful to the U.S. in fighting the Taliban.

At this point in time, however, the violence in Kashmir has escalated, and the overall situation of terrorism in Kashmir and throughout India charges Musharraf with the responsibility once and for all to stop infiltration at the border in Kashmir and to eliminate terrorist training camps and schools.

With violence against civilians in Kashmir taking place on a nearly daily basis, and with nearly 1 million troops lined up along the Pakistan and Indian border, Musharraf has no choice but to keep his promise of stopping infiltration of Islamic fundamentalists who

now claim "Kashmir Jihad" from entering Kashmir. I do not think it is appropriate for the U.S. to provide any further aid to Pakistan if this promise is not kept.

In addition, Musharraf needs to go further than stopping infiltration. He must eradicate the training camps and schools operating in Pakistan. These schools breed terrorists, and in order to permanently end terrorism in Kashmir, Musharraf must go to the heart of the problem and put an end to the breeding of terrorism at these training camps.

In addition, there must be some system for ensuring that Pakistan is accountable for the money that is allocated by the U.S. We should demand evidence that although economic aid may be going to schools and other social projects, that the investment is not then freeing up money that is re-allocated towards weapons for Islamic militants and resources at terrorist training camps.

Mr. Speaker, I am so concerned about the U.S. providing further funds to Pakistan without Musharraf holding his word that I am planning on sending a word to the foreign ops appropriators to apprise them of the current situation and to encourage them to provide economic aid to Pakistan only on the condition that Musharraf does, in fact, take concrete steps to alleviate terrorism in Kashmir and to eliminate terrorist training camps.

In addition, I would like to note that I plan to encourage the appropriators to steer clear of providing any military aid to Pakistan, regardless of the progress Musharraf makes on terrorism prevention.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4560. An act to eliminate the deadline for spectrum auctions of spectrum previously allocated to television broadcasting.

#### TRADE, TRADE POLICY IN THE UNITED STATES, AND AMERICA'S RECORD TRADE DEFICITS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 60 minutes.

Mr. DEFAZIO. Mr. Speaker, I scheduled this time to come to the floor tonight and talk about the issue of trade, trade policy in the United States, and our record trade deficits, the impact on the economy, and in the future.

Before I engage in that, I could not resist. I had to sit through a good part of the previous hour, and I would like to comment upon a number of the points made by the gentlemen before me on the issue of prescription drug coverage.

First off, they said it has a fiscally huge cost, the Democratic alternative. It would cost \$800 billion. Guess what: That is the cost of the estate tax which they tried to permanently repeal last week over 10 years, \$800 billion. So we could have a trade-off. We could have a very meaningful, substantial prescription drug benefit for every American eligible for Medicare, or we could give back \$800 billion to the wealthiest of the wealthy in this country.

Even if we adopted the alternative, which I supported, which would have given a \$6 million exemption, I think \$6 million is quite enough tax free, we could have saved half that money, \$400 billion. So if we matched it to the \$350 billion, we could again have had a more generous plan.

Mr. Speaker, also, there is a glaring deficiency. In fact, I am a bit critical of the Democrat proposal, also, because neither bill takes on the immensely powerful and wealthy pharmaceutical industry head on. Americans are paying 40 to 80 percent more than citizens of other highly industrialized, developed nations. Our neighbors in Canada pay about half what we do for drugs manufactured in the U.S. by U.S. firms; Mexico even less. The European countries all pay less.

□ 1815

The Republican bill would do nothing to control these outrageous costs, which means we are not going to get much of a benefit. If we do not crank down the obvious costs of pharmaceuticals, we are not going to get much of a benefit. We could spend the entire Federal budget within a few years, and we would not get much of a benefit. We have got to do something about the runaway pharmaceutical costs, but I do not think there is a lot of will on that side. Tomorrow night's \$25 million Washington, D.C. fundraiser for the Republicans in the House and the Senate, the lead fundraiser is the head of GlaxoSmithKline, a large pharmaceutical company, one of the largest in the world, J.P. Garnier would not want to upset him too much when he is out raising money.

Now they say, well, the rising costs are because of advances in new drugs. Actually, if one lifts up the covers and looks underneath where they are spending their money, the pharmaceutical companies are spending more money on their CEO salaries, administration, and advertising than they are on research. In fact, all their blockbuster drugs for profits are makeovers of drugs they invented 20 years ago. Clarinex, that is Claritin with a tiny molecular change so they can continue it under patent, so they can continue to charge 10 times as much per dose as the one that finally, after fighting in court, after trying to buy up other pharmaceutical companies that are going to provide a generic, after trying to get legislation through Congress, knock through a number of bills to continue their monopoly on Claritin,

they finally developed another dodge which is get the doctors to prescribe this new drug which is not any different but has a different name and they can charge ten times as much for it. So if we do not deal with the costs, we cannot have a meaningful prescription drug benefit. But I see no will on that side of the aisle to deal with that issue.

Back to trade, let us talk a bit about trade. Later this week perhaps or next week, the House will take up at least perhaps an extraordinary proposal by the gentleman from California (Mr. THOMAS) of the Committee on Ways and Means to adopt an arcane procedure called a self-executing rule on a motion to go to conference. Why is that? Because they are trying to help push through this fast track bill for President Bush. I opposed fast track authority for President Bush the First. I opposed fast track authority for President Clinton, and I oppose fast track authority for President Bush today. This is a bad idea. The United States Congress gives up all of its authority to amend, modify, or meaningfully review these trade agreements and instead says they will be adopted with an up or down vote only, no amendments allowed. Why would we do that? We would do that because these are really bad deals for the American people. That is why we would do that.

The WTO, which I opposed, the GATT, that was a really bad deal for the American people, done through a fast track process. The NAFTA, total disaster. We are running over a \$40 billion trade deficit with Mexico. That was done on one of these fast track deals. But what they said was, oh, Congressman, you cannot mean you want to vote to amend that. Well, in fact, first of all, you cannot vote to amend it, and, why, if you voted to amend it, the other countries who are agreeing to this might get upset.

Come on. They want access to our markets. Reasonable amendments to deal with labor and the environment, consumers, those things would not be a problem in these trade agreements, but they want to keep those things out because the real people who dictate the trade agreements are multinational corporations who have had a direct pipeline to the last four Presidents of the United States, Reagan, Bush I, Clinton, and Bush II. They are virtually identical in their position on trade.

Is our trade policy working so well that we should rubber-stamp it yet one more time? That is what this House of Representatives will be asked to do, rubber-stamp one more round of fast track for the free trade of the Americas. Let us bring in all of the nations into the western hemisphere, into this wonderful construct that we have under NAFTA. Would that not be peachy? Maybe we can get cheaper labor in Bolivia than we can in Mexico because some people are demanding as much as a dollar an hour down there in

Mexico now, Bolivia and Argentina. They might be more desperate. Maybe they could take more American jobs at a lower price than the Mexicans.

I am about to be interrupted again, but I will certainly be happy to yield or suspend for the purposes of a unanimous consent request on the part of the gentleman from Louisiana (Mr. TAUZIN).

#### AUCTION REFORM ACT OF 2002

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4560) to eliminate the deadlines for spectrum auctions of spectrum previously allocated to television broadcasting, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

#### SECTION 1. SHORT TITLE.

*This Act may be cited as the "Auction Reform Act of 2002".*

#### SEC. 2. FINDINGS.

*Congress finds the following:*

(1) *Circumstances in the telecommunications market have changed dramatically since the auctioning of spectrum in the 700 megahertz band was originally mandated by Congress in 1997, raising serious questions as to whether the original deadlines, or the subsequent revision of the deadlines, are consistent with sound telecommunications policy and spectrum management principles.*

(2) *No comprehensive plan yet exists for allocating additional spectrum for third-generation wireless and other advanced communications services. The Federal Communications Commission should have the flexibility to auction frequencies in the 700 megahertz band for such purposes.*

(3) *The study being conducted by the National Telecommunications and Information Administration in consultation with the Department of Defense to determine whether the Department of Defense can share or relinquish additional spectrum for third generation wireless and other advanced communications services will not be completed until after the June 19th auction date for the upper 700 megahertz band, and long after the applications must be filed to participate in the auction, thereby creating further uncertainty as to whether the frequencies in the 700 megahertz band will be put to their highest and best use for the benefit of consumers.*

(4) *The Federal Communications Commission is also in the process of determining how to resolve the interference problems that exist in the 800 megahertz band, especially for public safety. One option being considered for the 800 megahertz band would involve the 700 megahertz band. The Commission should not hold the 700 megahertz auction before the 800 megahertz interference issues are resolved or a tenable plan has been conceived.*

(5) *The 700 megahertz band is currently occupied by television broadcasters, and will be so until the transfer to digital television is completed. This situation creates a tremendous amount of uncertainty concerning when the spectrum will be available and reduces the value placed on the spectrum by potential bidders. The encumbrance of the 700 megahertz band reduces both the amount of money that the auction would be likely to produce and the probability that the spectrum would be purchased by the entities that valued the spectrum the most and would put the spectrum to its most productive use.*

(6) *The Commission's rules governing voluntary mechanisms for vacating the 700 megahertz band by broadcast stations—*

(A) *produced no certainty that the band would be available for advanced mobile communications services, public safety operations, or other wireless services any earlier than the existing statutory framework provides; and*

(B) *should advance the transition of digital television and must not result in the unjust enrichment of any incumbent licensee.*

#### SEC. 3. ELIMINATION OF STATUTORY DEADLINES FOR SPECTRUM AUCTIONS.

(a) *FCC TO DETERMINE TIMING OF AUCTIONS.—Section 309(j) of the Communications Act of 1934 (47 U.S.C. 309(j)) is amended by adding at the end the following new paragraph:*

*"(15) COMMISSION TO DETERMINE TIMING OF AUCTIONS.—*

*"(A) COMMISSION AUTHORITY.—Subject to the provisions of this subsection (including paragraph (11)), but notwithstanding any other provision of law, the Commission shall determine the timing of and deadlines for the conduct of competitive bidding under this subsection, including the timing of and deadlines for qualifying for bidding; conducting auctions; collecting, depositing, and reporting revenues; and completing licensing processes and assigning licenses.*

*"(B) TERMINATION OF PORTIONS OF AUCTIONS 31 AND 44.—Except as provided in subparagraph (C), the Commission shall not commence or conduct auctions 31 and 44 on June 19, 2002, as specified in the public notices of March 19, 2002, and March 20, 2002 (DA 02-659 and DA 02-563).*

*"(C) EXCEPTION.—*

*"(i) BLOCKS EXCEPTED.—Subparagraph (B) shall not apply to the auction of—*

*"(I) the C-block of licenses on the bands of frequencies located at 710-716 megahertz, and 740-746 megahertz; or*

*"(II) the D-block of licenses on the bands of frequencies located at 716-722 megahertz.*

*"(ii) ELIGIBLE BIDDERS.—The entities that shall be eligible to bid in the auction of the C-block and D-block licenses described in clause (i) shall be those entities that were qualified entities, and that submitted applications to participate in auction 44, by May 8, 2002, as part of the original auction 44 short form filing deadline.*

*"(iii) AUCTION DEADLINES FOR EXCEPTED BLOCKS.—Notwithstanding subparagraph (B), the auction of the C-block and D-block licenses described in clause (i) shall be commenced no earlier than August 19, 2002, and no later than September 19, 2002, and the proceeds of such auction shall be deposited in accordance with paragraph (8) not later than December 31, 2002.*

*"(iv) REPORT.—Within one year after the date of enactment of this paragraph, the Commission shall submit a report to Congress—*

*"(I) specifying when the Commission intends to reschedule auctions 31 and 44 (other than the blocks excepted by clause (i)); and*

*"(II) describing the progress made by the Commission in the digital television transition and in the assignment and allocation of additional spectrum for advanced mobile communications services that warrants the scheduling of such auctions.*

*"(D) RETURN OF PAYMENTS.—Within one month after the date of enactment of this paragraph, the Commission shall return to the bidders for licenses in the A-block, B-block, and E-block of auction 44 the full amount of all upfront payments made by such bidders for such licenses."*

(b) *CONFORMING AMENDMENTS.—*

(1) *COMMUNICATIONS ACT OF 1934.—Section 309(j)(14)(C)(ii) of the Communications Act of 1934 (47 U.S.C. 309(j)(14)(C)(ii)) is amended by striking the second sentence.*

(2) *BALANCED BUDGET ACT OF 1997.—Section 3007 of the Balanced Budget Act of 1997 (111 Stat. 269) is repealed.*

(3) *CONSOLIDATED APPROPRIATIONS ACT.—Paragraphs (2) and (3) of section 213(a) of H.R.*

3425 of the 106th Congress, as enacted into law by section 1000(a)(5) of an Act making consolidated appropriations for the fiscal year ending September 30, 2000, and for other purposes (Public Law 106-113; 113 Stat. 1501A-295), are repealed.

#### SEC. 4. COMPLIANCE WITH AUCTION AUTHORITY.

The Federal Communications Commission shall conduct rescheduled auctions 31 and 44 prior to the expiration of the auction authority under section 309(j)(11) of the Communications Act of 1934 (47 U.S.C. 309(j)(11)).

#### SEC. 5. PRESERVATION OF BROADCASTER OBLIGATIONS.

Nothing in this Act shall be construed to relieve television broadcast station licensees of the obligation to complete the digital television service conversion as required by section 309(j)(14) of the Communications Act of 1934 (47 U.S.C. 309(j)(14)).

#### SEC. 6. INTERFERENCE PROTECTION.

(a) INTERFERENCE WAIVERS.—In granting a request by a television broadcast station licensee assigned to any of channels 52-69 to utilize any channel of channels 2-51 that is assigned for digital broadcasting in order to continue analog broadcasting during the transition to digital broadcasting, the Federal Communications Commission may not, either at the time of the grant or thereafter, waive or otherwise reduce—

(1) the spacing requirements provided for analog broadcasting licensees within channels 2-51 as required by section 73.610 of the Commission's rules (and the table contained therein) (47 CFR 73.610), or

(2) the interference standards provided for digital broadcasting licensees within channels 2-51 as required by sections 73.622 and 73.623 of such rules (47 CFR 73.622, 73.623),

if such waiver or reduction will result in any degradation in or loss of service, or an increased level of interference, to any television household except as the Commission's rules would otherwise expressly permit, exclusive of any waivers previously granted.

(b) EXCEPTION FOR PUBLIC SAFETY CHANNEL CLEARING.—The restrictions in subsection (a) shall not apply to a station licensee that is seeking authority (either by waiver or otherwise) to vacate the frequencies that constitute television channel 63, 64, 68, or 69 in order to make such frequencies available for public safety purposes pursuant to the provisions of section 337 of the Communications Act of 1934 (47 U.S.C. 337).

Mr. TAUZIN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. ISSA). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. DINGELL. Mr. Speaker, back in 1997, and again in 2000, over the Committee on Energy and Commerce's objections, the budget committees of the Congress commandeered the management of the Nation's airwaves. They set auction deadlines that were asinine, constituting a gross mismanagement of spectrum. Today we take back the reins and restore rationality to the process.

Without question, moving forward with these auctions now would impose a heavy price on the American public. The Nation's airwaves are a scarce natural resource, and we are entrusted to manage these assets on the public's behalf. The bill before us is the first step to reclaiming that duty.

In addition, I would note that the anti-interference provision contained in this bill is of particular importance to the American viewing public. It preserves the integrity of broadcast channels, making sure that consumers will be

able to continue viewing both traditional and digital broadcasts without risk of harmful interference to their television sets.

I congratulate Chairman TAUZIN and others for their perseverance in getting this bill through both Houses, and look forward to the Federal Communications Commission establishing a sound spectrum management policy now that we have freed the agency to do so.

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

There was no objection.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just passed.

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

There was no objection.

Mr. TAUZIN. Mr. Speaker, I want to thank the gentleman from Oregon (Mr. DEFAZIO) for his courtesies this evening and hope he will excuse my interrupting him.

Mr. DEFAZIO. Mr. Speaker, whenever I can help the powerful chairman of the Committee on Energy and Commerce. I may have something small to ask in return.

If I could continue here, this is a very serious subject. So the question before the House soon will be will we rubber-stamp existing trade policy? Is it so good, is it working so well for the American people that we should say, hey, let us just keep doing more of the same, let us give President Bush total authority to negotiate these agreements in secret, then bring it back here for an up or down vote, no amendments allowed? Let us look at the result of our existing trade policy.

Our trade deficit is the largest in the history of the world. It has gone from \$66 billion in 1991, 1.7 percent of our gross domestic product, to \$417 billion last year, 4.1 percent of our gross domestic product. That is pretty extraordinary. People say, well, wait a minute, our exports are expanding. They are right. Our exports over the last decade have gone up 17 percent; but guess what, the imports went up 44 percent because of this misbegotten trade policy.

Current estimates say that our trade deficit could reach \$460 billion by the end of this year, \$536 billion by 2003, and their prediction, it could reach 7 percent of gross domestic product, \$800 billion by the year 2005. That means the loss of tens of thousands, hundreds of thousands more jobs in this country; and in fact, it means a trade deficit that is not sustainable.

Essentially, if we move toward those numbers, the United States of America becomes the next Argentina; and the World Bank and the IMF will be in here dictating to us about our budget priorities and how we are going to clean up our house and how we are going to

meet our obligation of our \$2 trillion overseas debt. Yes, we will owe \$2 trillion overseas in the very near future because of these persistent trade deficits.

It is not sustainable. In fact, when Indonesia imploded, their trade deficit was only 4.5 percent of their gross domestic product. Similarly, in South Korea, and economists everywhere said, well, that is understandable. My God, no one can have trade deficits that large a percentage. We are talking the United States of America may go to 7 percent in the near future if we maintain the current trade policies.

The question becomes, who would want to maintain this failing trade policy? Well, not too many of the American workers who have lost their jobs, seen their wages depress. They are probably not real enthusiastic about it. In fact, I come from a State where when I first raised questions about trade, they said, oh, no, you are from Oregon, you are going to be a free trader. You are right there on the Pacific Rim; your people are going to benefit from this free trade policy of the United States, as I was told by President Bush first, President Clinton and others in opposing their successful attempts, unfortunately, to jam through NAFTA and GATT and the WTO. My State has lost 41,000 jobs; and other States have lost a lot more than that, millions of jobs across the country.

Three million jobs in the United States according to the Economic Policy Institute were lost between 1994 and the year 2000 because of our trade policies.

What else did trade deficits do? Well, they shift the composition of the workforce. They say, do not worry, everybody is going to wash dishes; we are going to become a service economy. We do not need to manufacture things. I do not believe that. I do not believe we cannot manufacture things and continue to be a great Nation. In fact, during the Gulf War, officials down at the Pentagon were in a panic because they needed some high-tech stuff. They could only get it from Japan, and Japan was not delivering on the schedule that our national security demanded. Imagine that. Do my colleagues think China, who is now producing some of those same critical components, is going to be real helpful in the future? They have been so friendly and helpful so far. I do not think so, particularly if we are in a conflict with them, which I think is very possible within the next 25 years.

Manufacturing has lost 1.5 million jobs in the last 18 months. So we are having a huge change in the composition of our workforce from high-wage, high-benefit manufacturing jobs, to low-wage jobs or lower-wage jobs on much lower-benefit jobs in the service sector or other components of manufacturing.

What else is impacted? Stagnant wages. Average U.S. wages adjusted for inflation are about the same as they

were when Jimmy Carter was President of the United States, and one of the biggest factors in dragging that down is U.S. workers are being asked to compete with people in Mexico who are preferably willing to work for a dollar a day; and if President Bush is successful, they will be asked to compete with the people of Argentina who are totally desperate or the people of Bolivia or other nations.

The idea is to search around the world for the most exploitable, most desperate workforce. Sometimes skills are required so they will have to go to countries like Argentina. Other times they can go overseas to Indonesia, Pakistan, countries like that when they are not real high skilled and get cheaper wages.

So that is another result. I do have a few more points, and then I will yield to the gentlewoman from Ohio (Ms. KAPTUR), who is a tremendous leader on these issues.

It is a drag on economic growth, this \$400 billion-a-year trade deficit. Our export output falls. Domestic demand that could be met by domestic output is instead satisfied by higher imports. As I said earlier, our exports are up by 17 percent, but our imports are up by 44 percent. We are losing the jobs that could create that.

We are increasingly reliant on foreign investors. We have to import nearly \$2 billion a day from foreign investors, and perhaps later I will get into a list of who those foreign investors are. I think it will shock some of the Members of this caucus in terms of national security and economic security, but 40 percent of our U.S. Treasury debt, 40 percent of the debt of the United States of America, the collective debt of all of us, is owned by foreigners. That is an extraordinary number. It erodes our defense manufacturing base. We are going to saddle our children with future debt and interest payments, and it hurts our long-term spending on research and development.

These are some of the grand successes of the current trade policy that this Congress is going to be asked to rubber-stamp by once again giving up all its authority to shape trade and trade policy and rubber-stamp a fast track bill to give the President the authority to secretly negotiate this agreement and bring it back here for a hurried up or down vote.

I yield to the gentlewoman from Ohio (Ms. KAPTUR), who has been a tremendous leader in the House in opposing these failing trade policies.

Ms. KAPTUR. Mr. Speaker, I wanted to express deepest appreciation for the yielding of my esteemed colleague, the gentleman from Oregon (Mr. DEFAZIO); and though I am not for human cloning, I just wish that somehow we could clone more of him to serve in this Chamber, and the people of Oregon are extraordinarily fortunate to have an honest and very, very able Member serving their interests and indeed America's interests.

I was listening to the gentleman's comments on fast track, which I always call the wrong track, and felt compelled to come here to the floor to at least try to attempt to gain just a few moments to discuss these issues with the gentleman. My colleague mentioned how much America is in hock to other countries and foreign interests borrowing those dollars in order to fuel this economy. The flip side of the fact is that 40 percent, over 40 percent now of our public debt is owned by foreign interests, is the interest that we have to pay them, and this year that number will total close to \$400 billion. It is between \$300 and \$400 billion, which is almost as much as we will spend on the defense of the United States of America to pay on our borrowings and the interest that is owed on those.

So I think that the underside of this trade equation is the fact that piece by piece we are selling ourselves off, the public interest and the private interest.

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I think the American people really have a sense of this when they go to the store and they look on the bottom of a cup or they look on the label on a piece of clothing and they sort of ask themselves, well, is anything made in America anymore? Everything from hedge trimmers to automobiles to clothing. We import over half of the oil, which we should totally displace by domestically produced new fuels. We are not independent. This was a Nation formed with the great ideal of independence and self-sufficiency, and piece by piece, at the end of this past century and now into the new one, we are frittering away that national endowment.

Now, the bill that was supposed to have come before us today for the second time in 2 weeks has not made it to the floor. And the reason the fast track bill is not here today and was not here last week is because the motion lacks the votes necessary for passage. The problems with the fast track proposal are so numerous that the rule that they have adopted is self-executing. In other words, we cannot really change anything in the bill.

And what are some of the things that are bad about it, in addition to its fundamental architecture, which is only going to increase more imports into this country? Well, first of all, the displaced workers that will occur in this country. And we know it is going to happen. It happened with NAFTA, it happened with PNTR with China. Every time we sign one of these agreements, more companies close in our country. It does not take a mental giant to figure out what is going on with displaced production. The money that was supposed to be in the bill to help the U.S. workers thrown out of their work was lowered, and there were lower levels of trade adjustment assistance in this fast track measure.

In addition to that, there were several provisions embedded in this fast track bill to try to protect the seats of certain Members of this institution in a very tough election year.

In addition to that, there were provisions that had been put in by the other body that would have protected industries in this country from illegal dumping of foreign goods, such as steel, and those were taken out.

In addition, worker health provisions, those people who lose their job and then lose their health benefits, there were provisions in the Senate bill to protect the health benefits of our workers at least for a period of time. Those were taken out.

And so those are just some of the few irresponsible ploys that were included by my colleagues from the other side of the aisle. And I would have to say to the gentleman, and I appreciate his yielding to me, really one of the issues that we have to consider is how, when we add up everything that has happened at this time of Enduring Freedom, or any time when we should be considering the independence of this country, are we either strengthening or destroying our national defense?

We can look at job security, border security, industrial security, economic security, all of those together comprise what we take an oath to defend: the Constitution of the United States against all enemies, foreign and domestic, and to assure the defense of the United States of America. The end result is we become less able to make the bolts that go into the airplanes, we become less able to make the airframes. The gentleman knows a whole lot about that in the Northwestern part of our country with what has happened to some of the outsourced Boeing production. We become less able to make steel. We become less able to make electronics.

If we look at what is happening with the defense base of this country, in my district we have just had a major nuclear incident. Guess what? In order to try to repair the facilities that can be repaired, if we need a new head on the reactor, it has to be done by Japan and then sent to France for finishing, and then comes back to the United States, and then the company is absolved of liability under exemptions in the Price-Anderson Act. What is going on? What is going on in this country?

The last foundries have closed. I have machine tool companies in my district going bankrupt one after the other. That is happening all over this country. We have lost almost 1.5 million manufacturing jobs over the last 2 years. So I want to compliment the gentleman and say that I would like to stay for a while longer, as I listen to what he is saying to the people of our country and to the RECORD.

This is an extraordinarily important issue. Fast track should not be brought up on this floor until its flaws are repaired. And why should we be allowing 31 more countries special access to our

market when we are hemorrhaging, when, in fact, we are hemorrhaging jobs all over the world, and our trade deficit will be over \$360 billion more this year?

So I want to thank the gentleman very much for the opportunity to join him this evening and again compliment the very wise voters of the State of Oregon for sending the gentleman here. I have long admired his independence and his innovativeness as a Member of Congress.

Mr. DEFAZIO. Mr. Speaker, I thank the gentlewoman, and, of course, the people of Ohio also have shown extraordinary wisdom in returning her, for more years than I have been here, to the House of Representatives. The gentlewoman has been tremendous on this fight. Although we have been losing, the margin is getting closer and closer.

The gentlewoman will certainly remember that last fall, after an extraordinary effort by the Republican leadership in this House, the President and all his Cabinet and others, they only prevailed by a one-vote margin in getting through the fast track trade bill. A number of Members on that side had to change their vote, and voted reluctantly against interests of their district, particularly people from the South and textile States, and they got what are thus far some pretty hollow promises in return. Certainly the voters in those States are going to have to look to see what it is that their elected Representatives have wrought by proposing to do more and more and more of the same.

Under this legislation, Free Trade of the Americas Act would be one of the things negotiated, and we would go to a few of the very few countries in the Western Hemisphere, where the United States is currently running a trade deficit, where we do not have this kind of a perverted free trade agreement in place, and we would give them the opportunity to join most other nations on Earth who are running huge trade surpluses with the United States, notably Uruguay, Argentina, and Brazil. A very large economy in Brazil would fall under this new free trade authority, and Brazil is a major manufacturer of automobiles, certainly something close to the gentlewoman's heart, and other very sophisticated goods.

So we can fully expect that under this sort of an agreement that we would find those products coming from Brazil where labor is indeed much, much cheaper than it is in the United States.

Ms. KAPTUR. Mr. Speaker, if the gentleman will continue to yield, I would just want to point out that Argentina and Brazil, we are already in deficit with them. And if we look at what has happened with Canada and Mexico post-NAFTA, we used to have surpluses with those countries. Then, when NAFTA kicked in, we have moved into gigantic deficits with both countries, where they are sending us more goods than we are sending them.

We already have growing deficits with Argentina and Brazil and Venezuela. If this is passed, it will only grow worse because that has been what the pattern is. If we look at a country like Argentina, I found it very ironic that our Governor went down to Argentina in order to try to move Ohio product down there. But if we look at what is happening, Ohio's beef producers are being wiped off the map. They cannot get access to market. We are importing Argentinian beef into the United States. We have a deficit with Argentina. They are sending us more than we are sending them, and they were not about to buy any more of our beef. They want to sell us their beef.

And in terms of Brazil and Venezuela, if we look at the steel industry, if we look at agriculture in those countries, the numbers are not moving in our direction already. And many of the people in those countries do not earn enough to buy what we have to sell, so we end up shooting ourselves in the foot.

I thank the gentleman.

Mr. DEFAZIO. Exactly on that point, the passage of NAFTA was really the big lie strategy. We were told it was to produce hundreds of thousands of new jobs in the United States, and we were going to ship all these goods to Mexico. Of course, what they did not look at was the total buying power. If every peso earned by every person in Mexico was only spent on U.S.-produced goods, not on bare necessities, not on rent, locally, or anything else, it would have almost equaled the buying power of the State of New Jersey. This was theoretic. And, of course, obviously, that cannot happen. And, in fact, what has happened is our trade deficit with Mexico is up 1,861 percent. We have lost hundreds of thousands of jobs. We are running a \$40-billion-a-year trade deficit to Mexico. U.S. corporations are moving their capital to Mexico.

This was never intended to be an agreement for U.S. firms to produce in the United States and ship to Mexico. That was a joke. It was a lie, plain and simple. Unfortunately, a majority of our colleagues bought it. What it was always about was a cheap export platform in Mexico for U.S. manufacturers to move their capital and foreign manufacturers to move closer to the U.S. market so they would not have to ship things so far; big, heavy things.

Ms. KAPTUR. Again, if the gentleman would be kind enough to yield, I would just place on the record that the State of Ohio is one of the top five losers under NAFTA. We have already lost over 100,000 jobs to Mexico directly. That does not even count the supplier jobs and the service jobs that are associated with those corporate relocations.

The impact is staggering. Income growth in our region and our State has not gone up. In fact, it has been stagnant, and in many cases has been going down. People do not have the purchasing power. And the jobs that are

replacing them are part-time jobs with no health and retirement benefits.

If we look at, and I will just give one example and then yield the gentleman back his time, but one of the major corporations, and I hate to pick on a West European company, but Daimler-Benz-Chrysler, for example, they are one of the many automotive manufacturers that have moved production to Mexico, and they manufacture the PT Cruiser in Toluca, Mexico. Now, that is a very popular vehicle in our country. All the PT Cruisers are sent back here. There is not a single PT Cruiser manufactured in the United States of America.

Now, in our district we make the Jeep Liberty. We are the home of the jeep in Toledo, Ohio, and there are so many orders backed up for the PT Cruiser, our workers contacted the company and said, look, why do you not bring some of the excess production from Toluca up to Toledo? We will put on an extra line, we will meet the backlog, and we will be able to share in this rising market. No deal. No deal, because they can pay workers in Mexico so little, they can literally make \$10,000 more a car. They do not have to pay environmental costs. They do you not have to pay decent wages.

The people that work in Toluca cannot afford to buy the cars they make. Go to the places where they live and ask yourself, is this what we want for the world, people who have to use batteries to have any electricity in their home because they live at such a low wage?

So if we peel the veneer off, and I must say I am not just picking on Daimler-Chrysler, because it is the same with the Japanese auto manufacturers, the Koreans, it really does not matter with these multinational corporations which country they are from, but their behavior where they locate. And, unfortunately, those jobs, if all the PT Cruisers are sold in the United States, why should they not be made here? There is a real disjuncture between production and consumption, and, therefore, our plant in Toledo has not increased in employment.

Years ago we had 10,000 workers. We are down to 4,000. There are several hundred workers, several thousand workers actually, down in Mexico around that Toluca plant, but they are working at, I cannot say starvation wages, but close to it. They really do not have a living wage. That is what is going on with production. We are really hurting those people. We can say we are keeping them busy, but they are not really able to improve their lives. And our people, with the loss of over 1.2 million manufacturing jobs in just the last 2 years, they are being cashed out.

Mr. DEFAZIO. If the gentlewoman would yield back, in fact, she is making an excellent point. Henry Ford sort of figured out the formula for success in this country back early in the last century. He said, I want to produce a

product on an assembly line with a large number of workers, and I want my workers to be able to buy it.

And we did phenomenally well as a country. The managers, the owners of capital, and the workers all kind of came up together. Sure, the managers always did better, and the owners even did better yet, but there was some proportionality. The workers could afford to buy the products, and it created tremendous wealth for our Nation. It created an industrial base that won World War II and was the envy of the world. We rebuilt the world after World War II, led the race to space, and everything else, all those things. That was American technology based on sort of this formula of equality.

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But now greed has taken over as we have seen in so many ways in corporate America, and if they can get the labor, desperate labor somewhere else a little cheaper, and avoid environmental restrictions, that is where they want to manufacture. And their vehicle is these free trade agreements. They cannot do it without the imprint and the approval of the President of the United States secretly negotiating deals that favor the export of their capital and their manufacturing jobs to these other countries.

The problem is ultimately it is going to collapse; but they will not care, like the managers of Enron who had already looted the company and are living in their six, seven or eight mansions, and they may have to sell one of their mansions.

Ms. KAPTUR. If the gentleman would yield, many of those mansions are not in the United States of America, nor are their major funds. They are offshore.

Mr. DEFAZIO. Mr. Speaker, this long-term trade deficit is not sustainable. With depressed wages in this country, ultimately we are buying all of this on credit, and the credit is overseas. We are getting close to \$2 trillion of debt. Forty percent of the Treasury debt of the United States is owned by foreigners. Our number one trade deficit is with China, not the country with the best interests of the United States in mind, in my opinion, anyway. I do not consider China to be a great ally or friend of the United States. Number two is Japan. Number three is Canada, obviously a close relationship with the United States. Then Mexico, Germany, Taiwan, Italy, South Korea, Malaysia, and Ireland. Those are the countries with whom we are accumulating this huge and growing debt. This is of tremendous concern.

As we undermine the buying capacity of the American people and the industrial might of the United States, and ultimately when they one day ask for their money, their \$2 trillion that they are owed, we are going to have the IMF and the World Bank dictating terms because this is not a sustainable system. We cannot borrow money year after year after year.

Ms. KAPTUR. Mr. Speaker, Alan Greenspan has said fundamentally to the Congress, this is unsustainable. We cannot keep displacing production and bringing it in from elsewhere without ultimately having an impact on your ability to produce and create not just money for a country, but wealth. We can print a lot of money, but what is standing behind it is the productive wealth of a society. That is what we are displacing.

Mr. DEFAZIO. Mr. Speaker, Alan Greenspan said in an article in Business Week that over the past 6 years, 40 percent of the increase in the U.S. capital stock was financed by foreign investment, a pattern that will require an ever-larger flow of interest payments going out to foreigners. He said, "Countries that have gone down this path invariably have run into trouble."

Ms. KAPTUR. Mr. Speaker, I was thinking about this today and reading the headlines about Afghanistan, and that country now trying to pull together a government and it is not very easy to do. But assuming they could pull the government together, through Afghanistan will come an oil pipeline from the Caspian Sea. Then we see the President's comments about Iraq and whether or not certain forces will be used to destabilize the government of Iraq, and we recall the Persian Gulf War and that oil field that lies between Iraq and Kuwait.

Then we saw the Bush administration a few weeks ago give mixed messages to this Congress and the world about Venezuela and which government the administration was supporting or not supporting in Venezuela. What do Iraq, Venezuela and Afghanistan all have in common? They have in common the oil imperative. So many times when you see the United States become dependent, as we are in this oil arena, very bad things can happen. Indeed, wars can happen when our country is not independent. I think it is important what the gentleman is presenting in terms of the financial condition of our country and who we owe.

The first phone call I made after 9-11 was to Alan Greenspan, and I wanted to know from an economical standpoint who can pull our bonds internationally. I said, I want you to assure me that we can hold it together because 40 percent of the debt of this country is now owned by foreign interests. He said, We can track that back to the London markets. And I said, What does that tell me? He said, I do not think you need to worry, but he could not actually tell me who holds our debt.

I think he might know, I am not sure, but he was not able to tell me. But when we owe \$400 billion a year to interests that we do not even have a list of, we know that it is traded in the London markets, if we could theorize, China is now the largest holder of our dollar reserves. The trade deficit is a reciprocal for that. Japan is number two. So our fate lies in their hands, Saudi Arabia and the OPEC countries,

number three. So behind the scenes, they have enormous leverage when the United States is frittering away its economic independence.

Mr. DEFAZIO. Mr. Speaker, we ran a trade deficit last year of \$40 billion with the OPEC countries, the same countries that are fixing oil prices to stick it to American consumers and the remaining industry that we have in this country with extortionately high prices for fuel; and the Bush administration, they are all for free trade. They love the WTO, the secret tribunals. They want to get hormone-laced beef in from Europe, and other things that are in favor of corporate America; but guess what, they will not file a complaint with the WTO against OPEC for price fixing which is prohibited by the World Trade Organization and by GATT. Why not?

Well, maybe there is something to do with the oil industry that I am not quite aware of, but we are running a \$40 billion trade deficit. These people are making no secret of the fact that they are restraining production to drive up the price, and that violates the WTO. It is an open and shut case. All the U.S. has to do is file it on behalf of its consumers. Consumers of the United States cannot file a case. Even those industries that are still left in this country cannot file a case. Only the Bush administration can file the case, and they are refusing to take on the OPEC countries and to file against them for price gouging of the American people.

Also on that list, kind of interestingly enough, we ran a \$5.754 billion trade deficit with Iraq. The President is talking about invading Iraq, and we are running a \$5.750 billion trade deficit with them. There is something weird about that.

Ms. KAPTUR. If the gentleman would yield, I was speaking to my local press in my district, and they asked what did the President mean about Iraq. I said would it surprise you, in spite of what the headlines are saying in Washington, today we are importing 8 percent of our petroleum from Iraq. They were stunned. How could this be happening at the same time the no-fly zone is maintained over Iraq?

The relationships that have made us more and more dependent on petroleum imports than we were 25 years ago is really a sad tale for our country, and I thank the gentleman for helping us bring this out into the light so those who are recording remarks and those who are listening, particularly the younger generation will understand, we have to unwind, we have to get ourselves out of these relationships because too often oil has been serving as a proxy for our foreign policy, and our trade deficit is a sign of our growing lack of independence.

Mr. DEFAZIO. Again, returning to that, we ran also a \$7.4 billion trade deficit with Saudi Arabia, and now we find out that some of the most wealthy Saudis are the biggest backers of al

Qaeda and other terrorist groups and have been funding this network of schools training Islamic fundamentalist radicals around the world, and we are helping to finance that. It is U.S. consumers who are being extorted at the gas pump by price fixing and production fixing by OPEC, who are sending almost \$13 billion a year to Saudi Arabia and Iraq.

This is extraordinary to me; and what is the Bush administration response to this: we should do more of the same. These trade policies are working so well, price gouging the American consumers, undermining our industrial base, lower wages and productivity in the United States, we should do more of exactly the same, despite the fact that we are headed toward a \$2 trillion debt overseas within the next 2 years.

Mr. Speaker, \$2 trillion of U.S. dollars are outstanding around the world, and the gentlewoman is right. What if the Chinese decide they are in a dispute over Taiwan or something else with the U.S. and they want to slow us down or hurt us, and they demand payment for, say, their \$700 billion worth. Suddenly the U.S. is in a big credit crunch. We cannot afford to make those sorts of payments.

Of course, there is one other point that is interesting. I befuddled an economist the other evening. It was Paul Krugman from the New York Times. He is an interesting man, but blind on trade issues. He is a big believer in free trade. We asked him if a \$400 billion-a-year trade deficit is sustainable.

He said, oh, no, that is close to what Indonesia had before they collapsed. It is not sustainable.

We asked, How is that going to rectify itself?

He said the dollar will collapse.

And so I said the idea is that the dollar collapses, we pay more for goods, U.S. goods are cheaper. Right?

Yes.

But I said, guess what, if we do not manufacture anything anymore, it just means everything you are importing to run your economy has become a lot more expensive, like oil, critical high-tech components, everything that we are buying, all of the shoes and clothes, all becomes more expensive here in the United States; and our trade deficit might even go up.

With that he turned away from me and did not want to continue the conversation. We are defying conventional wisdom here. The conventional wisdom is if our dollar tanks, yes, it hurts a little bit; but we will turn our sights inward and buy from our own manufacturers. But guess what, our own manufacturers have been sold out by these trade agreements.

Try and buy some running shoes made in America. There is apparently one company that makes men's shoes in the United States. Try to buy a suit made in the United States of America.

Ms. KAPTUR. Mr. Speaker, if the gentleman would yield, do not try to

buy slab specialty steel made by domestic manufacturers in the heartland of America that I represent because the last one just closed. If you are an independent machine toolmaker, you cannot find that product. It is a very, very serious situation.

I just want to put two words on the record to add to this discussion: one is "recession" and another is "repression."

In terms of recession, if we think about the recession that we are crawling our way out of, and some parts of America are still in, what triggered it? Rising oil prices for imported fuel. People have forgotten that.

Before September 11, we were already struggling with a hammerlock on this economy; and then after September 11 when the OPEC countries and some of the other oil exporting countries got worried, they lowered prices. Then they are coming back up again. This is a very manipulated price scheme, and that was proven by the Federal Trade Commission in some of the initial investigations done as we entered this recession.

The American people should remember that rising petroleum costs and imports, the rising costs of imports, can really kick this economy in the shins. If we think back to the 1970s and what happened in those decades with the Arab oil embargoes and the severe depression that this country was thrown into because of the costs of rising imports, we are now importing more than we did back then. Yes, we are conserving more at the same time, but we have not created the new fuels here at home. What we need to do on the public and private sides, we have been bunting rather than hitting three-base hits.

□ 1900

It has made a huge difference in our ability to handle our economy in a way that preserves our independence and does not do as much harm here at home.

The other word I wanted to just say a word about, if I could, and that is repression, because some of the very countries that receive the dollars when our people go to the gas pump, for example, and they buy petroleum that is refined into gasoline from other countries, those dollars go to them. What do they use them for? The gentleman from Oregon mentioned Saudi Arabia. Most of the terrorists were born or spent time in Saudi Arabia. That is a very repressive regime. And our dollars support it. What did Osama bin Laden say? He said that he wanted U.S. troops out of Saudi Arabia. What are U.S. troops doing in Saudi Arabia? Thousands and thousands and thousands of troops, what are they doing there? And what happened to the USS *Cole* about a year and a half ago in Yemen harbor when a suicide bomber hit our destroyer, what was that ship doing there in the Middle East? Could it be anything to do with watching the oil lanes

and the movement of tankers out of that region of the world? I think it had a whole lot to do with that and I think it is important for us to think about who we are supporting when we spend our dollars.

It is very hard for the American people to do anything on the petroleum issue because when they go to the gas pump, they do not know that Citgo gets its gasoline from Venezuela, they do not know that Occidental has fields in Colombia, they do not really think about Exxon in Saudi Arabia, they do not associate a company name with a country. Yet that is exactly what is going on. And so if you buy that product, you support through the transaction the regimes of those countries and there is not a single democracy among them. And in the end the people living in those countries translate our behavior as a society into what they experience in their own homelands and they want a better way of life, but the regimes there do not permit it. And so some of the anger directed against the United States is a direct result of the economic relationships that keep them down.

I would just maybe brag a little bit here about an organization in northwest Ohio called Northwest Ohio Ethanol, because at the same time as our Marines and Special Forces are defending the edge of freedom globally, there are things people can do here at home. And in terms of our energy trade deficit, one of the most important actions we can take is to become fuel self-sufficient. We have a new private company, Northwest Ohio Ethanol, that has been incorporated, that is selling shares on the private market so that Ohio's farmers can come together and provide a new fuel for the future.

We only have two biofuel pumps in the entire State of Ohio, a State of 11 million people. I want to buy an E-85 car. I want to buy a biodiesel vehicle. I would be a fool to do it in Ohio because I cannot get the fuel to put in it. And so this deficit is really a very wicked thing, because the average American cannot alone dig out of it. The actions that one could take as a consumer are precluded because of the very large interests that control the refining and the supply of fuel to the marketplace. It is important to think about the words recession at home and repression abroad and what kind of a political endowment we are bequeathing to the future.

Mr. DEFAZIO. I thank the gentlewoman from Ohio for assisting in this special order this evening. We will have opportunities to discuss this again. You have certainly opened up the door to discuss energy self-sufficiency and energy policy which I think is one of the strongest steps we could take to make this country secure for the next century, both militarily and economically. I would love to engage in a special order on that subject some evening.

Ms. KAPTUR. I would enjoy that opportunity as you are such a leader in all those areas.

Mr. DEFAZIO. I thank the gentlewoman. I realize she has to leave and I am almost done myself.

I want to go back and reiterate a couple of points. In my own State, 41,000 jobs lost to trade in the last decade, a number in wood products, some in textiles, others in other industries. This is a loss that did not need to happen. We did not need to lose these industrial wage jobs with good benefits to unfair trade. But unfortunately it was done under auspices of United States law. That is, agreements that were pushed through, started in the Reagan administration, continued in the first Bush administration, brought to fruition by the Clinton administration and now the next Bush administration, the current Bush administration wants to expand on those failing policies.

Think of that. How much bigger do they want the trade deficit to be? How many more millions of U.S. manufacturing jobs do they want to export? There are not many left. We already know that the deficit is not sustainable. The growth of our merchandise trade deficits over the last 10 years, 1990 to 2001, with our free trade partners, Mexico, 1,861 percent growth; China 713 percent growth; the WTO membership generally that is from the Uruguay Round, 300 percent; the Caribbean Basin Parity Act, 131 percent; and sub-Saharan Africa, 64 percent. Those are numbers from our own international trade commission. That is an outline of the success of these trade policies. They are a success for multinational corporations or corporations that were formerly U.S. corporations but now do not want to think of themselves or act in that manner anymore, who are exporting our wealth and our jobs.

I have a couple of more quotes. This one is from one of my favorite groups, the International Monetary Fund, and that was said sarcastically. I think they have done more damage to the world economy than virtually any other organization, but they are now saying:

"The sustainability of the large U.S. current account deficit hinges on the ability of the United States to continue to attract sizable capital inflows. Up to now these inflows in large part have reflected the perceived attractiveness of the U.S. investment environment but such perceptions are subject to continuous reappraisal."

And with the questions about the bookkeeping and the real profitability of many firms on Wall Street, with the rapid decline of the U.S. dollar, those perceptions are changing very quickly. In fact, the United States of America, not one of these corrupt companies like Enron, the United States of America has been put on the Standard & Poor's watch list for 20 countries that are vulnerable to a credit bust. Why is that?

Because Americans are not working hard? No. Because we are a resource poor country? No. Because we have a totally failed trade policy and the current President and the majority in the House of Representatives, the Republicans, want more of the same as medicine to cure that ill. We are talking about the potential to bankrupt the United States of America, to turn us into a yet larger Argentina. They were the miracle of South America, the highest standard of living, a European country in South America is what they were called for many years and now they are a basket case, because of the dictates of the IMF, because of policies that are similar to the ones we are engaging in here in the United States with trade.

This is not sustainable. These policies must be changed. It will be unconscionable. And the fact that we are not working here tonight, we are just chattering and in fact the House got out of here at 3 o'clock today and are rumored to be out at 2 o'clock tomorrow and maybe 1 o'clock on Thursday and noon on Friday, because the Republicans cannot quite get together the votes to jam through one more time a bill to rubber stamp this totally discredited and failed trade policy. The President is probably on the horn right now to some reluctant Members saying, "Oh, I know it's going to hurt you at home. I know it's going to put people in your district out of work. I know this is a real problem for you, but I'll do something to make it up." Those are the kind of phone calls that are going on on that side of the aisle. They want their Members to vote against the interests of the people living and working in their districts and in the United States of America in the interest of a few very powerful multinational corporations, the oil industry and others who are essentially dictating trade policies through this administration, and, sadly, as they did through the Clinton administration and the predecessor Presidents for the last 25 years, ever since we started running huge and growing trade deficits, our trade policy has been run by corporate America and intellectual elite that do not see reality and do not want to regard reality and do not want to look at sustainability.

I am hoping that a majority of my colleagues here in the House of Representatives will see that issue for what it is, the lies for what they are, and vote to adopt a new trade policy for this country, one that will serve us better and turn our deficits and our hemorrhaging of industrial jobs around.

#### RECESS

The SPEAKER pro tempore (Mr. SIMMONS). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 7 o'clock and 11 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 2102

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SESSIONS) at 9 o'clock and 2 minutes p.m.

#### REPORT ON RESOLUTION PROVIDING FOR THE ESTABLISHMENT OF A SELECT COMMITTEE ON HOMELAND SECURITY

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 107-517) on the resolution (H. Res. 449) to establish the Select Committee on Homeland Security, which was referred to the House Calendar and ordered to be printed.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. MILLENDER-MCDONALD (at the request of Mr. GEPHARDT) for today on account of important personal reasons.

Mrs. ROUKEMA (at the request of Mr. ARMEY) for today on account of illness.

#### 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. FILNER) to revise and extend their remarks and include extraneous material:)

Mr. FILNER, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. BLUMENAUER, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. PAYNE, for 5 minutes, today.

Ms. MCKINNEY, for 5 minutes, today.

Ms. WATSON of California, for 5 minutes, today.

(The following Members (at the request of Mr. SOUDER) to revise and extend their remarks and include extraneous material:)

Mr. WELDON of Florida, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

Mr. KINGSTON, for 5 minutes, today.

#### ENROLLED BILLS SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3275. An act to implement the International Convention for the Suppression of Terrorist Bombings to strengthen criminal laws relating to attacks on places of public use, to implement the International Convention of the Suppression of the Financing of Terrorism, to combat terrorism and defend the Nation against terrorist acts, and for other purposes.

H.R. 4560. An act to eliminate the deadlines for spectrum auctions of spectrum previously allocated to television broadcasting.

## ADJOURNMENT

Mr. DIAZ-BALART. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 3 minutes p.m.), the House adjourned until tomorrow, Wednesday, June 19, 2002, at 10 a.m.

EXECUTIVE COMMUNICATIONS,  
ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

7437. A letter from the Deputy Secretary, Department of Defense, transmitting a letter on the approved retirement of Vice Admiral John R. Ryan, United States Navy, and his advancement to the grade of vice admiral on the retired list; to the Committee on Armed Services.

7438. A letter from the Attorney-Advisor, Department of Transportation, transmitting the Department's "Major" final rule—Light Truck Average Fuel Economy Standard, Model Year 2004 [Docket No. NHTSA-2001-11048] (RIN: 2127-AI68) received June 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7439. A letter from the Attorney-Advisor, Department of Transportation, transmitting the Department's "Major" final rule—Federal Motor Vehicle Safety Standards; Tire Pressure Monitoring Systems; Controls and Displays [Docket No. NHTSA 2000-8572] (RIN: 2127-AI33) received June 3, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

7440. A letter from the Deputy Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Japan for defense articles and services (Transmittal No. 02-26), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

7441. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal No. 19-02 which informs the intent to sign Amendment Number One to the Arrow System Improvement Program (ASIP) between the United States and Israel, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

7442. A letter from the Secretary, Department of Agriculture, transmitting the semi-annual Management Report for the period October 1, 2001 through March 31, 2002, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

7443. A letter from the Assistant Director, Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

7444. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

7445. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

7446. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

7447. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

7448. A letter from the Inspector General, Farm Credit Administration, transmitting the semi-annual report prepared by the Office of Inspector General for the period of October 1, 2001, through March 31, 2002, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 8G(h)(2); to the Committee on Government Reform.

7449. A letter from the Director, Office of Personnel Management, transmitting the semi-annual report on activities of the Inspector General for the period of October 1, 2001 through March 31, 2002 and the Management Response for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

7450. A letter from the Deputy Assistant Secretary, Fish and Wildlife and Parks, Department of the Interior, transmitting the Department's final rule—National Natural Landmarks Program (RIN: 1024-AB96) received June 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

7451. A letter from the Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Listing of the Chiricahua Leopard Frog (*Ranachiricahuensis*) (RIN: 1018-AF41) received June 12, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

7452. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A330 and A340 Series Airplanes [Docket No. 2001-NM-350-AD; Amendment 39-12720; AD 2002-08-12] (RIN: 2120-AA64) received May 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7453. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Honeywell International, Inc., (formerly AlliedSignal, Inc., Textron Lycoming, Avco Lycoming, and Lycoming) former military T53 Series Turbo-shaft Engines [Docket No. 2000-NE-50-AD; Amendment 39-12742; AD 2002-09-09] (RIN: 2120-AA64) received May 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7454. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zones, Security Zones, and Special Local Regulations [USCG-2002-11544] received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7455. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Discharge of Effluents in Certain Alaskan Waters by Cruise Vessel Operations [CGD17-01-003] (RIN: 2115-AG12) received June 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7456. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model CL-600-2B16 (CL-601-3R and CL-604) Series Airplanes [Docket No. 2001-NM-211-AD; Amendment 39-12716; AD 2002-08-08] (RIN: 2120-AA64) received May 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7457. A letter from the Program Analyst, FAA, Department of Transportation, trans-

mitting the Department's final rule—Airworthiness Directives; Hartzell Propeller, Inc. Compact Series Propellers [Docket No. 2000-NE-08-AD; Amendment 39-12741; AD 2002-09-08] (RIN: 2120-AA64) received May 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7458. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; CFE Company Model CFE738-1-1B Turbofan Engines [Docket No. 2001-NE-04-AD; Amendment 39-12743; AD 2002-09-10] (RIN: 2120-AA64) received May 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7459. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney 4000 Series Turbofan Engines [Docket No. 2001-NE-25-AD; Amendment 39-12734; AD 2002-09-01] (RIN: 2120-AA64) received May 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7460. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Cessna Aircraft Company Model CESSNA 441 Airplanes [Docket No. 2002-CE-17-AD; Amendment 39-12746; AD 2002-09-13] (RIN: 2120-AA64) received May 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7461. A letter from the Director, National Science Foundation, transmitting the Foundation's draft bill entitled, "National Science Foundation Authorization Act for Fiscal Years 2003 and 2004"; to the Committee on Science.

7462. A letter from the General Counsel, Department of Defense, transmitting a legislative proposal relating to the management and operations of the Department; jointly to the Committees on Armed Services, Financial Services, and Ways and Means.

REPORTS OF COMMITTEES ON  
PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOEHLERT: Committee on Science. H.R. 3400. A bill to amend the High-Performance Computing Act of 1991 to authorize appropriations for fiscal years 2003 through 2007 for the coordinated Federal program on networking and information technology research and development, and for other purposes; with an amendment (Rept. 107-511). Referred to the Committee of the Whole House on the State of the Union.

Mr. HANSEN: Committee on Resources. H.R. 3558. A bill to protect, conserve, and restore native fish, wildlife, and their natural habitats on Federal lands through cooperative, incentive-based grants to control, mitigate, and eradicate harmful nonnative species, and for other purposes; with amendments (Rept. 107-512). Referred to the Committee of the Whole House on the State of the Union.

Mr. HANSEN: Committee on Resources. H.R. 3942. A bill to adjust the boundary of the John Muir National Historic Site, and for other purposes; (Rept. 107-513). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 446. Resolution providing

for consideration of the bill (H.R. 3389) to reauthorize the National Sea Grant College Program Act, and for other purposes (Rept. 107-514). Referred to the House Calendar.

Ms. PRYCE of Ohio: Committee on Rules. House Resolution 447. Resolution providing for consideration of the bill (H.R. 1979) to amend title 49, United States Code, to provide assistance for the reconstruction of certain air traffic control towers (Rept. 107-515). Referred to the House Calendar.

Mr. DREIER: Committee on Rules. House Resolution 449. Resolution to establish the Select Committee on Homeland Security (Rept. 107-517). Referred to the House Calendar.

#### REPORTED BILL SEQUENTIALLY REFERRED

Under clause 2 of rule XII, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. OXLEY: Committee on Financial Services. H.R. 3951. A bill to provide regulatory relief and improve productivity for insured depository institutions, and for other purposes, with an amendment; referred to the Committee on Judiciary for a period ending not later than July 22, 2002, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(k), rule X (Rept. 107-516, Pt. 1).

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mrs. JOHNSON of Connecticut (for herself and Mr. BILIRAKIS):

H.R. 4954. A bill to amend title XVIII of the Social Security Act to provide for a voluntary program for prescription drug coverage under the Medicare Program, to modernize and reform payments and the regulatory structure of the Medicare Program, and for other purposes; pursuant to the order of the House of June 17, 2002, jointly to the Committees on Energy and Commerce and Ways and Means.

By Mr. GANSKE (for himself, Mr. NORWOOD, Mr. WHITFIELD, Mr. PICKERING, and Mr. BILIRAKIS):

H.R. 4955. A bill to amend the Federal Food, Drug, and Cosmetic Act to establish a program of fees relating to animal drugs; to the Committee on Energy and Commerce.

By Mr. CARSON of Oklahoma (for himself and Mr. BORSKI):

H.R. 4956. A bill to establish a National Commission on the Bicentennial of the Louisiana Purchase; to the Committee on Resources.

By Mr. LANTOS (for himself, Mr. BACA, Mr. BERMAN, Mr. FILNER, Mr. FROST, Mr. GILMAN, Mr. GORDON, Mr. GREEN of Texas, Mr. HONDA, Mrs. JONES of Ohio, Mr. KANJORSKI, Mr. LUTHER, Mr. MALONEY of Connecticut, Mr. MATHESON, Mrs. MINK of Hawaii, Mr. OBERSTAR, Mr. OTTER, Mr. OWENS, Mr. PETERSON of Minnesota, Ms. ROS-LEHTINEN, Mr. STRICKLAND, Mrs. THURMAN, Mr. TURNER, Mr. WEINER, and Mrs. CAPPS):

H.R. 4957. A bill to amend chapter 83 of title 5, United States Code, to provide for the computation of annuities for air traffic controllers in a manner similar to that in which annuities for law enforcement officers and firefighters are computed; to the Committee on Government Reform.

By Mr. PORTMAN (for himself, Mr. JEFFERSON, Mr. HOUGHTON, Mr. LEVIN, Mr. CRANE, Mr. LEWIS of Georgia, Mr. CAMP, and Mr. TANNER):

H.R. 4958. A bill to amend the Internal Revenue Code of 1986 to allow a 10-year foreign tax credit carryforward; to the Committee on Ways and Means.

By Mr. ROSS (for himself, Mr. SNYDER, and Mr. ANDREWS):

H.R. 4959. A bill to require health insurance coverage for certain reconstructive surgery; to the Committee on Energy and Commerce, 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 Ms. VELAZQUEZ (for herself, Mr. MEEKS of New York, Mr. SERRANO, Mr. RANGEL, Mrs. MCCARTHY of New York, Mr. OWENS, Mr. ENGEL, and Mr. ISRAEL):

H.R. 4960. A bill to foster economic development through the involvement of small businesses located in the New York City metropolitan area in procurements related to the improvement and reconstruction of the area in New York damaged by the terrorist attacks perpetrated against the United States on September 11, 2001; to the Committee on Small Business, and in addition to the Committee on Financial 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. SMITH of Michigan:

H.J. Res. 99. A joint resolution proposing a spending limitation amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mrs. CLAYTON (for herself, Ms. MILLENDER-MCDONALD, Mrs. BIGGERT, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. TOWNS, Mrs. JONES of Ohio, Ms. JACKSON-LEE of Texas, Mrs. MORELLA, Mr. PAYNE, Mr. LANTOS, Ms. KILPATRICK, Mr. RUSH, Mrs. CHRISTENSEN, Ms. WATERS, Mr. KILDEE, Ms. CARSON of Indiana, Ms. WATSON, Ms. DELAURO, Ms. MCKINNEY, Mrs. MINK of Hawaii, Ms. SOLIS, Ms. VELAZQUEZ, Mrs. CAPPS, Mr. FARR of California, Mr. KLECZKA, Mr. STARK, Ms. KAPTUR, Mrs. THURMAN, Mr. LEWIS of Georgia, Mr. LEVIN, Mr. SCOTT, Ms. LEE, Mrs. NAPOLITANO, Mr. BERRY, Mrs. EMERSON, Mrs. MALONEY of New York, Mr. BARRETT, Mr. CONYERS, Mrs. MEEK of Florida, Mr. CLYBURN, Mr. HOLDEN, Ms. BERKLEY, Mr. RANGEL, Mr. ROEMER, Mr. DAVIS of Illinois, Mr. RODRIGUEZ, Mr. HOEFFEL, Mr. EDWARDS, Mr. HONDA, Ms. SLAUGHTER, Mr. DOGGETT, Mr. SANDLIN, Ms. PELOSI, Mr. DAVIS of Florida, Mr. PHELPS, Mr. FRANK, Mr. SPRATT, Mr. HILLIARD, Ms. MCCOLLUM, Mr. MALONEY of Connecticut, Mr. TIERNEY, Mr. ANDREWS, Mr. SHAYS, Mr. GEORGE MILLER of California, Ms. BROWN of Florida, Mr. MCGOVERN, Mr. WYNN, Mr. GILMAN, Mr. BEREUTER, Mr. LEWIS of California, Ms. PRYCE of Ohio, Mrs. JOHNSON of Connecticut, Ms. DUNN, Mr. KOLBE, Mr. PORTMAN, Mr. BISHOP, Mr. FATTAH, Mr. POMEROY, Mr. EVANS, Mrs. BONO, Mr. TURNER, Mr. WATTS of Oklahoma, Mr. GREENWOOD, Mr. BOOZMAN, Mr. ENGEL, and Mr. SNYDER):

H. Con. Res. 421. Concurrent resolution recognizing the importance of inheritance rights of women in Africa; to the Committee on International Relations.

By Mr. BOEHNER (for himself, Mr. GEORGE MILLER of California, Mr. MCKEON, and Mr. TIBERI):

H. Res. 448. A resolution recognizing The First Tee for its support of programs that provide young people of all backgrounds an opportunity to develop, through golf and character education, life-enhancing values such as honor, integrity, and sportsmanship; to the Committee on Education and the Workforce.

#### ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 232: Mr. HALL of Ohio.  
 H.R. 239: Mr. KINGSTON, Mr. GONZALEZ, and Mr. ROTHMAN.  
 H.R. 303: Ms. KILPATRICK.  
 H.R. 488: Mr. HONDA, Mr. McNULTY, Mr. PHELPS, and Mr. ISRAEL.  
 H.R. 730: Mr. DAVIS of Illinois.  
 H.R. 778: Mr. MATHESON.  
 H.R. 822: Mrs. ROUKEMA.  
 H.R. 832: Mr. GRUCCI.  
 H.R. 848: Mr. McNULTY.  
 H.R. 854: Mr. SHIMKUS and Mr. INSLEE.  
 H.R. 1134: Mr. TOM DAVIS of Virginia and Mr. BARTLETT of Maryland.  
 H.R. 1245: Mr. WELDON of Pennsylvania.  
 H.R. 1274: Ms. HART and Mr. DUNCAN.  
 H.R. 1296: Mr. ACKERMAN.  
 H.R. 1581: Mrs. CAPITO.  
 H.R. 1650: Mr. LANTOS.  
 H.R. 1723: Ms. BROWN of Florida, Ms. KAPTUR, and Mr. TANNER.  
 H.R. 1724: Mr. MALONEY of Connecticut.  
 H.R. 1808: Ms. SLAUGHTER.  
 H.R. 1841: Mr. BOSWELL, Mr. CANNON, Mr. ACEVEDO-VILA, Mr. SHOWS, Mr. CARSON of Oklahoma, Mr. CUNNINGHAM, Mr. McNULTY, Ms. KAPTUR, Mr. THOMPSON of Mississippi, Mr. JACKSON of Illinois, Mr. ETHERIDGE, Mrs. JOHNSON of Connecticut, and Mr. HEFLEY.  
 H.R. 1904: Mr. FATTAH.  
 H.R. 1950: Mr. GILLMOR.  
 H.R. 1966: Mr. NORWOOD.  
 H.R. 1984: Mr. EVERETT.  
 H.R. 2098: Mr. SHERMAN.  
 H.R. 2179: Mr. SANDERS and Mr. BALDACCI.  
 H.R. 2222: Mr. BISHOP.  
 H.R. 2349: Mr. HINOJOSA.  
 H.R. 2357: Mr. ROGERS of Michigan and Mr. CHABOT.  
 H.R. 2462: Mr. HINCHEY and Mr. McNULTY.  
 H.R. 2484: Mr. REYNOLDS, Mr. BISHOP, and Mrs. KELLY.  
 H.R. 2527: Mr. WILSON of South Carolina, Ms. ESHOO, Mr. BACHUS, Ms. HARMAN, and Mr. SHAYS.  
 H.R. 2674: Mr. DICKS.  
 H.R. 2874: Mr. HILL, Mr. BISHOP, and Mr. KIND.  
 H.R. 2908: Mr. DOGGETT, Mr. MORAN of Virginia, and Mr. RUSH.  
 H.R. 2957: Mr. WOLF.  
 H.R. 2966: Mr. WAXMAN.  
 H.R. 3058: Mr. TOOMEY.  
 H.R. 3131: Mr. KELLER.  
 H.R. 3154: Mr. HOYER, Mr. LATHAM, Ms. JACKSON-LEE of Texas, Mr. MARKEY, and Ms. BALDWIN.  
 H.R. 3207: Mr. DAVIS of Illinois.  
 H.R. 3337: Mr. CLYBURN.  
 H.R. 3414: Mr. HALL of Texas, Mr. BISHOP, and Mr. CUMMINGS.  
 H.R. 3424: Mrs. CLAYTON.  
 H.R. 3430: Mrs. DAVIS of California.  
 H.R. 3491: Mr. HILLIARD and Mr. SUNUNU.  
 H.R. 3609: Mr. WALDEN of Oregon and Mr. FOSSELLA.  
 H.R. 3612: Mr. MORAN of Kansas, Mr. GILCHREST, Mr. HOLDEN, Mr. PRICE of North Carolina, Mr. BOEHLERT, Mr. LEACH, Mr.

- HOYER, Mr. KIND, Ms. MCKINNEY, Mr. LAFALCE, Mr. RAHALL, and Mr. HINCHEY.  
 H.R. 3626: Mr. TRAFICANT.  
 H.R. 3670: Ms. WOOLSEY and Mr. DINGELL.  
 H.R. 3719: Mr. CLAY.  
 H.R. 3731: Mr. BISHOP.  
 H.R. 3741: Mr. BENTSEN.  
 H.R. 3777: Mr. EVANS.  
 H.R. 3788: Mr. TIERNEY.  
 H.R. 3802: Mr. RADANOVICH.  
 H.R. 3831: Mr. WOLF.  
 H.R. 3883: Mr. RAHALL.  
 H.R. 3884: Mr. BERMAN, Mr. HOEFFEL, Mr. BARRETT, Mr. DAVIS of Illinois, Mr. RODRIGUEZ, and Mr. EVANS.  
 H.R. 3906: Mr. PASCRELL.  
 H.R. 3916: Mr. RANGEL.  
 H.R. 3966: Ms. EDDIE BERNICE JOHNSON of Texas.  
 H.R. 3967: Ms. EDDIE BERNICE JOHNSON of Texas.  
 H.R. 3973: Mr. STUMP, Mr. EVERETT, and Mr. OTTER.  
 H.R. 3974: Mr. BENTSEN.  
 H.R. 3989: Mr. OBERSTAR and Mr. BISHOP.  
 H.R. 4027: Mr. TAYLOR of Mississippi and Mr. SANDLIN.  
 H.R. 4071: Mr. HEFLEY.  
 H.R. 4089: Ms. KAPTUR.  
 H.R. 4091: Ms. KAPTUR.  
 H.R. 4446: Mr. BLUNT and Mr. GILLMOR.  
 H.R. 4524: Ms. RIVERS and Mr. BOEHLERT.  
 H.R. 4551: Mr. DAVIS of Illinois.  
 H.R. 4599: Mr. FROST and Mr. HASTINGS of Florida.  
 H.R. 4604: Mr. FROST.  
 H.R. 4611: Ms. NORTON.  
 H.R. 4614: Mr. CLAY and Mr. EVANS.  
 H.R. 4622: Mr. REHBERG.  
 H.R. 4623: Ms. LOFGREN.  
 H.R. 4635: Mr. TAYLOR of Mississippi, Mr. PICKERING, and Mr. HEFLEY.  
 H.R. 4642: Mr. KINGSTON.  
 H.R. 4643: Mr. LANTOS.  
 H.R. 4646: Mr. PASCRELL, Mr. CLEMENT, Mr. SWENEY, and Mr. UDALL of Colorado.  
 H.R. 4653: Mr. BROWN of Ohio, Ms. DEGETTE, Mr. ISRAEL, and Mr. WU.  
 H.R. 4654: Mrs. MORELLA.  
 H.R. 4680: Ms. MCCARTHY of Missouri, Ms. CARSON of Indiana, Mr. BISHOP, Mr. WAXMAN, Mrs. BIGGERT, and Mr. SCHIFF.  
 H.R. 4693: Mr. DEUTSCH, Mr. KIRK, Ms. HARMAN, Mrs. LOWEY, and Mr. EVANS.  
 H.R. 4704: Mr. HOLT.  
 H.R. 4715: Mr. LANTOS.  
 H.R. 4730: Ms. RIVERS, Mr. FRANK, Mr. RANGEL, Mr. FROST, Ms. MILLENDER-MCDONALD, Mrs. MEEK of Florida, Mrs. MALONEY of New York, Mr. BERMAN, Mr. DAVIS of Illinois, Ms. NORTON, Mr. SCHIFF, and Ms. SLAUGHTER.  
 H.R. 4757: Mr. FERGUSON.  
 H.R. 4764: Mr. PAYNE, Mr. OWENS, Mrs. JONES of Ohio, Mrs. THURMAN, Mr. LIPINSKI, Mr. WYNN, Ms. SCHAKOWSKY, Mr. BLAGOJEVICH, Mrs. CHRISTENSEN, Mr. SANDERS, Ms. WOOLSEY, Mr. DAVIS of Illinois, Mr. BISHOP, Mrs. MINK of Hawaii, and Mr. FROST.  
 H.R. 4771: Mr. REHBERG.  
 H.R. 4798: Mr. COSTELLO.  
 H.R. 4799: Mr. PASCRELL, Mr. EVANS, and Mr. PRICE of North Carolina.  
 H.R. 4840: Mr. OTTER.  
 H.R. 4872: Mr. OWENS and Mr. TANCREDO.  
 H.R. 4875: Mr. MICA.  
 H.R. 4878: Mr. SULLIVAN and Ms. SCHAKOWSKY.  
 H.R. 4904: Ms. LEE, Mr. RODRIGUEZ, Mr. BECERRA, Mr. ACEVEDO-VILÁ, Mr. JEFF MILLER of Florida, and Mr. WU.  
 H.R. 4907: Mr. SCHAFFER and Mr. KINGSTON.  
 H.R. 4920: Mr. MARKEY and Ms. JACKSON-LEE of Texas.  
 H.R. 4946: Mr. MCINNIS, Mr. BRADY of Texas, and Mr. PORTMAN.  
 H. Con. Res. 42: Mr. SANDERS.  
 H. Con. Res. 164: Ms. RIVERS.  
 H. Con. Res. 245: Mr. MOORE.  
 H. Con. Res. 364: Ms. SANCHEZ.  
 H. Con. Res. 382: Mr. ALLEN.  
 H. Con. Res. 385: Mr. BISHOP.  
 H. Con. Res. 401: Mr. UDALL of Colorado.  
 H. Con. Res. 413: Mr. HALL of Texas.  
 H. Con. Res. 416: Mr. BURTON of Indiana.  
 H. Con. Res. 418: Mr. ETHERIDGE, Mr. HAYWORTH, Mr. BORSKI, Ms. PRYCE of Ohio, and Ms. SLAUGHTER.  
 H. Res. 445: Mr. TOM DAVIS of Virginia

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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. 1475: Mrs. CLAYTON.