House of Representatives

The House met at 9 a.m. and was called to order by the Speaker pro tempore (Mr. SIMPSON).

DESIGNATION OF THE SPEAKER PRO TEMPORE

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

WASHINGTON, DC, July 12, 2002.

I here appoint the Honorable Michael K. SIMPSON to act as Speaker pro tempore on this day.

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

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, guardian of this Nation throughout its history, be with Your people today as in the past. Through the power of Your spirit, keep the Members of the United States House of Representatives constant in their service to Your people. Help each to play his or her part in shaping the life and well-being of this Nation. May thoughts be guided by truth and integrity and all determinations conform to Your commands so as to build the public trust while assuring peace.

To You be glory and honor forever and ever. Amen.

THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentlewoman from California (Ms. SOLIS) come forward and lead the House in the Pledge of Allegiance.

Ms. SOLIS 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.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 1-minutes at the end of the legislative day.

NATIONAL CONSTRUCTION SAFETY TEAM ACT

Ms. PRYCE of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 475 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 475

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H. R. 4687) to provide for the establishment of investigative teams to assess building performance and emergency response and evacuation procedures in the wake of any building failure that has resulted in substantial loss of life or that posed significant potential of substantial loss of life. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Science. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Science now printed in the bill. Each section of the committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

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

Ms. PRYCE of Ohio. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to 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 the purpose of debate only.

Mr. Speaker, House Resolution 475 is an open rule which provides for 1 hour of general debate, equally divided between the chairman and ranking member of the Committee on Science, on H.R. 4687, the National Construction Safety Team Act. The rule provides that it shall be in order to consider for the purpose of amendment the amendment in the nature of a substitute now printed in the bill.

The rule waives all points of order against the committee amendment in the nature of a substitute and provides that it shall be open for amendment by section.
Mr. Speaker, this is yet another open rule which affords any Member the opportunity to offer an amendment as long as it complies with the regular rules of the House. However, the rule allows the chairman of the Committee of the Whole to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD.

Finally, the rule permits the minority to offer a motion to recommit, with or without instructions.

Mr. Speaker, I would like to commend the gentleman from New York (Mr. BOEHLERT), chairman of the Committee on Science, and the lead Democrat sponsor, the gentleman from New York (Mr. WEINER), along with the gentleman from Texas (Mr. HALL), the ranking member, and all the members of the committee for their hard work and bipartisan efforts to further the use of science in our public policy decisions.

Mr. Speaker, after every plane crash, whether a small, single-engine plane or a large, commercial airliner, a team of investigators arrives on the scene and begins to try and determine how did this happen. These teams of experts are brought together by the National Transportation Safety Board, simply known as the NTSB. These NTSB teams try and determine whether pilot error, mechanical failure, or forces of nature were to blame.

In the end, the main goal of this group of experts is to try and prevent such an incident from happening again.

After the horrible collapse of the World Trade Center on September 11, it was realized that the United States needs to develop similar teams of experts that could investigate the structural failure of buildings.

H.R. 4687, the National Construction Safety Team Act, authorizes the development of teams of experts in building construction and engineering.

This legislation establishes a clear procedure for the creation of construction safety teams to investigate building or structural collapses that result in large numbers of deaths. Under H.R. 4687, this task will be given to the National Institute of Standards and Technology.

The national construction safety teams will have several important roles. First, these teams of experts will conduct a comprehensive and thorough investigation; and second, they will identify the likely technical causes for the failure of the building. By finding out why it collapsed, specific recommendations can be made to improve building standards, codes, and construction practices to possibly prevent it from happening again.

These safety teams also will be tasked with determining the technical aspects of evacuation and emergency response procedures. They will be looking at questions such as whether sprinkler systems are adequate or if there are enough stairways to handle a large exodus of people in a real emergency situation.

Finally, upon completion of an investigation, these experts will then recommend research and other appropriate actions needed to improve the structural safety of buildings and improve evacuation and emergency response procedures based on these findings.

Mr. Speaker, this is a good bill and it deserves our support. As many of my colleagues know, this legislation is the product of a number of high-profile hearings, discussions with the administration, the American Society of Civil Engineers, families of the victims of the World Trade Center collapse, as well as many other interested parties. I urge all of my colleagues to support this straightforward and noncontroversial legislation which will allow us to apply a clear scientific process to prevent the future catastrophic loss of life and property.

Ms. SLAUGHTER. Mr. Speaker, 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 thank my colleague from Ohio for yielding me the customary 30 minutes. Mr. Speaker, I rise in support of this open rule. The underlying bill is noncontroversial, but a necessary piece of legislation that will go a long way toward addressing these problems. First, the act establishes NIST as the lead agency to investigate building failures that have caused a substantial loss of life or that posed significant potential for substantial loss of life. The legislation also requires NIST to deploy a team within 48 hours of a disaster so that the investigation is not hindered by delay.

Additionally, the legislation gives NIST authority to enter the site of the building failure, inspect and move records and materials, issue subpoenas and impound evidence; and moreover, a provision of critical importance to the families of victims would require teams to hold regular public briefings on the status of the investigation in order to ensure that the public is informed.

Finally, to prevent funding limitations from inhibiting future investigations, the legislation authorizes appropriations of $25 million.

Mr. Speaker, we owe it to the families of the victims to ensure timely and orderly investigation of this tragedy, and I urge favorable consideration of this bill; and, again, Mr. Speaker, I know of no controversy surrounding this measure.

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

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Again, this is an open rule and noncontroversial, but a necessary piece of legislation. It sets up a clear process for building investigation and will allow use, upgrade of the safety of existing buildings and future structures. I urge all my colleagues to support this rule and this very, very important piece of legislation.

I want once again to commend the committee and the gentleman from New York (Mr. BOEHLERT), the chairman, and all who have participated in drafting this important piece of legislation.

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. BOEHLERT. The SPEAKER pro tempore (Ms. PSEYCE of Ohio). Pursuant to House Resolution 475 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4687.

In the Committee of the Whole Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4687) to provide for the establishment of investigative, memorial, and educational procedures relating to the causes of the building failures of September 11.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from New York (Mr. BOEHLERT) and the gentleman from Texas (Mr. HALL) each will control 30 minutes.

The Chair recognizes the gentleman from New York (Mr. BOEHLERT).

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

Mr. Chairman, I approach the task of bringing this bill to the floor with great solemnity. H.R. 4687 is, in many ways, a memorial to those who lost their lives on September 11 and a tribute to their families, who have joined together to advocate for this measure in the Campaign for Skyscraper Safety.

It is fitting, therefore, that we are discussing this bill as Congress pulls together a Department of Homeland Security, another reaction to last fall’s attack. Both H.R. 4687 and the Department are intelligent, targeted efforts to discern and apply the lessons of September 11.

While the National Construction Safety Team Act will not do anything as dramatic as help us foil terrorist attacks, it will save lives in a more workaday manner than anti-terrorism legislation.

The idea behind this bill is simple: we cannot make our buildings safer unless we understand what goes wrong when they fail. That has been a basic principle of engineering from its inception, and the Federal Government has been long involved in efforts to learn from building failures. But we learned from our Committee on Science hearings into the investigation that followed the World Trade Center collapse that our investigation system has its own failings. There was a carefully crafted attempt to address each and every failure that hampered the investigation into the World Trade Center collapse.

The first problem was that no Federal agency was clearly charged with investigating building failures. The bill solves that problem by giving the National Institute of Standards and Technology clear responsibility to handle the investigations.

Second, nothing ensured that investigations would begin quickly enough to preserve valuable evidence. The bill solves that problem by requiring NIST to act within 48 hours of a building failure.

Third, no Federal agency had the investigative authority it needed to ensure access to all needed information. The bill solves that problem by giving NIST clear authority to enter sites, access documents, test materials, and move evidence, as well as clear authority to issue subpoenas.

Fourth, nothing ensured that the public was kept informed of the progress of the investigation. The bill solves that problem by requiring NIST to provide regular updates and to make public its findings and the material that led to those findings.

We have listened to expert witnesses, including the American Society of Civil Engineers, and the Nation owes a great debt of gratitude to the American Society of Civil Engineers, which conducted the Trade Center investigation under the aegis of the Federal Emergency Management Agency. We have responded with a measure targeted precisely to remedy the issues that came to our attention. And we base the bill on a highly successful model: the National Transportation Safety Board, the Federal agency that investigates airline crashes.

I should emphasize this bill is not just about responding to terrorist attacks. It will come into play anytime a building failure has lessons to teach, whether the building failed from a natural disaster or human action, regardless of whether that action was intentional.

So I urge my colleagues to support this measure. It is a simple lifesaving measure. It has the support of the groups who worked to put together our Nation’s life safety codes, like the Civil Engineers and the National Fire Protection Association; and it is fully supported by the administration.

There are a lot of thanks due to a lot of people for helping to assemble this legislation. I need to thank the professional staff on both sides of the aisle on this Committee on Science. I want to thank all of my colleagues who invested so much of their time and energy and talent into producing this document, particularly the gentleman from New York (Mr. WEINER), who was a real leader, and my colleagues on the committee, the gentleman from Connecticut (Mr. SHAYS) and the gentleman from New York (Mr. GIUCCI), who have been key right from the beginning with this every step of the way.

And Sally Regenhard, a wonderful woman, who has been there every step of the way representing the families, guiding us and inspiring us. And Dr. Gene Corley of the American Society of Civil Engineers. What a magnificent job they did under some very difficult circumstances. There are a lot of people who deserve credit for where we are today.

But the basic point is this: we are taking action that, hopefully, will prevent something like this from ever happening again.

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

Mr. HALL of Texas. Mr. Chairman, I yield myself such time as I may consume.

I want to join the chairman, the gentleman from New York (Mr. BOEHLERT), in strong support of H.R. 4687. Of course, he has well laid out the provisions of it, the need for it, and the action that was taken.

We all look back to September 11, 2001, when our country was subjected to a cowardly attack on the World Trade Center and the Pentagon. These attacks, of course, will rank with any of the great tragedies of American history. As with any tragedy, we need to look at the lessons that can help us against possible future failures.

I know that we also need to carefully examine our emergency preparedness, our evacuation procedures and emergency responses as well as the structural integrity of our tall buildings. That is why the Administration and H.R. 4687 is the result of careful evaluation of how the various governmental agencies, State, local and Federal, investigated the collapse of the World Trade towers, and also emergency response and evacuation proceedings.

During the course of the hearings and in consultations with professional societies and citizen groups, the Committee on Science discovered the Federal Government’s inability to quickly deploy a building investigative team to the World Trade Center site. The committee found valuable data was lost because we had no one with the authority to sequester or to set aside for future observation. In haste, and amidst tragedy and disbelief, trails to analyze were lost.

Citizen groups were angry and suspicious because the government in charge did not really provide public briefings on its building investigative activities. Our President reported to us as he could, as he visited the site and did everything he could to cooperate with the officials of the City of New York, as did the entire Nation.

We also discovered, though, that there is not a good system in place to translate the findings of an investigation into a major building collapse and to improve building standards and codes. And, finally, Federal investigative efforts were woefully underfunded to do a thorough and comprehensive job.

So, Mr. Chairman, H.R. 4687 is the Committee on Science’s attempt to address these shortcomings. I will not go
through the specific provisions of the bill. Chairman BOEHLERT has done a good job of that. However, this bill provides solutions to each of the problems that we uncovered, and we have placed them in the bill.

The National Construction Safety Team Act is going to enable, I think, the Federal Government to respond more quickly and comprehensively in the event of a major building failure. It is only by studying building disasters that we can improve building design and evacuation and emergency response procedures that ultimately make buildings safer.

I am convinced that some of the actions that this country has taken are working, because we have not had another tragedy to date. And though we are warned repeatedly that one is on its way, I think a lot of what we have done at the local government level, the State government, and the Federal government, all acting in cooperation, may ward against.

I want to commend Chairman BOEHLERT, well, I do not want to command Chairman BOEHLERT to do anything because he does such a good job of leading this committee, but I do want to commend. I want to commend my colleagues, the gentleman from New York (Mr. WEINER) and the gentleman from New York (Mr. ISRAEL), for their hard work on this legislation. As New Yorkers, they felt the hurt, they know the tragedy, and they were a lot of the life and breath of the hurt, they know the tragedy, and they are about to lose so many of the victims who came to this Congress with great dignity and pursued this issue with thoroughness and with a great compassion and respect for the families of the victims who came to this committee and to this Congress with a very reasonable request, and that is that we try to do what we can to make buildings safer in the future.

I also want to thank Mr. WEINER. Mr. ISRAEL. Mr. Chairman, I commend the gentleman from Texas (Mr. HALL) for his leadership on our side of the aisle, and I want to join in the words he had to say about the gentleman from New York (Mr. BOEHLERT). The chairman has led this committee with great dignity and pursued this issue with thoroughness and with a great compassion and respect for the families of the victims who came to this committee and to this Congress with a very reasonable request, and that is that we try to do what we can to make buildings safer in the future.

I also want to thank Mike Quear, and Geoff Hughey, my staff, who helped draft this bill.

Mr. Chairman, no one would dispute that the attack on the World Trade Center could not have been anticipated. In many respects, one can only marvel at the skill of the designers of the Twin Towers and the workmanship of thousands of nameless steelworkers and laborers. Thousands of families will enjoy dinner together tonight because, even under the most unimaginable circumstances, these proud buildings stood tall for more than an hour.

But for the families of those lost, this testament offers little consolation and leaves many questions about the causes of the collapse unanswered. And this is likely because of early missteps in the investigation, some of the most vexing questions may never be unraveled. Thousands of tons of steel were carted away from Ground Zero and were reprocessed without being examined, thus what could have been telltale clues.

Support structures, fireproofing fragments, and even burnt-out electrical switches that might have given scientists and engineers insight were lost forever, even before an investigation was underway.

These failures mean that we are, even to this day, short on conclusions about design decisions that may have contributed to the deaths of so many firefighters and workers on the top floors.

Should future building avoid the concentration of stairwells that was used in the Twin Towers? Was enough attention given to the communications infrastructure that failed in the 1993 bombing, and tragically left hundreds of emergency workers climbing stairs up while officials on the ground knew that the buildings were about to come down? Did the fireproofing separate from the steel beams because of the intense heat, or did the design of the post-asbestos treatment that is in place in thousands of buildings in this country fail for other reasons?

We cannot bring back those that were lost on September 11, and today there are more than 25,000 mothers, fathers, aunts, uncles, husbands, wives, and loved ones that we thank God escaped that day. But if we want to ensure that the legacy of this tragedy is that future building collapses are avoided or mitigated, we need to do a better job investigating the causes.

We pray that no other plane ever crashes into a tall building. And we hope that an earthquake never rattles our Nation’s high-rises. We remain vigilant against threats of a bomb in our city center.

The gentleman from New York (Mr. BOEHLERT), whose leadership on this issue has provided comfort to so many victims and, I might add, closely to draft legislation to create this authority. I call particular attention to two reforms contained in this bill.

First, just as the NTSB immediately sequesters evidence involved in a plane crash, our bill creates immediate on-site authority for investigators of building collapses to have access and preservation of important materials. And if necessary, the bill panel may sequester materials. Never again will we see the destruction of material and the legal jostling that marked the scene of the September 11 attack, where even the blueprints of the building were kept from investigators andropolis to avoid the tragic pitfall in communication that befell so many in the World Trade Center.

We cannot mitigate the tragedy that befell so many of my neighbors, Families of the victims, particularly Sally Hockert of my staff, who helped build buildings safer in the future.

Secondly, the bill encourages the national construction safety teams to make recommendations to improve the design of buildings, evacuation and emergency plans, and I hope give localities guidance to avoid the tragic pitfalls in communication that befell so many in the World Trade Center.

Secondly, the bill encourages the national construction safety teams to make recommendations to improve the design of buildings, evacuation and emergency plans, and I hope give localities guidance to avoid the tragic pitfalls in communication that befell so many in the World Trade Center.

Secondly, the bill encourages the national construction safety teams to make recommendations to improve the design of buildings, evacuation and emergency plans, and I hope give localities guidance to avoid the tragic pitfalls in communication that befell so many in the World Trade Center.
Mr. SHAYS. Mr. Chairman, I rise in support of H.R. 4687, the National Construction Safety Team Act. The reason why I think this bill is so well drafted and so well thought out is because of the work of both the chairman and the ranking member, along with the extraordinary staff.

When we first began these hearings, I thought, "Wait a second, we had two gigantic, wide-body planes filled with fuel imploding in these buildings? What would Members expect?"

But as this investigation, we realized there were a lot of things we could learn from the collapse of these buildings. It is sad and unfortunate that no one was in charge of this investigation. Because no one was empowered to be in charge, we could not gain access to some of this material right away to understand how this building, for instance, imploded. It was fascinating for me to review the fire escape options. Had they not all been concentrated in one place, maybe more people could have gotten out.

We learned that materials and building construction made a difference. Studying building No. 7, a building over 40 stories tall, while it burned in the debris, collapsed, there was an incredible opportunity for us to discover a number of things about building materials.

The collapse of the World Trade Center forever changed the landscape in New York City. In Connecticut's fourth district alone, over 60 constituents perished in the attacks, and the lives of their families, friends and colleagues will never be the same again.

When both buildings imploded, I was unfortunately brought to remember what had happened in Bridgeport, Connecticut, shortly before I was elected in 1987. The L'Ambiance building in Bridgeport, a 16-story apartment building which collapsed when 16 concrete slabs crashed to the ground, killing 28 construction workers.

The collapse of L'Ambiance was due in large measure to poor construction practices. The tragedy made clear the need to improve the inspection and reporting requirements for building construction—when we did.

As we continue to fight the war on terrorism and to prevent future conventional biological, chemical and nuclear attacks, we must also find more effective ways to respond to disasters.

The study of the World Trade Center collapse made clear that we must improve procedures to govern all future building disasters. It grants NIST access and control of the disaster site, subpoena power and the ability to move and preserve key evidence.

I commend Chairman BOEHLEHT for his leadership on this issue, and I urge my colleagues to support this important legislation.

Mr. HALL of Texas. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. BOEHLEHT. Mr. Chairman, I yield such time as he may consume to the gentleman from New York (Mr. GRUCCI), someone who has been with us every step of the way, a very valuable member of the Committee on Science.

Mr. GRUCCI. Mr. Chairman, I thank the gentleman from New York (Mr. BOEHLEHT) for his steadfast leadership on this important issue; and I thank the ranking member, the gentleman from Texas (Mr. HALL), for his leadership as well.

Mr. Chairman, my congressional district lies just 45 miles from Ground Zero. My constituents were the first responders, opening up their emergency rooms, volunteering their rescue services to help mothers and fathers, brothers and sisters, neighbors, even strangers, all that were trapped in the rubble of the World Trade Center on that morning of September 11.

America sat with fear and awe, our eyes captivated by the sight of these once-stretching towers reduced to a pile of smoking debris. But as the hallowed ground of Lower Manhattan is cleared of the rubble and America attempts to
Mr. Chairman, I thank the gentleman from New York (Mr. BOEHLERT) for his leadership, and thank him for his commitment to New York.

Mr. BOEHLERT. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. WEINER).

Mr. CROWLEY. Mr. Chairman, I rise in support of H.R. 4687, the National Construction Safety Team Act, and I thank the gentleman from New York (Mr. WEINER) as well as the gentleman from New York (Mr. ISRAEL) for their work on this important legislation.

September 11 changed New York and changed our world. Since September 11, volunteers and scientific experts have traveled to Ground Zero in the name of recovery and to understand what happened and why.

In particular, the National Institute of Standards and Technology had the daunting task of investigating the collapses of the World Trade Center towers, and these failures are the principle reason we are voting today on this important legislation.

I rise today in support of a measure that will end up saving many lives by allowing America’s foremost experts in the area of structural collapse to conduct investigations with adequate investigative powers, and thereby allowing the American people to learn lessons that can be applied to future building construction and emergency procedures. I speak of the bill before us today, the National Construction Safety Team Act, H.R. 4687, of which I am a proud original sponsor and on which I have been working with my colleagues on the Science Committee for the past few months. This issue was first brought to my attention by Ms. Monica Gabrielle from my home State of Connecticut. Her tireless efforts on behalf of the families of the victims who died on that terrible day last September is awe-inspiring.

Mr. Larson of Connecticut. Mr. Chairman, I rise in support of H.R. 4687. Mr. Chairman, I stand for the record today in support of this legislation.

Mr. CROWLEY. Mr. Chairman, I thank the ranking member as well as the chairman for this fine piece of work.

Ms. Gabrielle of Connecticut, who lost her husband, Richard, as a result of the collapse of 2 World Trade Center. As part of the Sky scraper Safety Campaign, Ms. Gabrielle’s efforts to bring this issue to the attention of the American people and to other Members of Congress were invaluable in getting the Science Committee and now the House to act on this important legislation. Her efforts, and those of the Sky scraper Safety Campaign, to ensure that we know all we need to know about the structural collapse of the World Trade Center, the subsequent investigation, and to make sure that any recommendations are followed through and implemented so that we can prevent the kind of tragedy that happened on September 11, their families, and the American people.

Mrs. MORELLA. Mr. Chairman, I rise in strong support of HR 4687. As a result, FEMA’s investigative team encountered roadblocks from the beginning. It was not deployed as rapidly as it should have been. It was unable to stop the recycling of many of the steel beams that had fallen from the towers and that could have provided valuable clues as the sequence of events that led to the collapse of the Trade Center towers. It was unable to obtain the blueprints for the buildings until almost 4 months after the collapse, and it was never given access to other important documents that could have been useful for the investigation.

Unfortunately, FEMA’s investigative team encountered roadblocks from the beginning. It was not deployed as rapidly as it should have been. It was unable to stop the recycling of many of the steel beams that had fallen from the towers and that could have provided valuable clues as the sequence of events that led to the collapse of the Trade Center towers. It was unable to obtain the blueprints for the buildings until almost 4 months after the collapse, and it was never given access to other important documents that could have been useful for the investigation.

As a result, FEMA requested that the National Institute of Standards and Technology (NIST) conduct a second, more extensive investigation. NIST has the only Federal laboratory dedicated to research on building design and fire and has existing statutory authority for conducting investigations into the structural failures.

However, NIST does not currently have those authorities, and this bill provides that authority. It would require new authorities to conduct an effective investigation, so that lives can be saved in the future. I urge my colleagues to consider the impact this legislation will have in saving lives in the future.

For me, the principle reason we are voting on this bill is to provide the NIST with the necessary legal tools, to investigate building failures in the future.

Mr. Chairman, I thank the gentleman for his commitment to New York.

Mr. BOEHLERT. Mr. Chairman, I yield to the gentleman for the Science Committee.
operation. Finally, the public was frequently
materials and no legal authority to compel co-
al access to information, documents and ma-
timely fashion. Worse still, when FEMA was
federal agency clearly in charge of the inves-
Center. We have learned that there was no
the direction of the National Institute of Stand-
the creation of a National Construction Safety
using the National Transportation
lies.

Mr. BOEHLEHT. Mr. Chairman, I have no further requests for time, and I yield back to the Chairman.

The CHAIRMAN. All time for general debate has expired.
Pursuant to the rule, the committee amendment in the nature of a sub-
print in the bill shall be con-
for the purpose of amendment, and
each section is considered read.
During consideration of the bill for amendment, the Chair may accord pri-
ority in recognition to a Member offer-
ning an amendment that he has printed in the designated place in the CONGRES-
SIONAL RECORD. Those amendments will be considered read.
The Clerk will designate section 1.
The text of section 1 is as follows:
Be it enacted by the Senate and House of Repre-
atives of the United States of America in Congres-
SECTION 1. SHORT TITLE.
This Act may be cited as the “National Construc-
tion Safety Team Act”.

Mr. BOEHLEHT. Mr. Chairman, I ask unanimous consent that the remainder of the bill be printed in the RECORD and open to amendment at any point.
The CHAIRMAN. Is there objection to the request of the gentleman from New York?
There was no objection.
The text of the remainder of the bill is as follows:
SEC. 2. NATIONAL CONSTRUCTION SAFETY TEAMS.

(a) ESTABLISHMENT.—The Director of the Na-
nal Institute of Standards and Technology (in this act referred to as the “Director”) is au-
thorized to establish National Construction Safety Teams for deployment after events caus-
ing the failure of a building or buildings that has resulted in substantial loss of life or that poses significant potential for substantial loss of life. To the maximum extent practicable, the Director shall establish and deploy a Team within 48 hours after such an event. The Director shall promptly publish in the Federal Register notice of the establishment of each National Construction Safety Team.

(b) PROCEDURES. (1) DEVELOPMENT.—Not later than 3 months after the date of the enactment of this Act, the Director shall, in consultation with the United States Fire Administration and other appropriate Federal agencies, develop procedures for the establishment and deployment of National Construction Safety Teams. The Director shall update such procedures as appropriate. Such procedures shall include provisions—
(A) regarding conflicts of interest related to service on the Team;
(B) defining the circumstances under which the Director will establish and deploy a Na-
tional Construction Safety Team;
(C) prescribing the appropriate size of Na-
tional Construction Safety Teams;
(D) guiding the disclosure of information under section 3.

(f) identifying and prescribing appropriate conditions for the provision by the Director of additional resources and services National Construction Safety Teams may need.

This legislation authorizes the National Institute of Standards and Technology (NIST) with-
the authority it needs to swiftly carry out investigations, H.R. 4867 will help
that organization develop an institutional knowledge base to improve its response to fu-
ture tragedies, and hopefully to head off that alternative altogether. Moreover, the legislation will also help both NIST and the greater archi-
tectural and engineering communities improve their existing designs with the goal of devel-
oping better buildings in the future.

Finally, while I applaud the efforts and sup-
port of my colleagues, I caution them that it may not be enough. As this work goes for-
ward, we will likely come up with more ques-
tions than answers and as NIST uncovers de-
ciciencies in our building designs, they may also discover gaps in our knowledge. New studies and new facilities may be needed to fill these voids and those investigations may re-
quire a new commitment. Today we take an important first step, and I hope I can count on
my colleagues to be there when we take the next step.

Mr. GILMAN. Mr. Chairman, I rise today in strong support of H.R. 4867, the National Con-
struction Safety Act. I urge my colleagues to support this important measure.
This legislation authorizes the National Insti-
tute of Standards and Technology (NIST) with-
in the Department of Commerce to establish national construction safety teams to inves-
tigate the structural causes of building failures that cause substantial loss of life. This measure authorizes the appropriation of $75 million over 3 years for this purpose. The NIST also will be allowed to accept and spend monetary gifts to support the teams.

Mr. Chairman, this measure was drafted in response to the difficulties encountered by those who sought to investigate the collapse of the World Trade Center buildings last September 11th. It has been designed to address every problem encountered by those inves-
tigators, including bureaucratic confusion, a lack of investigative tools and excessive re-
strictions on the flow of information.

We know the World Trade Center Towers collapsed. This bill seeks to ensure that such an event is never repeated. By providing NIST with the authority it needs to swiftly carry out future investigations, H.R. 4867 will help

SEC. 3. COMPOSITION OF TEAMS.
National Construction Safety Teams shall be
led by an individual named by the Director. Na-
tional Construction Safety Team members shall include at least 1 employee of the National In-
institute of Standards and Technology and shall include other experts who are not employees of the National Institute of Standards and Tech-
nology, who may include: private sector experts, university representatives, representatives of profes-
ional organizations with appropriate expertise, and appropriate Federal, State, or local offi-
cials.

SEC. 4. FUNCTIONS OF TEAMS.
National Construction Safety Teams shall—
(1) conduct investigations to establish the like-
ly technical cause or causes of the building fail-
ure;
(2) evaluate the technical aspects of evacu-
ation and emergency response procedures;
(3) recommend specific improvements to build-
ing standards, codes, and practices based on the findings made pursuant to paragraphs (1) and (2);
(4) recommend research and other appropriate actions needed to improve the structural safety of buildings, and improve evacuation and emer-
gency response procedures, based on the findings of the investigation.

SEC. 5. AUTHORITIES.

(a) ENTRY AND INSPECTION.—In investigating a building failure under this Act, members of a National Construction Safety Team, and any other person authorized by the Director to sup-
port the National Construction Safety Team, may enter property, records, process, or facility; and
(b) obtain or use any building components, materials, and artifacts related to the building failure; and
(c) move such records, components, materials, and artifacts as provided by the procedures de-
veloped under section 2(b)(1).

(b) AVOIDING UNNECESSARY INTERFERENCE AND PRESERVING EVIDENCE.—An inspection, test, or other action taken by a National Construc-
tion Safety Team under this section shall be conducted in a way that—
(1) does not interfere unnecessarily with ser-
vices provided by the private sector of the building components, materials, or artifacts, property, records, process, or facility; and

July 12, 2002
CONGRESSIONAL RECORD—HOUSE
H4561
(2) to the maximum extent feasible, preserves evidence related to the building failure, consistent with the ongoing needs of the investigation.

(c) COORDINATION.—

(1) WITH SEARCH AND RESCUE EFFORTS.—A National Construction Safety Team shall not impede, and shall coordinate its investigation with, any search or rescue efforts being undertaken at the site of the building failure.

(2) WITH OTHER RESEARCH.—A National Construction Safety Team shall coordinate its investigation, to the extent practicable, with qualified researchers who are conducting engineering or scientific (including social science) research related to the building failure.

(3) MEMORANDA OF UNDERSTANDING.—The National Institute of Standards and Technology shall enter into a memorandum of understanding with each Federal agency that may conduct or sponsor a related investigation, providing for coordination of investigations.

(d) INTERAGENCY PRIORITIES.—

(1) IN GENERAL.—Except as provided in paragraph (2) or (3), a National Construction Safety Team investigation shall have priority over any other investigation of any other Federal agency.

(2) WITH TRANSPORTATION SAFETY BOARD.—If the National Transportation Safety Board is conducting an investigation related to an incident, and the National Construction Safety Team, the National Transportation Safety Board investigation shall have priority over the National Construction Safety Team investigation. Such priority shall not otherwise affect the authority of the Team to continue its investigation under this Act.

(3) CRIMINAL ACTS.—If the Attorney General, in consultation with the Director, determines, and notifies the Director, that circumstances reasonably indicate that the building failure was being investigated by a National Construction Safety Team, the National Transportation Safety Board investigation may have been caused by a criminal act with intent to cause the building failure, the National Construction Safety Team shall relinquish investigative priority to the appropriate Federal law enforcement agency. The relinquishment of investigative priority by the National Construction Safety Team shall not otherwise affect the authority of the Team to continue its investigation under this Act.

(4) PRESERVATION OF EVIDENCE.—If a Federal law enforcement agency suspects and notifies the Director that a building failure being investigated by a National Construction Safety Team under this Act may have been caused by a criminal act with intent to cause the building failure, the National Construction Safety Team, in consultation with the Federal law enforcement agency, shall take necessary actions to ensure that evidence of the criminal act is preserved.

SEC. 6. BRIEFINGS, HEARINGS, WITNESSES, AND SUBPOENAS.

(a) GENERAL AUTHORITY.—The Director, on behalf of a National Construction Safety Team, may conduct hearings, administer oaths, and require, by subpoena, the presence of witnesses and evidence as necessary to carry out this Act.

(b) BRIEFINGS.—A National Construction Safety Team shall hold regular public briefings on the status of investigative proceedings and findings.

(c) PUBLIC HEARINGS.—During the course of an investigation by a National Construction Safety Team, the National Institute of Standards and Technology may, if the Director considers it to be in the public interest, hold a public hearing for the purpose of—

(1) gathering testimony from witnesses; and

(2) informing the public on the progress of the investigation.

(d) CONDUCT OF WITNESSES.—A witness or evidence in an investigation under this Act may be summoned or required to be produced from any place in the United States. A witness summoned to appear in person shall be entitled to travel at the same fee and mileage the witness would have been paid in a court of the United States.

(e) ISSUANCE OF SUBPOENAS.—A subpoena shall be issued under the signature of the Director but may be served by any person designated by the Director.

(f) FAILURE TO OBEY SUBPOENA.—If a person disobeys a subpoena issued by the Director or a National Construction Safety Team under this Act, the Director may bring a civil action in a district court of the United States to enforce the subpoena. An action under this subsection may be brought in the judicial district in which the person against whom the action is brought resides, or, if the person is found, or does business, in the United States, the court may punish a failure to obey an order of the court to comply with the subpoena as a contempt of court.

SEC. 7. ADDITIONAL POWERS.

In order to conduct a National Construction Safety Teams in carrying out this Act, the Director may—

(1) procure the temporary or intermittent services of experts or consultants under section 3109 of title 5, United States Code;

(2) request the use, when appropriate, of available services, equipment, personnel, and facilities of a department, agency, or instrumentality of the United States Government on a reimbursable or other basis;

(3) confer with, and request the use of, services, records, and facilities of State and local governmental authorities;

(4) accept voluntary and uncompensated services;

(5) accept and use gifts of money and other property;

(6) make contracts with nonprofit entities to carry out studies related to purpose, functions, and authorities of the National Construction Safety Teams; and

(7) provide nongovernmental members of the National Construction Safety Team reasonable compensation for time spent carrying out activities under this Act.

SEC. 8. DISCLOSURE OF INFORMATION.

(a) GENERAL RULE.—Except as otherwise provided in this section, a copy of a record, information, or investigation submitted or received by a National Construction Safety Team shall be made available to the public on request and at reasonable cost.

(b) EXCEPTION.—Subsection (a) does not require the release of information described by section 552(b) of title 5, United States Code, if the Director finds that the disclosure of that information might jeopardize public safety.

(c) PROTECTION OF VOLUNTARY SUBMISSION OF INFORMATION.—A copy of any information, or investigation submitted or received by a National Construction Safety Team shall be calculated to protect a submission made in confidence.

(d) PROTECTION OF INFORMATION RECEIVED FROM NATIONAL AGENCIES.—A copy of any information, or investigation submitted or received by a National Construction Safety Team shall be calculated to protect information, or investigation submitted or received by any Federal agency under 5 U.S.C. 552(b).

SEC. 9. NATIONAL CONSTRUCTION SAFETY TEAM REPORT.

Not later than 90 days after completing an investigation, a National Construction Safety Team shall issue a public report which includes—

(1) an analysis of the likely technical cause or causes of the building failure investigated;

(2) technical conclusions or recommendations for the building standards, codes, and practices; and

(3) recommended specific improvements to building standards, codes, and practices; and

(4) recommendations for research and other appropriate actions needed to help prevent future building failures.

SEC. 10. NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACTIONS.

After the issuance of a public report under section 9, the Director shall transfer to the National Institute of Standards and Technology the recommendations of the National Construction Safety Team with respect to—

(A) technical aspects of evacuation and emergency response procedures;

(B) specific improvements to building standards, codes, and practices; and

(C) other actions needed to help prevent future building failures.

SEC. 11. NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ANNUAL REPORT.

Not later than February 15 of each year, the Director shall transmit to the Committee on Science of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate a report that includes—

(1) a summary of the investigations conducted by National Construction Safety Teams during the prior fiscal year;

(2) a summary of recommendations made by the National Construction Safety Teams in reports issued under section 9 during the prior fiscal year; and

(3) a description of the actions taken by the National Institute of Standards and Technology during the prior fiscal year in response to reports issued under section 9.

SEC. 12. ADVISORY COMMITTEE.

(a) ESTABLISHMENT AND FUNCTIONS.—The Director, in consultation with the United States Fire Administration and other appropriate Federal agencies, shall establish an advisory committee to advise the Director on carrying out this Act and to review the procedures developed under section 2b(1) and the reports issued under section 9.

(b) ANNUAL REPORT.—On January 1 of each year, the advisory committee shall transmit to the Committee on Science of the House of Representatives and to the Committee on Commerce, Science, and Transportation of the Senate a report that includes—

(1) an evaluation of National Construction Safety Team activities, along with recommendations to improve the operation and effectiveness of National Construction Safety Teams; and

(2) an assessment of the implementation of the recommendations of National Construction Safety Teams and of the advisory committee.

(c) DURATION OF ADVISORY COMMITTEE.—Section 14 of the Federal Advisory Committee Act shall not apply to the advisory committee established under this section.

SEC. 13. ADDITIONAL APPLICABILITY.

The authorities and restrictions applicable under this Act to the Director shall apply to the National Institute of Standards and Technology relating to the activities of the National Institute of Standards and Technology in response to the attacks of September 11, 2001.

SEC. 14. AMENDMENT.

(a) DESIGNATION AND AUTHORIZATION.—Section 7 of the National Bureau of Standards Authorization Act for Fiscal Year 1986 (15 U.S.C. 284a) is amended by inserting "; or, from time to time, the National Bureau of Standards, the National Institute of Standards and Technology, and the National Construction Safety Team Act," after "from such investigations".
Third, it expands the types of criminal investigations that would require NIST to stop serving as the lead agency at the site of the building collapse. Fourth, the amendment clarifies how certain decisions of the Director of NIST can be made. Fifth, it clarifies that all expenditures in the bill are subject to appropriations. Sixth, it clarifies in two separate places that the bill gives NIST no regulatory authority over the adoption of building standards, codes and practices. Finally, it changes the authorization to “such sums” which is fitting, given that it is impossible to predict how many investigations will be conducted in any given year. We hope there will not be any. There are no ongoing expenses associated with the bill.

Mr. Chairman, this is a straightforward and carefully negotiated amendment, agreed to in a bipartisan fashion, and I urge its adoption.

Mr. HAL of Texas. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman: Chairman BOEHLERT has successfully laid the amendment and has worked with us on it. We support it, and I urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BOEHLERT).

The amendment was agreed to.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

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

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

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. GIBBONS) having assumed the chair, Mr. SIMPSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having under consideration the bill (H.R. 4687) to provide for the establishment of investigative teams to assess building performance and emergency response and evacuation procedures in the wake of any building failure that has resulted in substantial loss of life or that posed significant potential of substantial loss of life, pursuant to House Resolution 475, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

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

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

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

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

The bill was ordered to be engrossed and read a third time, and was engrossed the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

Mr. BOEHLERT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 338, nays 23, not voting 73. [Roll No. 265]
July 12, 2002

CONGRESSIONAL RECORD—HOUSE

Ms. PELOSI. I appreciate that, Mr. Speaker. I would like to further inquire, Mr. Speaker, if there is any legislation besides appropriations bills that the gentleman expects to come up next week.

Mr. ARMEY. I thank the gentleman from Texas. Mr. ARMEY. Mr. Speaker, I am so pleased to announce that the House has completed its legislative business for the week.

The House will next meet for legislative business on Monday, July 15, at 12:30 p.m., for morning hour and at 2 o’clock p.m. for legislative business. I will schedule a number of measures, including the House Appropriations Committee report to the House on the Homeland Security Appropriations Act for Fiscal Year 2003; the Postal Operations Appropriations Act for Fiscal Year 2003; the Energy and Water Appropriations Act for Fiscal Year 2003; and the Military Construction Appropriations Act for Fiscal Year 2004. I will schedule a number of measures for consideration in the House:

On Tuesday and the balance of the week, I have scheduled the following measures for consideration in the House:

On Tuesday, H.R. 5093, the Department of Interior Appropriations Act for Fiscal Year 2003;

On Wednesday, the Treasury and Postal Operations Appropriations Act for Fiscal Year 2003;

On Thursday, the Legislative Branch Appropriations Act for Fiscal Year 2003;

And again on Thursday and on Friday, the Department of Agriculture Appropriations Act for Fiscal Year 2003.

Mr. Speaker, the conferences are meeting this morning to complete work on the President’s emergency defense and homeland security supplemental appropriation request, and I intend to schedule that conference report as soon as it is available. Obviously, Mr. Speaker, we have a busy and productive week ahead of us, so I would advise Members to expect long days and nights as we work to complete our work on five appropriations bills next week.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for that presentation. I would just like to know how late he expects these long days and nights to go.

Mr. ARMEY. I thank the gentleman for the inquiry. As the gentleman may have noticed, other than Monday, we have appropriations bills on each of these days. Appropriations bills come to the floor under the 5-minute rule. This provides ample opportunity for maximum participation by the Members.

One can never say for certain. We will try to work as late as is necessary to maintain the schedule for the completion of the bills, with an eye toward a reasonable time to catch our planes for our weekend work recesses at home on Friday. So while I would anticipate no extraordinarily late evening, we must be prepared, I think, to work into the evenings each night to sustain that schedule.

Ms. PELOSI. I appreciate that, Mr. Speaker. I would like to further inquire, Mr. Speaker, if there is any legislative business besides appropriations bills that the gentleman expects to come up next week.

Mr. ARMEY. I thank the gentleman for that presentation. I would just like to know how late he expects these long days and nights to go.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for the inquiry. I, too, like the gentlewoman, am so pleased that the other body has finally understood how necessary this is and has finally tried to catch up with the House, which passed a bill on April 24 with a vote of 334 to 90, and 119 Members of the gentleman’s own party voted for that excellent product from the House.

While the other body is finally getting aware of the urgency of moving on this, and we do, indeed, hope they might complete work on a bill that relates to our work next week, we would be quite anxious to get to conference with them as quickly as possible and complete our work on five appropriations bills next week.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for that presentation. I would just like to know how late he expects these long days and nights to go.

Mr. ARMEY. I thank the gentlewoman for the inquiry. As the gentlewoman may have noticed, other than Monday, we have appropriations bills on each of these days. Appropriations bills come to the floor under the 5-minute rule. This provides ample opportunity for maximum participation by the Members.

One can never say for certain. We will try to work as late as is necessary to maintain the schedule for the completion of the bills, with an eye toward a reasonable time to catch our planes for our weekend work recesses at home on Friday. So while I would anticipate no extraordinarily late evening, we must be prepared, I think, to work into the evenings each night to sustain that schedule.

Ms. PELOSI. I appreciate that, Mr. Speaker. I would like to further inquire, Mr. Speaker, if there is any legislative business besides appropriations bills that the gentleman expects to come up next week.

Mr. ARMEY. I thank the gentlewoman for the inquiry. I, too, like the gentlewoman, am so pleased that the other body has finally understood how necessary this is and has finally tried to catch up with the House, which passed a bill on April 24 with a vote of 334 to 90, and 119 Members of the gentleman’s own party voted for that excellent product from the House.

While the other body is finally getting aware of the urgency of moving on this, and we do, indeed, hope they might complete work on a bill that relates to our work next week, we would be quite anxious to get to conference with them as quickly as possible and complete our work on five appropriations bills next week.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for that presentation. I would just like to know how late he expects these long days and nights to go.

Mr. ARMEY. I thank the gentlewoman for the inquiry. As the gentlewoman may have noticed, other than Monday, we have appropriations bills on each of these days. Appropriations bills come to the floor under the 5-minute rule. This provides ample opportunity for maximum participation by the Members.

One can never say for certain. We will try to work as late as is necessary to maintain the schedule for the completion of the bills, with an eye toward a reasonable time to catch our planes for our weekend work recesses at home on Friday. So while I would anticipate no extraordinarily late evening, we must be prepared, I think, to work into the evenings each night to sustain that schedule.

Ms. PELOSI. I appreciate that, Mr. Speaker. I would like to further inquire, Mr. Speaker, if there is any legislative business besides appropriations bills that the gentleman expects to come up next week.

Mr. ARMEY. I thank the gentlewoman for the inquiry. I, too, like the gentlewoman, am so pleased that the other body has finally understood how necessary this is and has finally tried to catch up with the House, which passed a bill on April 24 with a vote of 334 to 90, and 119 Members of the gentlewoman’s own party voted for that excellent product from the House.

While the other body is finally getting aware of the urgency of moving on this, and we do, indeed, hope they might complete work on a bill that relates to our work next week, we would be quite anxious to get to conference with them as quickly as possible and complete our work on five appropriations bills next week.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for that presentation. I would just like to know how late he expects these long days and nights to go.

Mr. ARMEY. I thank the gentlewoman for the inquiry. As the gentlewoman may have noticed, other than Monday, we have appropriations bills on each of these days. Appropriations bills come to the floor under the 5-minute rule. This provides ample opportunity for maximum participation by the Members.

One can never say for certain. We will try to work as late as is necessary to maintain the schedule for the completion of the bills, with an eye toward a reasonable time to catch our planes for our weekend work recesses at home on Friday. So while I would anticipate no extraordinarily late evening, we must be prepared, I think, to work into the evenings each night to sustain that schedule.

Ms. PELOSI. I appreciate that, Mr. Speaker. I would like to further inquire, Mr. Speaker, if there is any legislative business besides appropriations bills that the gentleman expects to come up next week.

Mr. ARMEY. I thank the gentlewoman for the inquiry. I, too, like the gentlewoman, am so pleased that the other body has finally understood how necessary this is and has finally tried to catch up with the House, which passed a bill on April 24 with a vote of 334 to 90, and 119 Members of the gentlewoman’s own party voted for that excellent product from the House.

While the other body is finally getting aware of the urgency of moving on this, and we do, indeed, hope they might complete work on a bill that relates to our work next week, we would be quite anxious to get to conference with them as quickly as possible and complete our work on five appropriations bills next week.

Ms. PELOSI. Mr. Speaker, I thank the gentleman for that presentation. I would just like to know how late he expects these long days and nights to go.
In Congress, 110th Congress, 1st Session

Hon. Nancy Pelosi, Speaker of the House of Representatives, responded to the gentleman from Florida (Mr. Goss) on the need for the House of Representatives to move expeditiously on the intelligence authorization bill.

Ms. PELOSI. Methinks the gentleman doth protest too much. Mr. Speaker, another bill that I am wondering will come up is the bill on the Permanent Select Committee on Intelligence. The saber rattling of the al Qaeda is out there and we need to be prepared.

Mr. Speaker, another bill that I am wondering will come up is the bill on the Permanent Select Committee on Intelligence. The saber rattling of the al Qaeda is out there saying they are going to attack America again. We need to be prepared and we need an intelligence bill languishing in the Committee on Rules for 1½ months.

I would be very interested in knowing and inquiring of the majority leader why that intelligence bill is not on the floor and why that platform for supporting some changes and reforms in the intelligence community is not leading the way here at a very, very important time in the Nation's history.

Mr. Speaker, if the gentleman would please the distinguished majority leader, as a member of the Permanent Select Committee on Intelligence nobody has asked that it be filed, that as soon as the committee chairman has himself been prepared to bring to the floor. The committee chairman has himself been steeped in work on homeland security and I would guess that the gentleman from Florida (Mr. Goss) will be very anxious to get that ranking member and work out any final details they need to in order to file a bill, at which time, obviously, we would move the bill to the floor as quickly as possible and maintain the excellent record of this body that has indeed done a level of work for the past 2 years that would be commensurate with two legislative sessions in order to keep pace with all that is before us and stay so far ahead of the other body that just does not seem to be able to catch up with the enormous amounts of work we produce.

Mr. Speaker, if the gentlewoman will turn to the floor and why that platform for supporting some changes and reforms in the intelligence community is not leading the way here at a very, very important time in the Nation's history.

Mr. Speaker, I would just engage the majority leader a little bit further on this particular bill in saying that the committee reported this unani- mously out of the committee a month and a half ago in a bipartisan fashion after we worked very hard on it. The reason it is not filed, my understanding from staff is because the leadership has not asked that it be filed, that as soon as they ask that it be filed the bill will come immediately to the floor. Why is the leadership not supportive of the intelligence authorization bill coming to the floor, especially in light of the defense appropriations bill having already done the same?

Mr. ARMEY. I thank the gentlewoman. Let me say to the gentleman as clearly as I can, this leadership has an unqualified respect and admiration for the gentleman from Florida (Mr. Goss). And when it comes to the business of filing the chairman's bill, this leadership is at the chairman's disposal, with all due respect and admiration for an outstanding Member of this body. And I promise the gentlewoman that as soon as the chairman decides that he would like to file this bill, it will be attended to by the leadership and by the Committee on Rules.

Mr. ROEMER. I would just say to the distinguished majority leader, as a member of the Permanent Select Committee on Intelligence nobody has higher respect for the bipartisan way that the gentleman from Florida (Mr. Goss) handles that committee. We revere him. We want and we look forward to that very important bill coming to the floor, especially before something else happens in this country or abroad and so it does not get so far behind the defense appropriations bill that has already gone through.

If the distinguished Gentleman would further respond to a comment, we had plenty of time this past week to do another bipartisan piece of legislation, which was the reauthorization of the AmeriCorps National Service Bill. Thousands of Americans have lined up to volunteer in this country in light of September 11. The President of the United States has put a high priority

The bill under consideration about which you ask has not been filed by the Committee on Rules; therefore, it is not prepared to bring to the floor. The committee chairman has himself been steeped in work on homeland security and I would guess that the gentleman from Florida (Mr. Goss) will be very anxious to get that ranking member and work out any final details they need to in order to file a bill, at which time, obviously, we would move the bill to the floor as quickly as possible and maintain the excellent record of this body that has indeed done a level of work for the past 2 years that would be commensurate with two legislative sessions in order to keep pace with all that is before us and stay so far ahead of the other body that just does not seem to be able to catch up with the enormous amounts of work we produce.
on this bill. Yet, again, this is a bill that has not made its way to the House floor.

Would the majority leader care to comment with all the time we have had on the floor this past week, why that priority of the President has not come to the floor?

Mr. ARMEY. I appreciate the gentleman’s inquiry. The fact of the matter is we have attended to a great many matters, and when and if that bill is appropriate to be brought to the floor in the judgment of the majority leader, the bill will then be brought to the floor. That time has not yet come.

Ms. PELOSI. I thank the gentleman.

Mr. ROEMER. I thank the majority leader, and I thank the gentlewoman from California. I hope this bipartisan bill will get to the floor. I think it would pass with over 300 votes.

Ms. PELOSI. Mr. Speaker, I would encourage once again the leaders of the majority to bring the Senate bill to the floor expeditiously.

ADJOURNMENT TO MONDAY, JULY 15, 2002

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind Members of both sides to please refrain from improper remarks. (Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I rise to congratulate President Bush on the very bold speech that he made last Saturday in Houston, Texas, my constituents, many of them laid off ex-Enron employees, joined me to announce the need for immediate action for corporate accountability. Large speeches were made this week by the administration joining in that voice, but the only action that will be respectful of the pain that so many have experienced is immediate action.

So I call upon my colleagues to immediately address an outstanding legislative initiative that deals with separating accounting functions from consulting functions offered by the gentleman from New York (Mr. LAFAUCI). I believe we can immediately begin to answer the concerns of the American people. We did not take action last Wednesday on a bill that this body pass H.R. 808, the Steel Revitalization Act. In my district, RTI Technologies, a steel producer, has seen, its workers have seen their pension and their health benefits in jeopardy.

This body which every day acts on behalf of corporate interests on behalf of Republican leadership has failed workers in this country, has failed pensioners in this country, has failed to correct health care abuses by corporate America in this country. It is time that this body pass H.R. 808, the Steel Revitalization Act.

ACTING AGAINST CORPORATE ABUSES

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

Mr. FOLEY. Mr. Speaker, I am often admonished for urging the other body to take up action on a bill, and yet I just heard a dialogue between the minority whip and the majority leader on urging us to take up a Senate bill.

I was on the floor yesterday when that bill was under consideration. Ironically, Senator JOHN MCCAIN from Arizona had a very, very important provision in that bill that would have accounted for stock options, which is one of the biggest problems in the accounting of corporate income and expenses. He was blocked by the majority, the Democratic majority, from accepting his amendment that would have

The Breakers resort, which was diagnosed with ALS last year. With The Breakers’ kitchen serving as the classroom, Mr. Radits has established an apprenticeship for high school graduates interested in culinary arts.

ALS is a fatal, neurodegenerative disease that attacks nerve cells of the brain and spinal cord. When cells die, voluntary muscle control and movement ceases, yet a patient’s mind remains intact.

The average life expectancy is 2 to 5 years. But with recent advancements, ALS patients are living longer and having more productive lives.

I urge my colleagues to work hard towards additional funding for ALS so that more aggressive and productive research can be done and we can imagine a day when this disease disappears for all of the Matthias Raditses of the world.

RESTORE INVESTOR CONFIDENCE

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Speaker, I rise to call upon my colleagues to immediately address an outstanding legislative initiative that deals with separating accounting functions from consulting functions offered by the gentleman from New York (Mr. LAFAUCI). I believe we can immediately begin to answer the concerns of the American people. We did not take action last Wednesday on a bill that this body pass H.R. 808, the Steel Revitalization Act. In my district, RTI Technologies, a steel producer, has seen, its workers have seen their pension and their health benefits in jeopardy.

This body which every day acts on behalf of corporate interests on behalf of Republican leadership has failed workers in this country, has failed pensioners in this country, has failed to correct health care abuses by corporate America in this country. It is time that this body pass H.R. 808, the Steel Revitalization Act.

STRONG LEADERSHIP OF THE PRESIDENT

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

Mr. DREIER. Mr. Speaker, I rise to congratulate President Bush on the very bold speech that he made on Wall Street the other day demonstrating his outrage over the kind of business that we have seen within a number of corporations. I know many people are talking about these scandals; my colleague from Texas just mentioned it. I think that if we look at the way President Bush has responded, there are a number of issues on which he states his very strong feelings.

There is nothing about which he feels more strongly than the fact in a capitalist system which is one of the greatest aspects of the United States of America, honesty and ethics are a priority and they are to be expected. And that is why I believe that the legislation which we have moved from this House and we hope we will be able to get that legislation emerge from the Senate so that we can bring about a bipartisan compromise to deal with accounting reform that will not in any way jeopardize the free market system which is so important to us will succeed. I congratulate President Bush for the very strong leadership he has shown on this issue.

STEEL REVITALIZATION ACT

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

Mr. BROWN of Ohio. Mr. Speaker, almost every day we hear about another major U.S. corporation sell out its stockholders, lay off workers, destroy pension funds for those workers. Almost every day we see our Republican friends do the bidding of another corporate interest and fail the American public.

I call on this body to pass H.R. 808, the Steel Revitalization Act. In my district, RTI Technologies, a steel producer, has seen, its workers have seen their pension and their health benefits in jeopardy.

This body which every day acts on behalf of corporate interests on behalf of Republican leadership has failed workers in this country, has failed pensioners in this country, has failed to correct health care abuses by corporate America in this country. It is time that this body pass H.R. 808, the Steel Revitalization Act.

FINDING A CURE FOR ALS

(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, upon retiring from baseball due to a debilitating disease known as ALS, Lou Gehrig said, “I consider myself the luckiest man on the face of the Earth . . . I might have had a tough break, but I have an awful lot to live for.”

Today this attitude is personified in Matthias Radits, the corporate chef of " Matthias Radits, the corporate chef of the American people. We must do it for all of the Matthias Raditses of the world.

The average life expectancy is 2 to 5 years. But with recent advancements, ALS patients are living longer and having more productive lives.

I urge my colleagues to work hard towards additional funding for ALS so that more aggressive and productive research can be done and we can imagine a day when this disease disappears for all of the Matthias Raditses of the world.

RESTORE INVESTOR CONFIDENCE

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE. Mr. Speaker, I rise to call upon my colleagues to immediately address an outstanding legislative initiative that deals with separating accounting functions from consulting functions offered by the gentleman from New York (Mr. LAFAUCI). I believe we can immediately begin to answer the concerns of the American people. We did not take action last Wednesday on a bill that this body pass H.R. 808, the Steel Revitalization Act. In my district, RTI Technologies, a steel producer, has seen, its workers have seen their pension and their health benefits in jeopardy.

This body which every day acts on behalf of corporate interests on behalf of Republican leadership has failed workers in this country, has failed pensioners in this country, has failed to correct health care abuses by corporate America in this country. It is time that this body pass H.R. 808, the Steel Revitalization Act.

STRONG LEADERSHIP OF THE PRESIDENT

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

Mr. DREIER. Mr. Speaker, I rise to congratulate President Bush on the very bold speech that he made on Wall Street the other day demonstrating his outrage over the kind of business that we have seen within a number of corporations. I know many people are talking about these scandals; my colleague from Texas just mentioned it. I think that if we look at the way President Bush has responded, there are a number of issues on which he states his very strong feelings.

There is nothing about which he feels more strongly than the fact in a capitalist system which is one of the greatest aspects of the United States of America, honesty and ethics are a priority and they are to be expected. And that is why I believe that the legislation which we have moved from this House and we hope we will be able to get that legislation emerge from the Senate so that we can bring about a bipartisan compromise to deal with accounting reform that will not in any way jeopardize the free market system which is so important to us will succeed. I congratulate President Bush for the very strong leadership he has shown on this issue.

STEEL REVITALIZATION ACT

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

Mr. BROWN of Ohio. Mr. Speaker, almost every day we hear about another major U.S. corporation sell out its stockholders, lay off workers, destroy pension funds for those workers. Almost every day we see our Republican friends do the bidding of another corporate interest and fail the American public.

I call on this body to pass H.R. 808, the Steel Revitalization Act. In my district, RTI Technologies, a steel producer, has seen, its workers have seen their pension and their health benefits in jeopardy.

This body which every day acts on behalf of corporate interests on behalf of Republican leadership has failed workers in this country, has failed pensioners in this country, has failed to correct health care abuses by corporate America in this country. It is time that this body pass H.R. 808, the Steel Revitalization Act.

ACTING AGAINST CORPORATE ABUSES

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

Mr. FOLEY. Mr. Speaker, I am often admonished for urging the other body to take up action on a bill, and yet I just heard a dialogue between the minority whip and the majority leader on urging us to take up a Senate bill.

I was on the floor yesterday when that bill was under consideration. Ironically, Senator JOHN MCCAIN from Arizona had a very, very important provision in that bill that would have accounted for stock options, which is one of the biggest problems in the accounting of corporate income and expenses. He was blocked by the majority, the Democratic majority, from accepting his amendment that would have
brought to light how these stock options are treated.

Now, in fairness, we are willing to consider a bill urgently to clean up corporate abuse, accounting abuse; but they cannot have it both ways. They cannot say it is a perfect bill that has been produced by our Senator SARBANES without acknowledging that they failed to address a very important option test, accounting for options, which has been the fundamental root of the problems. WorldCom, Enron, all of these options that were allowed by the corporations had faulty accounting techniques applied.

So I commend Senator MCCAIN for introducing that, and I urge those on the other side to consider it as well.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind the Member to refrain from improper references to the Chair.

Mr. DUNCAN. Mr. Speaker, I realize that almost everyone in the Congress is going to vote to create the new Department of Homeland Security, but I am afraid all this new Department is going to do is make the government bigger, more burocratic and more expensive and the country will not be any safer.

In yesterday’s ‘Congress Daily,’ we read that the Congressional Budget Office has estimated it will cost $43 billion just to implement the new Department.

The New York Times on June 23 had a column which said the proposed Department contains ‘elements so big that even a fee-hungry Wall Street investment banker might have hesitated to propose it.’

William Schneider, in the ‘National Journal,’ said it will ‘simply add another layer of bureaucracy. Will adding another layer of government at the top make a great deal of difference? Not if the problem is at the bottom.’

Tony Blankley, in Wednesday’s ‘Washington Times’ said, ‘Congress should slow down, be more deliberative . . . Perhaps some bill can be cobbled together at such breakneck speed, but not the bill that this country needs.’

Mr. Speaker, we should not have to create a new cabinet-level Department just to get Federal agencies to cooperate with each other.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. KIRK). Under the Speaker’s announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

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

Mr. FOLEY. Mr. Speaker, we spend a lot of time in Congress talking about health care, and reasonably so, we should. Health care is probably the one thing none of us as citizens can totally control on our own. We can exercise, diet. We can work out. We can do all the right things, but we may be stricken at sometime in our life with Lupus, leukemia, Alzheimer’s, AIDS, cancer, any number of diseases that face us. It is important to talk about these subjects because it is important for Congress to grapple with these issues.

There is also a looming issue that needs to be discussed, vetted and a solution found for, and that is medical malpractice insurance rates. Florida particularly has been inundated with liability crises and looming coverage where we may see our physicians unable to afford any coverage at all, and if they can find it, the cost prohibitive for them to continue to practice their vital roles that they play in society.

Malpractice rates have been rising 20 to 40 percent per year, 20 to 40 percent per year, while inflation has remained virtually stagnant. The hardest-hit doctors in Florida are over 50,000 obstetricians, radiologists, orthopedic surgeons, lung specialists, oncologists, among the list of people.

Average damage awards, which is part of the root problem, ordered by courts have doubled over the past 3 years, meaning jury awards for courts have increased damage awards substantially and significantly. Hospitals, one local insurer produced a local hospital rate to $1.5 million this year from $500,000 a year ago. That is a tripling of premium, which any person can routinely understand that if we add an expense like that to a category, it has to come out of somewhere; and ultimately we pay more for health care, pay more for all the services provided for indigents and others in our community.

Some doctors are paying up to 80 percent of their annual income in premiums. Many people snicker and say physicians make a lot of money. I beg to differ. Some do, but most have been working tirelessly to provide the important roles they do for society and are often compromised because they are not only having to pay extraordinary liability insurance, but with all the regulations and all the attendant things that they are expected to do, including continuing medical education and the like, this now increasingly under the great glare of looming bankruptcy or finding themselves wanting to leave the practice of medicine that they have loved doing for all their life.

We need to do something about this issue. It needs to revolve around getting the parties together, and this is not a shot at the trial lawyers, but they have to be intimately involved in some of these discussions where there would be another system, like a loser pay something where at least the onus is on those bringing charges, to be certain they have valuable and vital suits to bring to the courts. Oftentimes litigation ends with a letter to the plaintiff, defendant, ultimately trying to shake down a few dollars, and hopefully the insurance company will settle because they will tell us it is more expensive to go to court than to settle out of court; and consequently the doctors are hemorrhaging incomes because of these consequences.

I do not stand aside or take any notion that we should excuse wrongful and wilful malpractice. Somebody cuts off the wrong limb, absolutely the person who has been aggrieved demands full compensation for damages rendered. That is not what we are talking about. We are talking about a system that has run amok and recognize dangerous procedures that were done to people, devastating their lives and frivolous lawsuits.

This Congress nationally, as well as legislators in 50 States, needs to grapple with this issue because I can tell my colleagues today that if this does not get resolved soon, we will have a mass exodus of professionals leaving health care, a mass exodus because they can simply no longer afford the pressures that this insurance insur- ance costs. It is affecting hospitals. It is affecting nursing homes. It is affecting practitioners. It is affecting every American, because as these rates rise, they must be passed on to others, and that is the patient. The patient pays more; health insurance becomes less available. Cost of treatment and facilities increases; cost of health care premiums skyrocket. Costs to the consumers in every product, good or service, increased. Cost of medical service produced, sold, and consumed in this country is exponentially increased because of the underlying costs of these looming crises.

So we can stand here and do nothing, and the like, they are consequently.

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

Mr. DeFAZIO. Mr. Speaker, we need to do something about this issue. It needs to revolve around getting the parties together, and this is not a shot at the trial lawyers, but they have to be intimately involved in some of these discussions where there would be another system, like a loser pay something where at least the onus is on those bringing charges, to be certain they have valuable and vital suits to bring to the courts. Oftentimes litigation ends with a letter to the plaintiff, defendant, ultimately trying to shake down a few dollars, and hopefully the insurance company will settle because they will tell us it is more expensive to go to court than to settle out of court; and consequently the doctors are hemorrhaging incomes because of these consequences.

I do not stand aside or take any notion that we should excuse wrongful and wilful malpractice. Somebody cuts off the wrong limb, absolutely the person who has been aggrieved demands full compensation for damages rendered. That is not what we are talking about. We are talking about a system that has run amok and recognize dangerous procedures that were done to people, devastating their lives and frivolous lawsuits.

This Congress nationally, as well as legislators in 50 States, needs to grapple with this issue because I can tell my colleagues today that if this does not get resolved soon, we will have a mass exodus of professionals leaving health care, a mass exodus because they can simply no longer afford the pressures that this insurance insurance costs. It is affecting hospitals. It is affecting nursing homes. It is affecting practitioners. It is affecting every American, because as these rates rise, they must be passed on to others, and that is the patient. The patient pays more; health insurance becomes less available. Cost of treatment and facilities increases; cost of health care premiums skyrocket. Costs to the consumers in every product, good or service, increased. Cost of medical service produced, sold, and consumed in this country is exponentially increased because of the underlying costs of these looming crises.

So we can stand here and do nothing, and the like, they are consequently.

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

Mr. DeFAZIO. Mr. Speaker, we need to do something about this issue. It needs to revolve around getting the parties together, and this is not a shot at the trial lawyers, but they have to be intimately involved in some of these discussions where there would be another system, like a loser pay something where at least the onus is on those bringing charges, to be certain they have valuable and vital suits to bring to the courts. Oftentimes litigation ends with a letter to the plaintiff, defendant, ultimately trying to shake down a few dollars, and hopefully the insurance company will settle because they will tell us it is more expensive to go to court than to settle out of court; and consequently the doctors are hemorrhaging incomes because of these consequences.

I do not stand aside or take any notion that we should excuse wrongful and wilful malpractice. Somebody cuts off the wrong limb, absolutely the person who has been aggrieved demands full compensation for damages rendered. That is not what we are talking about. We are talking about a system that has run amok and recognize dangerous procedures that were done to people, devastating their lives and frivolous lawsuits.

This Congress nationally, as well as legislators in 50 States, needs to grapple with this issue because I can tell my colleagues today that if this does not get resolved soon, we will have a mass exodus of professionals leaving health care, a mass exodus because they can simply no longer afford the pressures that this insurance insurance costs. It is affecting hospitals. It is affecting nursing homes. It is affecting practitioners. It is affecting every American, because as these rates rise, they must be passed on to others, and that is the patient. The patient pays more; health insurance becomes less available. Cost of treatment and facilities increases; cost of health care premiums skyrocket. Costs to the consumers in every product, good or service, increased. Cost of medical service produced, sold, and consumed in this country is exponentially increased because of the underlying costs of these looming crises.

So we can stand here and do nothing, and the like, they are consequently.
The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extentions of Remarks.

CORPORATE GREED

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

Mr. BROWN of Ohio. Mr. Speaker, on Tuesday of this week President Bush gave a major speech on his administration’s plans to curb executive greed and corporate misgovernance in America. Why, one should ask, was the President’s speech so poorly received? Why did the market drop several hundred points in the few minutes, some said up to 20, hours of work to do, as it turned out, Republican leaders adjourned the committee so the Republican Members could go off to join President Bush and Vice President Cheney at a big fundraiser to get through this Congress to privatize Social Security, but what I more important thing facing those young people in the balcony, those young people, my kids, everybody else’s kids in America, and that is the national debt.

At least one of those people up there is 23 years old like my daughter Sarah; and if a person is 23 years old, on the day they were born, our Nation was less than $1 trillion in debt. It means they have gone all the way from when George Washington became the President until just before Ronald Reagan assumed office, through the Civil War, let us walk through it, the Revolutionary War, the War of 1812, Mexican-American War, the Civil War, Spanish American War, World War I, World War II, Korea, Vietnam. It is that that have happened along the way, the building of the interstate highway system, the building of the great barge canals in our country, all the great things that have been done for our Nation, the Nation borrowed less than $1 trillion. In the past 23 years, the Nation has borrowed over $5 trillion.

Just 2 weeks ago in a straight party-line vote, every single Republican voted to raise the debt limit by an additional $400 billion. When folks stop me at the K-Mart or the Wal-Mart or the local hardware store, they say where does the money go, where does all that money go? They are absolutely dumbfounded when I tell them the biggest expense of their Nation is not defense, health care of our veterans. It is paying interest on this enormous national debt.

Our Speaker in the 1.281 days that he has been Speaker has not even allowed us a vote on a simple constitutional amendment that says Congress cannot spend more than it collects in taxes. About half the States have that requirement. That is why most of the States have very low indebtedness. That is why they squander very little of their money on interest on the debt.

President Bush introduced the very first $2 trillion budget this year. He increased spending by about 8 percent over last year because of his tax breaks. Revenues are down 16 percent; and the net result of that is in the past 12 months, the national debt has increased by $399,633,925,113.31.

Why is that so horrible? How many of us as parents would go out and buy a car, go down to the car lot and buy the most expensive car they could and say I do not care what it costs, I do not care what kind of frills are put on it, and by the way, send the bill to my 6-
year-old son when he turns 30, plus interest? How many would dream of going to the local Realtor and saying I want the most expensive house in this country, and I do not care what it costs and bill my 7-year-old grandson?

That is precisely what our Nation has been doing, and the Speaker will not give us in the 1,200-plus days that he has been Speaker even one vote on a balanced budget amendment.

I came up in the House about 6 years ago. It passed. We got the two-thirds votes necessary. It went to the other body. It failed by only one vote. So instead of forcing the other body to vote on this again and again and again until we do the right thing for the American people, our Speaker has chosen to run up the debt.

Mr. Speaker, since you have become Speaker, our Nation has increased the national debt by $311,040,208,939. That is more debt than was incurred in this country from the day George Washington became President to halfway through World War II, on your watch. You are the man. You schedule the floor debate. You decide what we vote on. When we vote on it and you keep deciding we cannot have a vote on a balanced budget amendment.

Mr. Speaker, my name is Gene Taylor. I represent the citizens of South Mississippi. For every day of the rest of this session, I am going to come to this House floor and tell the American people the truth, that you will not give us a vote on a balanced budget amendment and that you are the guy who is responsible for this debt, and I am personally going to make them aware of it, and I am going to let them decide in November if you have managed this House very well.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will remind Members to refrain from references to occupants of the gallery.

REVISIONS TO THE 302(a) ALLOCATIONS AND BUDGETARY AGGREGATES ESTABLISHED BY THE CONCURRENT RESOLUTIONS ON THE BUDGET FOR FISCAL YEARS 2002 AND 2003

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

Mr. FALLONE. Mr. Speaker, I come to the House floor today to express my strong opposition to H.R. 5002, a bill to include Turkey in the Qualified Industrial Zone, allowing duty-free goods from Turkey to enter U.S. markets. This bill is not only an inappropriate and fiscally irresponsible back-door approach to establishing a free trade agreement with Turkey, but also rewards a country that has been illegally blockingade Armenia, also a U.S. ally, in the war against terror, for the past 9 years. This bill would send the wrong message to countries that are seeking access to our trade markets. It sends the presumably unintended message that violating the Humanitarian Trade Corridor Act will not be punished but instead rewarded for conducting internationally recognized illegal activity.

Since 1993, Armenia has suffered from the coordinated, dual blockades by its neighbors to the west and east. Turkey and Azerbaijan have largely choked off the transportation of goods from Armenia, eliminating a major east-west shipping route in the Caucasus and contributing to the destabilization of the regime. These illegal blockades are in direct violation of the Humanitarian Corridors Act, passed by both the House and the Senate in 1995. The act states that, and I quote, "receivers of U.S. assistance should not hinder or delay the transport or delivery of United States humanitarian assistance to other countries." Unfortunately there is also language in this bill that gives the President the authority to waive sanctions if the country that is guilty of prohibiting U.S. assistance to reaching a third country is deemed vital to the United States' national security. Turkey has flagrantly disregarded international norms. The inclusion of this waiver that effectively gives them a free pass to act without fear of consequences. This proposed bill represents seriously flawed trade policy and sends the message that some countries do not have to honor international norms in U.S. law as long as such countries fill a national security need. This bill would not only reflect poorly on the United States' moral authority in trade policy. Mr. Speaker, but also represents dangerous fiscal policy: in effect subsidizing a politically unstable and economically irresponsible regime.

Last week 34 members of Prime Minister Ecevit's ruling party resigned in protest of the Prime Minister's refusal to step down as ruler of Turkey. Just yesterday two of the highest-level ministers resigned, economic Minister Kemal Dervis and Foreign Minister Ismail Cem, triggering calls within Turkey for a new election as early as September. Minister Dervis is widely recognized as the architect of the colossal International Monetary Fund bailouts of Turkey, which saved Turkey from immediate financial disaster but has put Turkey in debt to the IMF for staggering $31 billion.

The $9 billion that were made available for release this year have not made any impact on the rapidly shrinking economy and massive unemployment in Turkey. We should not reward Turkey and put our own economy in further jeopardy without radical reform of Turkey's economic and trade policy. Mr. Speaker, the U.S. and international community may pour as much money into Turkey directly through flawed, careless budget policy, indirectly through massive unprecedented IMF loans, but there will be minimal net benefits to the citizens of Turkey, and there are fundamental changes that are necessary.

Mr. Speaker, it is time to stop making special concessions for Turkey. Their blatant disregard for international norms, whether it is trade policy or their abysmal human and minority rights records, no longer can be ignored. I do not dispute that Turkey has

CORPORATE CRIME

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

Mr. SHERMAN. Mr. Speaker, this is a week of disappointment. In
the effort to combat corporate crime, we heard from the President something that was more of a pep talk than a policy pronouncement. He called upon us to reenact all the laws and regulations we already have and to say this time we really mean it.

Let us face it. The biggest reason for crime is that under certain circumstances crime pays, and the biggest reason why circumstances arise in which people conclude that crime pays is inadequate law enforcement. This is true with grand theft auto. It is true with corporate grand theft. And unfortunately the other party for the last 6 years has been working to undermine the enforcement at the SEC. As David Ruder, a former Republican head of the SEC, said in 1995, the Republican Congress is dealing with the SEC as though it were the enemy instead of the policeman on the beat.

Earlier this year, the President put forward a budget to this Congress which with the SEC budget, in real terms, allowed no increase for inflation, and cut the enforcement budget. This spring, I proposed to the Committee on Financial Services an increase in the authorization of the SEC of $125 million over the current enforce- ment budget in the financial statements filed by the thousand largest companies in America. Every Republican on our committee voted no, every Democrat voted yes, the amendment went down.

It is time for us, if we are serious about dealing with securities crime, to fund the SEC. But it is time for us to do more as well. The bill passed by the Senate, the other body, is a good first step, but I hope in conference, or perhaps after two quarters than after four quar- ters, we ought to include. We ought to ex- plore the idea of having our thousand largest companies in Amer- ica. Every Republican on our committee voted no, every Democrat voted yes, the amendment went down.

There are a whole host of ideas that we ought to include. We ought to ex- plore the idea of having our thousand largest companies audited every 12 months since the 1933 act. Certainly the speed by which decisions are made, the speed at which stocks are bought and sold, is far more than twice as fast as it was in 1933. And if WorldCom is going to try to misstate its income for five quar- ters, it is better that they are caught after two quarters than after four quar- ters, assuming the audit is competent. And I will get to that in a second.

In my federal Government, we ought to certify some stock analysts as being genuinely independent. And to be independent, under this standard, it is not enough that the particular analyst does not get direct cash from the issuer, but rather that the employer of the analyst do no underwriting, con- sulting or in any other way receive money from the very companies that are being analyzed.

Now, some may accept a lower stand- ard, and they are welcome to. But to be certified as independent, I would expect an analyst to be loyal to his or her employer. And, therefore, it would be good to have analysts who are em- ployed by those who are not getting money from the very companies that are being analyzed.

Mr. Speaker, the Chair of the Com- mittee on Energy and Commerce, the gentleman from Louisiana (Mr. Tau- zinz), was on the morning show this past Sunday. In spite of that, Arthur Andersen had a peculiar problem that has led to a great overrepresentation of Arthur Andersen among the problem audits. He indicated that the structure of that firm was such that the en- gagement partner, the salesman part- ner, had total power, and the technical review partners were not necessarily even consulted before the audit was concluded.

I had put forward to our committee back in April a requirement that ac- counting firms dealing with publicly traded companies avoid that Arthur Andersen structure and use a structure that almost all of them have always used, and that is that the technical re- view partner is not hired by the client make the final determina- tion. Unfortunately, even while the Re- publican Chair of the Committee on Energy and Commerce is saying this is the problem, the Republicans on our committee are voting against a solu- tion.

It is time that we go beyond rhetoric and adopt legislation. We have a long way to go in restoring confidence to our capital markets.

H.R. 5110, OMNIBUS CORPORATE REFORM AND RESTORATION ACT OF 2002

The SPEAKER pro tempore (Mr. King). Under a previous order of the Speaker, the gentlewoman from Texas (Ms. Jackson-Lee) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I believe that there are a number of issues that deserve the at- tention of this body, and I asked to ad- dress this House at this time because I have completed the assignment that was given to me, or the initial part of the assignment given to me by the pain of my constituents. Just a few mo- ments ago I announced that I would file, and now I have filed, the Omnibus Corporate Reform and Restoration Act of 2002, H.R. 5110, an omnibus bill that lays clearly on this Congress an opportu- nity to make sweeping corporate changes now.

I said before that there is no pride of authorship. There should not be. We should work together on behalf of the American people. And if by chance this bill gets dissected and pieces of it pass, it may not be the whole but it will be the part. Right now, this bill encomp- asses a number of provisions that, if passed, could immediately address some of the concerns that we have.

We will never get to the point of re- storing investor confidence until we stabilize and allow the American peo- ple to have a sense that we are inside the board room peering in to oversee the proper activity of those who govern the corporations of America. We will never restore confidence until we again see corporate executives as leaders of United Way and Civic Citizens, that many of us have come to know and ap- preciate. We will never restore cor- porate confidence that instills con- fidence until we determine that those who have been broken and lost such large amounts of money, like the grandmother in my constituency that lost $150,000 as a new investor. That is not right for someone who is just exposing themselves to the market.

This bill will, in fact, do something historic and different. It will make for the first time unemployed employees, fired employees, whose company files bankruptcy, secured creditors. What does that mean? Just a few days before Enron filed bankruptcy, they gave $105 million in retention bonuses to corporate executives. On Sunday, they filed for bankruptcy. On Monday, they paid their lawyers $20 million of them without severance pay, who lost their pensions and 401(k)s. For the last 6 months, we fought with the bankruptcy court because they were not secured creditors. They had no statu- s in the bankruptcy proceedings. This bill will give them secured cred- itor status. They will be inside the courtroom to be able to fight for their benefits.

This bill provides for criminal penal- ties for altering or destroying docu- ments. We know what happens with that. All of us panic sometimes. Every- one wishes they had not made the wrong decision, tearing up a piece of paper to cover up. Coverup is worse than a crime. So we need to make sure they do not run to their office by mis- take or otherwise and tear up docu- ments.

The bill provides for prohibition on loans to officers and directors. I frankly think we might be able to regulate it a bit more clearly from WorldCom what can be done in crum- bling one's own company. This will help in curtailing large loans by boards of directors to company executives; it will stop creating offshore companies and inside special companies that the board does not even know anything about and that is used to puff up the bottom line.

□ 1115

Also to protect the pensions of em- ployees, and many others. I believe that the Committee on the Judiciary, of which I am a member, should hold hearings on whether or not enhanced criminal penalties for criminal initia- tives need to be passed.

I move now to share with Members, we had a surplus. In fact, in March 2001, we had a $5.6 trillion surplus with a de- creasing debt. Because of the large tax cut that went nowhere and no one can explain, we are now $1 trillion in deficit. Yet we have the responsibility to our sen- ior citizens because many of them are not able to pay rent or to get good food
because they have an enormous prescription drug cost. We need a guaranteed prescription drug benefit. Where is our heart in America? Where is our reason and our respect for the Greatest Generation?

I would like this to be bipartisan, but we need it to work; and the Republican plan is a voluntary card that insurance companies have. And if they do not make the money in their area, as they did not in my area, then they will close up shop. There is a period when they stop selling prescription drugs.

Mr. Speaker, there is a lot left to be done. Let me conclude by saying we are working on the homeland security department, and I am for it. But as we create this Department, we cannot forget our civil liberties and our process. We must have those as we move this Department forward.

Mr. Speaker, this is work undone. We must get to work in this Congress.

REINSTATE CALIFORNIA’S MEDICAID UPPER PAYMENT LIMIT

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

Mr. DREIER. Mr. Speaker, I know that we have been talking about a wide range of issues today, corporate responsibility, establishing the Department of Homeland Security, and many other challenges that we are facing; economic recovery, of course, being very important. But I would like to take a few minutes to share with our colleagues some prepared remarks that I have on a very unique challenge that we as Californians face when it comes to dealing with the issue of health care.

As I said, California’s public health care system is one of the most unique in our country. Unlike most States which run their own hospitals or States which have no public hospitals at all, California relies on a network of county-subsidized public hospitals working in conjunction with a network of private safety net hospitals. Together these public and private hospitals care for over 5 million Californians eligible for Medicaid and an additional 7 million Californians who are uninsured.

Obviously, supporting this network of health care for low-income Americans requires a reliable source of funding. California, like a number of other States, relies heavily on Federal dollars paid through what is known as Medicaid’s Upper Payment Limit Program. The safety net hospitals in my County of Los Angeles receive over $120 million each year through the Upper Payment Limit Program. UPL was initiated a decade ago based on the recognition that public hospitals are the hospital of last resort for most needy patients.

It is a mechanism that allows qualified public hospitals to receive reimbursement for services at 150 percent of the Medicare allowable payment rate. Only city and county public hospitals which provide trauma and emergency room services to a large number of uninsured and low-income patients are eligible for the program. The logic for the increases is very simple, there is no market incentive for hospitals to offer emergency services to patients who will never have the means to pay for expensive procedures.

So it was very early this past January when I learned that the Center for Medicare and Medicaid Services had instituted a rule to actually lower the upper payment limit and reduce Medicaid reimbursements for city and county public hospitals to 100 percent of the Medicare allowable payment rate.

Mr. Speaker, implementation of this rule will have immediate and devastating consequences for the public health system in my State. By the time final implementation of this new policy is complete, California will lose over $300 million in Medicaid funding each year, an amount that cannot be replaced by any State or local source. The stated explanation for reducing the UPL is that States were misallocating UPL payments and using them for non-Medicaid-related expenditures, and we all understand that concern; and we want to make sure that those States are in fact getting back on track.

While several States were identified as misusing these Federal Medicaid dollars, it is very important to note that California was not among them. In fact, a number of States did misuse UPL dollars; California was not one of those States. In fact, we never spent any Federal Medicaid dollars on anything other than public health care.

In its haste to close the so-called upper payment limit loophole, CMS issued this regulation with too broad a stroke. This lowered upper payment limit punishes not only the States that were abusing Federal funds, and they should be punished, but it has hurt States like California which were operating properly.

This program for 10 years, under both Democrats and Republicans, has been implemented and strongly supported. Moreover, this regulation ignores the will of this Congress in regards to the upper payment limit for public hospitals. When the allegations of misuse of UPL funds came to light several years ago, this body responded by severely limiting these supplemental payments and by fixing the upper payment limit at 150 percent level.

As I said, the House and Senate reached a bipartisan agreement that was codified when the Medicare and Medicaid Beneficiaries and Improvement Act was signed into law in the 106th Congress. By lowering the Medicare upper payment limit to 100 percent, CMS is undoing a carefully crafted compromise that balanced the Federal Treasury with the need to ensure that health care remain available to the most vulnerable of our fellow citizens.

Mr. Speaker, I stand here today, there may be skeptics out there who say that when compared to the overall Medicaid budget for the State of California, the $300 million received under the 150 percent UPL is nothing more than a drop in the bucket. Well, to that let me say that the financial situation in California, and in many of our State and local governments across this country, is so constrained that not one Federal dollar can be cut from the Federal Medicaid allocation without it adversely affecting the availability of care for Medicaid recipients.

Just recently, Los Angeles County revealed that it plans to close nearly a dozen community health clinics and lay off over 5,000 health care workers because of a lack of budgetary resources. What is worst is that the county’s budget does not include the tidal wave of Federal Medicaid cuts that are scheduled to go into effect next year, including the reduction in the upper payment limit.

The fact is, if this regulation is implemented by CMS, health care for low-income and uninsured patients will be compromised as a result. If the counties across California are forced to reduce hospital services because of decreased Federal support, those patients faced with long waits at the few remaining open public hospitals will turn to private hospitals for emergency care. While Federal law prohibits private hospitals from treating uninsured emergency care patients, it does not prohibit them from closing their emergency room doors.

Faced with overflowing emergency rooms and inadequate Medicaid reimbursements, this is the choice that many private hospitals would be forced to make. Therefore, a decreased upper payment limit would force both public and private hospitals in California to curtail emergency and trauma care services resulting in an outcome where a constituent of mine from Claremont, California, could conceivably be forced to drive over 30 miles in rush hour traffic to the Los Angeles USC Medical Center to find an open trauma center. The prospect of such an occurrence is simply unacceptable.

Mr. Speaker, I wanted to make clear that, in stating my opposition to the reduction of the UPL, I am not asking for preferential treatment for California. I am simply asking for fair treatment of California.

Under its federally approved Medicaid UPL, California follows some of the most stringent requirements for UPL eligibility. Too many dollars in Federal funds in California, more than 25 percent of a hospital’s patients have to be Medicaid-eligible or uninsured. I reiterate that California has exclusively spent the money that it has received under the UPL program on health care, not on anything else. To punish California for the misdeeds of other States is unwise and unfair.
We are all aware of the fact that California provides more tax dollars to the Federal Treasury than it receives in Federal support. Our State is third to the last in Federal Medicaid spending on a per capita basis. We can afford to fall back on the public health system in California is at a critical juncture, and we must act now to prevent a crisis that will affect tens of millions of California taxpayers.

Yet I am very cognizant of the fact that we are currently at war, and because of that we face significant budgetary limitation this fiscal year and we will face challenges next year as well. I do not believe, however, that we should reduce health care services for our most disadvantaged people in our efforts to reduce costs. Such action will undoubtedly cause more instability and expense in the long run than any benefit that would be provided in the short term.

Because implementation of the reduction of the upper payment limit is not scheduled to take place for California until fiscal year 2004, we have a unique opportunity to address these concerns and to beacting the budget of this Congress, but we must take action this year. We must further the bipartisan compromise that was put together in the 106th Congress, and I am underscoring the importance of that.

Mr. Speaker, I am here today to ask for the support of Members on both sides of the aisle to find a commonsense solution to this impending crisis and to protect California’s public health system from financial attack. The people of California deserve no less. We obviously want to do everything that we possibly can to ensure that there is not a continued reliance on emergency services, and we are working on a broad range of reforms in the area of health care, including the delivery of prescription drugs to seniors and other reforms which we believe are very important. But in the meantime, until we bring about those reforms, we cannot leave those who are the most disadvantaged among us hurting.

Mr. Speaker, I thank my colleagues on both sides of the aisle from California who have joined in working hard to deal with this Medicaid upper payment limit issue. We remain strongly united as a California delegation to preserve the health care system in our State and for the country.

TROPICAL STORMS HIT GUAM

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

Mr. UNDERWOOD. Mr. Speaker, I come to the floor having been absent all week from the deliberations of the House due to two storms which hit my home island of Guam. The first typhoon, the eye of the storm, passed over Guam on July 5, 2002, Chamorro Standard Time, with sustained winds of over 110 miles an hour.

Subsequently, Typhoon Ha Long was supposed to hit Guam on July 11, but, fortunately, it just veered a little bit to the south of the island. These storms, which frequent my part of the world quite often, of course, have caused a great deal of damage and a great deal of interruption of public services, and obviously I was not able to come back to the House this week as originally planned.

I have just gotten off the phone with Mr. Joe Allbaugh of the Federal Emergency Management Agency, FEMA, and they have assured me that FEMA is on the ground in Guam. In fact, they have chartered a plane with some 300 people to come out to Guam to try to provide all of the services that are necessary, including individual services for those who were directly affected by the typhoon.

Historically, Guam has suffered a major typhoon nearly every decade. There are some storms which this part of the world generates every year, tropical storms, and sometimes they reach the level of typhoons. Typhoon Chata’an is the first major storm to hit us since Typhoon Paka directly hit Guam.

There are a number of issues that always pertain to typhoon recovery, including power and water situations, and, of course, the vast majority of Guam is still without power. Those areas which have been powered up are the hospital, the two hospitals, the Guam Memorial Hospital and Naval Hospital, and the water system is basically inoperable at this time, so that those areas that are getting water are required to boil water if they want to use it for consumption, as opposed to just bathing or taking care of the bathroom facilities. This situation is likely to continue on for at least 2 to 3 more weeks.

It is important that as we try to learn the lessons of typhoon recovery, which are indeed painful lessons and lessons which I hope many of the Members of this body and the people they represent never have to undergo, they really have a capacity to strain human relations, have the capacity to generate feelings about maybe people are not pulling their share of the load.

But I am happy to report that the people of Guam in general are in great spirits. Guam stands, as they have so often in the past, that at a time of a typhoon, the time of typhoon recovery is a time to pull together, a time to act together and a time to rebuild together, and the people of Guam will rebuild their island, will rebuild the utilities and the services which most other Americans take for granted on a day-to-day basis.

Chata’an, which is in Chamorro, means rainy day, means having a bad day, or it was a bad day. Chata’an also had affected the Island of Chukiu in the Federated States of Micronesia, which is the area where the storms generate. At that time it was still under 75 miles per hour so it was only called a tropical storm, but it caused a number of landslides there and killed over 40 people. So Chukiu in the Federated States of Micronesia has also suffered greatly, perhaps not as much in damage as the people of Guam have, but certainly more in the sense of human loss and the effect on families.

Both the Federated States of Micronesia, which is an independent nation in free association with the United States, as well as the Territory of Guam, will be fully eligible for FEMA. I thank Mr. Allbaugh’s recognition of this in our phone call just a few minutes ago, indicating that he will make sure that Guam is treated fairly and that it will receive all the services it needs, just like any other American community, and that as a result of the special relationship with the Federated States of Micronesia, also the FSM will be afforded the same treatment.

Typhoon Ha Long, which was supposed to pass directly over Guam 2 days ago, fortunately passed about 50 miles south of Guam. The people of Guam today are, in the main, without power, are without water, and they continue to deal with their conditions in that spirit that has always sustained them for centuries, and that is understanding we are always at the mercy of natural events, but that it is our own spirit, our own intelligence and our own capacity to work together, to collaborate together, which will see us through.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Becerra (at the request of Mr. Gephardt) for today on account of personal reasons.

Mrs. Emerson (at the request of Mr. Arney) for today on account of personal reasons.

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. Sherman) to revise and extend their remarks and include extraneous material:

Mr. Filner, for 5 minutes, today.

Mr. DeFazio, for 5 minutes, today.

Ms. Norton, for 5 minutes, today.

Mr. Brown of Ohio, for 5 minutes, today.

Mr. Taylor of Mississippi, for 5 minutes, today.

Mr. Fallone, for 5 minutes, today.

Mr. Sherman, for 5 minutes, today.

Mr. Underwood, for 5 minutes, today.

Ms. Jackson-Lee of Texas, for 5 minutes, today.
Mr. JONES of North Carolina, for 5 minutes, July 15.
Mr. FOLEY, for 5 minutes, today.
Mr. NUSSELE, for 5 minutes, today.

ADJOURNMENT
Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 36 minutes a.m.), under its previous order, the House adjourned until Monday, July 15, 2002, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

7874. A letter from the Acting Director, OSHA Directorate of Safety Standards, Department of Labor, transmitting the Department’s “Major” final rule—Occupational Injury and Illness Recording and Reporting Requirements (Docket No. R-02A) (RIN: 1218-AH06) received July 2, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

7875. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of Defense’s proposed lease of defense articles to the Government of Malaysia (Transmittal No. 08-02), pursuant to 22 U.S.C. 2796(a); to the Committee on International Relations.

7876. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of Defense’s proposed lease of defense articles to the Government of India (Transmittal No. 10-02), pursuant to 22 U.S.C. 2796(a); to the Committee on International Relations.

7877. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of Defense’s proposed lease of defense articles to the Government of Thailand (Transmittal No. 11-02), pursuant to 22 U.S.C. 2796(a); to the Committee on International Relations.

7878. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of Defense’s proposed lease of defense articles to the Government of Singapore (Transmittal No. 09-02), pursuant to 22 U.S.C. 2796(a); to the Committee on International Relations.

7879. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of Defense’s proposed lease of defense articles to the Government of Malaysia (Transmittal No. 08-02), pursuant to 22 U.S.C. 2796(a); to the Committee on International Relations.

7880. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of Defense’s proposed lease of defense articles to the Government of the Philippines (Transmittal No. 07-02), pursuant to 22 U.S.C. 2796(a); to the Committee on International Relations.

7881. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of Defense’s proposed lease of defense articles to the Government of Malaysia (Transmittal No. 08-02), pursuant to 22 U.S.C. 2796(a); to the Committee on International Relations.

7882. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of Defense’s proposed lease of defense articles to the Government of the Philippines (Transmittal No. 07-02), pursuant to 22 U.S.C. 2796(a); to the Committee on International Relations.

7883. A letter from the Director, Defense Security Cooperation Agency, transmitting the Department of Defense’s proposed lease of defense articles to the Government of Malaysia (Transmittal No. 08-02), pursuant to 22 U.S.C. 2796(a); to the Committee on International Relations.

7884. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule—Airworthiness Directives: Boeing Model C-17 776, 777, -700, and -700C, and -600 Series Airplanes [Docket No. 98-16-16; AD 2002-06-03] (RIN: 2120-AA64) received June 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7885. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule—Airworthiness Directives: Boeing Model 737-600, -700, -700C, and -800 Series Airplanes [Docket No. 98-16-16; AD 2002-06-03] (RIN: 2120-AA64) received June 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7886. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule—Airworthiness Directives: Boeing Model 737-600, -700, -700C, and -800 Series Airplanes [Docket No. 98-16-16; AD 2002-06-03] (RIN: 2120-AA64) received June 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7887. 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-NE-135-AD; Amendment 39-12252; AD 2001-11-09] (RIN: 2120-AA64) received June 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7888. 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-NE-135-AD; Amendment 39-12252; AD 2001-11-09] (RIN: 2120-AA64) received June 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7889. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule—Airworthiness Directives: Boeing Model 737-600, -700, -700C, and -800 Series Airplanes [Docket No. 98-16-16; AD 2002-06-03] (RIN: 2120-AA64) received June 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7890. 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-NE-135-AD; Amendment 39-12252; AD 2001-11-09] (RIN: 2120-AA64) received June 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

7891. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department’s final rule—Airworthiness Directives: Boeing Model 737-600, -700, -700C, and -800 Series Airplanes [Docket No. 98-16-16; AD 2002-06-03] (RIN: 2120-AA64) received June 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.
PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Ms. JACKSON-LEE of Texas:
H.R. 510. A bill to provide for improved pension plan security, and for other purposes.

By Mr. BALDACCI (for himself, Mr. DOYLE, Mr. GREEN of Texas, Mr. FRANK, Mr. ROHRABACHER, and Mr. MCGOVERN):
H.R. 512. A bill to authorize the Secretary of Veterans Affairs to enter into contracts with States for programs to financially assist veterans who experience certain emergencies; to the Committee on Veterans' Affairs.

By Mr. SMITH of Texas:
H.R. 514. A bill to make emergency supplemental appropriations for fiscal year 2002 to provide relief from damages caused by flooding in the Guadalupe River valley in 2002; to the Committee on Appropriations.

By Mrs. CHRISTENSEN:
H.R. 523. A bill to establish demonstration programs to address the shortages of health care professionals in rural areas, and for other purposes; to the Committee on Energy and Commerce.

By Mr. MARKY (for himself, Mr. FRANK, Mr. NEAL of Massachusetts, Mr. OLIVER, Mr. MERRIAM, Mr. DELAHAM, Mr. TURENNE, Mr. MCGOVERN, Mr. CAPUANO, and Mr. LYNCH):
H.C. Res. 44. Concurrent resolution expressing the sense of the Congress that schools in the United States should honor the contributions of individuals from the Commonwealth of Puerto Rico, and possession of the United States by including such contributions in the teaching of United States history; to the Committee on Education and the Workforce.

By Mr. REYES:
H.R. 526. A resolution honoring Ted Williams and extending the condolences of the House of Representatives on his death; to the Committee on Government Reform.

MEMORIALS

Under clause 3 of rule XII, memorials were presented as follows:

322. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to a Resolution memorializing the United States Congress to adopt a Joint Resolution in its current session approving Yucca Mountain for development as the nation’s permanent geologic repository; to the Committee on Energy and Commerce.

323. Also, a memorial of the Senate of the State of Connecticut, relative to Senate resolution 4 memorializing the United States Congress to pass a Joint Resolution this year approving Yucca Mountain for development as the nation’s permanent geologic repository; to the Committee on Energy and Commerce.

324. Also, a memorial of the House of Representatives of the State of Illinois, relative to House Joint Resolution No. 65 memorializing the United States Congress to urge the Federal Communications Commission to grant a permanent waiver of the 11-digit dialing mandate in the 417 region and to change its policy on overlay area codes; to the Committee on Energy and Commerce.

325. Also, a memorial of the House of Representatives of the State of Illinois, relative to House Joint Resolution No. 835 memorializing the United States Congress to commit to a transportation policy that includes federal high-speed and regional rail policy programs; to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 257: Mr. DIAL of Georgia.

H.R. 267: Mr. PICKERING and Mr. JONES of North Carolina.

H.R. 303: Mr. FATTAH.

H.R. 602: Mr. LAHOOD.

H.R. 792: Mr. POMEYKO.

H.R. 912: Mr. CALVET and Mr. GILCREST.

H.R. 951: Mr. HEROGER and Mr. HULSHOF.

H.R. 984: Mr. SULLIVAN.

H.R. 1021: Mr. PAUL.

H.R. 1145: Mr. COYNE.

H.R. 1382: Mr. GEORGE MILLER of California.

H.R. 1436: Mr. BOWWELL.

H.R. 1526: Mr. RODRIGUEZ.

H.R. 1577: Mr. BRADY of Pennsylvania, Mr. UDALL of Colorado, and Mr. NUSSELE.

H.R. 1839: Mr. ROSS.

H.R. 1935: Mrs. CAPITO, Mr. BACA, Mrs. LEE, Mr. RAMALL, and Mr. ABERCROMBIE.

H.R. 2117: Mr. ISSA and Mr. WU.

H.R. 2148: Ms. MILLER-MCDONALD.

H.R. 2163: Mr. ROGERS.

H.R. 2219: Ms. MILLER-MCDONALD, Mr. KUCINICH, Mr. PHELPS, Ms. LEE, Mrs. DAVIS of California, Mrs. MINK of Hawaii, Mr. CULISHANO, and Mr. ETHERIDGE.

H.R. 2220: Mr. DICKS and Mr. INSELKE.

H.R. 2335: Mrs. NOETHUP.

H.R. 2373: Mr. CANNON and Mr. CUNNINGHAM.

H.R. 2724: Mr. THOMSON.

H.R. 2874: Mr. MENENDEZ and Mr. LARSEN of Washington.

H.R. 3006: Mr. DEAL of Georgia.

H.R. 3058: Mr. STARN.

H.R. 3214: Mr. FORBES and Mr. GRAHAM.

H.R. 3278: Mr. SESSIONS and Mr. MCDOUGHERT.

H.R. 3230: Mr. BARTLETT of Maryland, Mr. AKN, and Mr. NETHERCUTT.

H.R. 3413: Mr. MCNULTY.

H.R. 3436: Mr. PICKERING.

H.R. 3431: Mr. LAHOOD, Mr. MCDOUGHERT, Mr. MCINTYRE, Mr. SESSIONS, and Mr. JONES of North Carolina.

H.R. 3731: Mr. PIERD and Mr. PAUL.

H.R. 3814: Mr. BENTEN, Ms. MORELLA, Ms. GRANGER, Mr. EIHLICH, and Ms. MCCOLLUM.
The following Members added their names to the following discharge petitions:

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the Honorable Debbie Stabenow, a Senator from the State of Michigan.

PRAYER
The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:
Blessed God, we praise You for this new day. You gave us good rest last night, replenishing our souls and our bodies. You awakened us with the reminder that this is Your day and You will show the way. With awe and wonder we acknowledge that any wisdom we will have will be a gift from You. You have given the Senators oversight of this Nation; now give them insight to know and do Your will. Give them humility to ask for a clear picture of Your best for each of the challenges ahead and for how they are to vote on the crucial legislation before them. You give wisdom to the humble, vision to the open-minded, and guidance to the receptive. Bless these Senators today, dear God. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE
The Honorable Debbie Stabenow 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.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE
The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Byrd).

The legislative clerk read the following letter:


To the Senate:
Under the provisions of rule 1, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Debbie Stabenow, a Senator from the State of Michigan, to perform the duties of the Chair.

Robert C. Byrd, President pro tempore.

Ms. STABENOW thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER
The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

SCHEDULE
Mr. REID. Madam President, the two managers will be here shortly. Senator SARBARZADEH is here now. The vote will occur at 9:30 a.m. There are a number of people who have requested I not extend the time because they have work to do. So we will vote at 9:30 a.m. Additional rollcall votes could be possible until 12 noon today. As indicated last night, there will be votes Monday afternoon beginning at 2 o’clock.

RESERVATION OF LEADER TIME
The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

PUBLIC COMPANY ACCOUNTING REFORM AND INVESTOR PROTECTION ACT OF 2002
The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 2673, which the clerk will report.

The legislative clerk read as follows:
A bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes.

Pending:
Edwards modified amendment No. 4187, to address rules of professional responsibility for attorneys.

Daschle (for Levin) amendment No. 4269 (to amendment No. 4187), to address procedures for banning certain individuals from serving as officers or directors of publicly traded companies, civil money penalties, obtaining financial records, broadened enforcement authority, and forfeiture of bonuses and profits.

McCain motion to recommit the bill to the Committee on Banking, Housing, and Urban Affairs with instructions to report back forthwith with amendment No. 4270, to require publicly traded companies to record and treat stock options as expenses when granted for purposes of their income statements.

Reid (for Edwards) amendment No. 4271 (to the instructions of the motion to recommit the bill to the Committee on Banking, Housing, and Urban Affairs), to address rules of professional responsibility for attorneys.

Reid (for Levin) amendment No. 4272 (to amendment No. 4271), to address procedures for banning certain individuals from serving as officers or directors of publicly traded companies, civil money penalties, obtaining financial records, broadened enforcement authority, and forfeiture of bonuses and profits.

The ACTING PRESIDENT pro tempore. Under the previous order, the time until 9:30 a.m. shall be equally divided between the two managers for debate only. Who yields time?

This “bullet” symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
The Senator from Maryland.
Mr. SARBANES. Madam President, I understand there will be about 5 minutes allotted each manager now. Is that correct?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. SARBANES. Madam President, very shortly we will be voting on a cloture petition with respect to this legislation, S. 2673. I urge my colleagues to vote for the cloture motion.

I know there are a lot of amendments pending, but we have now been on this legislation a full week. Even with the voting of cloture today, this matter will carry over into next week. There have been a range of amendments, some that are pending that are germane under cloture to the bill. In other words, they have been drawn in a way and the subject matter is focused and limited enough that they remain germane even after cloture.

There is a number of amendments that are relevant to the bill but not germane. Once cloture is invoked, they will fall. I know that is a matter of some concern to those who are proposing those amendments, but I do not know how we can handle this differently and move along towards a resolution.

In addition to those relevant amendments—and I have sympathy there because while they may not meet the very narrow definition of germaneness, they are the subject matter of the legislation—there are also amendments that are not even relevant to the bill that are sort of—I was going to say floating around, but it would be more accurate to say they are sort of present. They touch matters that have nothing to do with this legislation.

I am frank to say to my colleagues, I do not see how we can progress and move towards a final vote and resolution on this issue without invoking cloture. We tried not to precipitate that early on, although I know people were then blocked from getting votes, and I regret that. I was concerned, as anyone, to get the votes and give people a chance to have their amendments considered. Nevertheless, we are now where we are, and I urge my colleagues to vote for cloture.

We have to move forward on this legislation. This is an important legislation. I think the committee and my colleagues fashioned legislation which will make a very important contribution toward addressing the serious economic challenge now confronting the country and this loss of confidence in the workings of our economic system. The fact that people cannot have any trust in or reliance on the basic financial information upon which they make important economic decisions is having a major impact on the workings of the economy and carries with it the very real potential of having an even more significant impact.

This is serious business, and the potential for an economic downturn, triggered in part by the difficulties we are trying to address in this legislation, I think is not insignificant. So I think it is important that we move forward and pass this legislation. This is but one step along the way, and there are many steps left yet to be done.

I am hopeful at some point the administration will come to see the necessity of putting into place a statutory framework to provide for an independent oversight board with respect to the accounting industry, to address the conflict that exists on the part of those who are free to be both an auditor of a company and at the same time are providing certain consulting services to the company which carry with them an inherent conflict of interest with their responsibilities as an auditor.

There are extensive provisions in this bill with respect to corporate responsibility and accountability with respect to corporate disclosure and, of course, with respect to the conflict of interest we have seen manifest with respect to stock analysts who are often in the position of giving buy recommendations on the stock of a company with which the analyst’s company is also having investment banking dealings which, of course, raises the question: Is the recommendation on the stock being done in order to gain the investment banking business? So we try to provide some, as they call them, Chinese walls between those two sides of the company in order to reduce the degree of conflict.

Furthermore, this has a very significant authorization of additional monies for the SEC in order to be able to meet its responsibilities, which I think is very important. The President asked the other day in his address for another $100 million. That is not sufficient. We have to do better than that so the SEC can do its job.

So we can move forward, I urge my colleagues to support the cloture motion which will be before us for a vote at 9:30.

I presume I have used my time, and I yield the floor so my colleague, the ranking Republican Member, may use his time.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mr. GRAMM. Madam President, we need to pass a bill. We are going to conference with a House bill that is substantially different from this bill. I believe we can find a virtually unanimous vote. I think we can write a bill that will satisfy the President and both Houses of Congress. I do not think we are making the bill better. The amendments that are being offered now are largely non-germane. We have gotten into sort of a one-upmanship position, and I think we are harming the markets by convincing people that the cure may very well be worse than the disease.

It is very important that we get on with our business and that we pass this bill. I intend to vote for it today. I do not think it is the bill we need in the end, but it gets us to conference where we can get the bill we need in the end. I urge my Republican colleagues to vote for it, not because in the end they are for this version but because they want to do something. We need to bring this debate to a close. We do have some germane amendments we will be dealing with those, but the time has come to get on about our business. Getting on about our business means bringing this debate to a close.

So I urge my colleagues to vote to end the debate. Let us go to conference. Let us write this bill. Let us let it be known with certainty what our policy is going to be. If we do that, it will help restore confidence in the country. So I urge my colleagues to vote for cloture and, as we get to the end of the process, for the bill.

I yield back the remainder of my time.

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Mr. LEVIN. I do not know if the manager has any time.

Mr. SARBANES. Do I have any time remaining?

The ACTING PRESIDENT pro tempore. The manager has no time.

Mr. LEVIN. Madam President, I ask unanimous consent that I be allowed to proceed until 9:30 when cloture is invoked.

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

Mr. LEVIN. Madam President, a number of amendments have been pending where we have been unable to get a vote. These are highly relevant amendments, including mine which would have given the SEC administrative powers to impose civil fines.

The Republican manager said the amendments were not particularly relevant. Well, we had a highly relevant amendment that goes directly to the issue of abuses by corporate officers and corporate directors. The current fine structure of the SEC does not reach officers and directors, except by going to court. They have no administrative authority in the SEC to impose civil fines, the way they do with brokers and the way a lot of other agencies that regulate business have authority to do. The SEC does not have the power to impose administrative fines on directors and on officers of corporations. They should have that power administratively.

It was blocked in getting a vote, and the amendment is going to fall if cloture is invoked. That is the use of the rules. But let it be clear what the rules were used to do, which was to prevent a strengthening amendment for this bill.

It is a good bill. I compliment the sponsors of this bill. I compliment Senator SARBANES and his cosponsors that this bill can be strengthened; it should be strengthened. One of the strengthening amendments was blocked from getting to a vote yesterday and will fall if cloture is invoked.

We also have a question. What about postcloture? There are 48 germane or
arguably germane amendments. The question is whether or not the rules are going to be used again to block votes on germane amendments. I will object to that happening. I will do everything I can to make sure germane amendments, including some that I have filed, are considered post cloture. I thank the manager for yielding. I yield the floor.

CLOTURE MOTION

The ACTING PRESIDENT pro tempore. Under the previous order, the clerk will report the motion to invoke cloture.

The legislative clerk reads as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close the debate on Calendar No. 442, S. 2673, the Public Company Accounting Reform and Investor Protection Act of 2002:

Jon Corzine, Deborah Stabenow, Paul Wellstone, Ron Wyden, Daniel Akaka, Barbara Boxer, Charles Schumer, Byron Dorgan, Harry Reid, Paul S. Sarbanes, Barbara Mikulski, Thomas Carper, Jack Reed, Tim Johnson.

The ACTING PRESIDENT pro tempore. By unanimous consent, the quorum has been waived.

The question is, Is it the sense of the Senate that debate on S. 2673, the Public Company Accounting Reform and Investor Protection Act of 2002, shall be brought to a close? The yeas and nays are required under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KERRY), and the Senator from Louisiana (Ms. LANDRÉE) are necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMIS), the Senator from Ohio (Mr. VOLINOVICH), the Senator from Idaho (Mr. CRAPO), and the Senator from Virginia (Mr. WARNER) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 91, nays 2, as follows:

YEA—91

Levin — 2

McCain — 7

NOT VOTING—7

Crafo

Helms

Inouye

Senators from West Virginia. Mr. BYRD. Mr. President, we can have order in the Senate with Senators in their seats. At least they do not need to be cluttering up the well. I want to say a few words.

The PRESIDING OFFICER. The Senator will suspend.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The bill.

Mr. BYRD. I have the floor. The PRESIDING OFFICER. The Senator from West Virginia.

SUPPLEMENTAL APPROPRIATIONS

Mr. BYRD. Mr. President, no committee in this Senate works harder than the Appropriations Committee. We have been working for months on the supplemental appropriations bill. We held hearings, months ago now, on the supplemental appropriations bill, hearings specifically concerning budget requests for homeland security.

The administration put its feet in cement and its head in the sand and adamantly opposed the committee’s request, which was in writing and signed by Mr. STEVENS and myself, to have Mr. Ridge come up and testify so that the Appropriations Committee in the Senate, following a practice of 125 years of having witnesses appear in open sessions so that the people can hear what they said—the administration did not want that, and the President put a muzzle on his Homeland Security Director and said, no, he will not testify.

Mr. STEVENS and I wrote a joint letter asking for an appointment with the President. We wanted to state our case. The President did not answer that letter. No. Some underling answered the letter.

So we had to proceed. We did. We proceeded as best we could. The full committee had excellent hearings over a period of 5 days, with testimony from firemen, policemen, local health officials, also testimony from seven Cabinet Members and the Director of FEMA.

So we proceeded as best we could. We put together a bill we thought was a good bill. Then, however, the President threatened to veto it and too much money, in his way of looking at it, too much money for homeland security. So there was the threat to veto the bill.

Only this week—perhaps it was Monday—the President, in a speech, as-sailed Congress for “delay” in getting this appropriations bill downtown, saying the Defense Department is hard up for moneys. So Mr. YOUNG, chairman of the House Appropriations Committee, Mr. OBrien, Mr. SPECTER, and Mr. GORDON, have been meeting. We met yesterday and we thought we had the whole thing pretty much wrapped up and that we could meet this morning in full committee and vote the conference report out, and send it back to both Houses for their judgments.

But behold! At 7 o’clock last night, here comes a request from the White House to hold up further action. They want to send up a different budget.

So, who is holding up defense? The President, in a public speech, lambasts the Congress for not getting this appropriations bill to him sooner. We have been wanting to go with the President and get this bill on his desk, but he just has not supported the efforts of the appropriations members on both sides of the Capitol to move this bill, first withholding Mr. Ridge, who is the point man for the administration on homeland security, refusing to let him testify; then threatening to veto the bill. This is a difficult bill. The staffs work into the night around here on this bill; we try to work hard to get the bill down to the President. He assails the Congress for not sending the bill to him, saying that if he doesn’t have it by a certain hour or day, it is going to affect the national defense, going to affect the military with personnel reductions and so on.

So we were prepared today to have a conference, want an appropriations members within the sound of my voice to know that the meeting is canceled. Canceled, why? I understand that Mr.
YOUNG is going to call me to tell me that it is canceled at the request of the Speaker of the House, who often acts at the request of the White House, I assume.

Mr. STEVENS. Will the Senator yield?

Mr. BYRD. I don't mean any disrespect to the Speaker. I am just saying how this is being put off. Yes, I will, just in a moment, if I may.

I am upset about it. I am the chairman of the Appropriations Committee. I have never seen the appropriations process so meddled in and delayed by a man of this Appropriations Committee. I am not going to say how this is being put off. Yes, I have never gone through a period as I have gone through on this supplemental. I have never gone through a period as I have gone through on this supplemental. That would be a legitimate offset, if it were identified properly.

Mr. STEVENS. Will the Senator yield?

Mr. BYRD. I yield right in the middle of my sentence.

Mr. STEVENS. I am sorry to do this, Mr. President, but my distinguished friend, our chairman, I think is implying that this was done at the request of the White House. That is not my information. It was a decision of the Speaker because the Office of Management and Budget has not delivered to us the information we need to close this bill. The Speaker asked, notwithstanding the White House request that we get the bill done today, that we wait until we get information from the Office of Management and Budget.

If the Senator will let me have one other comment, then I will yield back. I apologize for interrupting the distinguished President pro tempore, chairman of our committee, but the difficulty is this: We have faced such an enormous demand from the Office of Management and Budget to adhere to a line, a top line barrier that the Office of Management and Budget was willing to accept, $1.6 billion from the airline bill, airline supplemental bill, stabilization bill, that expired.

We have such a blind mindset down there about top lines that we are unwilling to look at reality. The reality is, the Senate and the House have worked, and we are almost closed, and now we are waiting for some more Enron-type offsets, offsets that are meaningless in order to justify this top line mentality with which we are dealing.

From my point of view, I think we should go see the President. I am going to ask to see the President. I have been here 34 years, not nearly as long as my friend from West Virginia, but I, too, have never gone through a period as I have gone through on this supplemental. This is not worthy of the constitutional process at all, and it is time we had an understanding of what the role of the Congress is with regard to appropriations.

Right now we face this demand, and because we wanted to get the bill out, we did meet with the Office of Management and Budget Director last night. Our staffs worked late into the night, and we came to an agreement about what we would do. But the Office of Management and Budget was to submit rescissions to us or at least changes in their budget by 8 a.m. this morning. They are expected to do that.

But the Senator from West Virginia is absolutely right, part of it is a reduction in defense. We fought to increase defense. Some of these offsets may make a little sense in this sense: that the supplemental was submitted to us in March and then certainly it has been a series of months pass by that people were not paid to carry out the work that was covered by the supplemental. That would be a legitimate offset, if it were identified properly.

We were told last night that there was such a list. When we asked to see it, it didn't appear. When we asked for it to appear here by 8, it was agreed to, to be here by 8. It didn't appear this morning either, hardly worthy of people who are working for the President.

The only thing on which I cannot agree with my friend from West Virginia is that this is the President. The President is ill served by what is going on, in my opinion. I hope people understand the line that was established—a crazy line, in my opinion—without regard to the needs of the country at all, and we are asked now to get down on our knees and really thank God for this list when we used to get down on our knees and say, Boy, I have a good friend, I am up to here with this process. People know I have a short fuse anyway. I hope to calm down before I see the President, but I do thank the Senator from West Virginia for yielding to me.

Mr. BYRD. Mr. President, I thank the distinguished Senator from Alaska. He is precisely on point. If I have presumed to err in my judgment as to what was going on exactly in the process and I cast any reflection on the Speaker of the other body, I apologize for doing that.

My colleague is correct: This Office of Management and Budget, as far as I am concerned, is just above my ears. My colleague is correct: This Office of Management and Budget, as far as I am concerned, is just above my ears. The appropriations process is being mangled. It is being maimed. It is being murder at the hands of someone who is not elected by the people of this country. What bar of judgment does he stand before?

I repeat, "Upon what meat doth this our Caesar feed that he is become so great?"

I want to voice my disappointment in the circumstances that have brought about a cancellation of this appropriations conference today. If I have said something amiss here, which Mr. Stevens felt I might have, I certainly apologize for that. But I am just fed up. I am tired. I am tired of this mangling of the appropriations process. Here is this outfit, blows into town like a tornado and they are going to change the rules in Washington, and the tone has been changed. It is to the nth degree worse than what it has ever been before. I wish the President would stop this interruption, this mangling of the appropriations process, this thing being run by the Office of Management and Budget director, and stop that bigmouth down there from constantly meddling in appropriations bills and criticizing the Congress.

That man, Mitch Daniels, is not elected by anybody. I hate to say this about a man. I like him personally, but I just go too far. I am tired of it. We have Members who had planned to leave town, who canceled their trips, believing they were going to have this meeting this morning and that we would wrap up this appropriations bill and send it down to the President. I don't want to hear anybody in the administration accusing the Congress of delay in passing this bill. It is on their table. Let them get their court, with clean hands before they attack the Congress.

I am sorry to my colleagues for taking so much of their time. I am sorry profusely, I say, to the members of the Appropriations Committee who were here and who made changes in their day's schedule on the presumption that we were going to have a conference. I don't know when we will have a meeting. I suppose it will be soon.

I hope those Senators who are attempting to hold up the military construction bill, because of the need for money to help their States and districts in the case of floods and fires and drought, will desist. That is what a supplemental is for. Getting that supplemental now. Let's do something about the drought, the fires, and the floods in this supplemental. It is my desire, as chairman of the Appropriations Committee, to get all of these appropriations bills passed by the beginning of the new fiscal year. We are going to do that. Mr. Stevens and I worked hard on this.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

Mr. REID. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue calling the roll.

The assistant legislative clerk continued with the call of the roll.

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

The PRESIDING OFFICER. Without objection.
The PRESIDING OFFICER. Objection is heard. The clerk will continue calling the roll.

Mr. REID. I object.

The PRESIDING OFFICER. Objection is heard. The clerk will continue calling the roll.

The legislative clerk continued with the call of the roll.

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

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

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, I object.

The PRESIDING OFFICER. The objection is heard.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

PUBLICATION OF FORMS FILED UNDER THE SECURITIES EXCHANGE ACT OF 1934-Revised July 12, 2002

Mr. REID. Mr. President, will the Chair inform us what the matter before the Senate now is?

The PRESIDING OFFICER. The President pro tempore of the Senate, Hon. Jean Carnahan, Mr. President, has announced a point of order that the pending second-degree amendment is not germane to the pending first-degree amendment.

The PRESIDING OFFICER. That is correct.

The Senator from Nevada.

Mr. ENSIGN. Mr. President, I raise a point of order to call the roll.

The PRESIDING OFFICER. The point of order is well taken. The amendment falls.

The deputy majority leader.

AMENDMENT NO. 4286, AS MODIFIED, TO THE FULLY INFORMED INVESTOR ACT OF 2002—Continued

Mr. REID. I call up amendment No. 4286, and I ask unanimous consent that Carnahan amendment No. 4286 be modified with the change at the desk.

The PRESIDING OFFICER. Without objection, the amendment is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. Reid], for Mrs. Carnahan, for herself, Mr. Dodd, Mr. Durbin, Mr. Levin, Mr. Harkin, and Mr. Corzine, proposes an amendment numbered 4286, as modified, to amendment No. 4187.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with. Objection, without objection, it is so ordered.

The amendment is as follows:

(Specify: To require timely and public disclosure of transactions involving management and principal stockholders.)

At the end of the amendment, insert the following:

(b) ELECTRONIC FILING.—Notwithstanding the provisions of section 403 of this Act, section 16(a)(2) of the Securities and Exchange Act of 1934, as added by section 403, is amended to read as follows:

"(2) if there has been a change in such ownership, or if such person shall have purchased or sold a security-based swap agreement (as defined in section 206B of the Gramm-Leach-Bliley Act) involving such equity security, shall file electronically with the Commission (and if such security is registered on a national securities exchange, shall also file with the exchange), a statement before the end of the second business day following the day on which the subject transaction has been executed, if the person executing the transaction at the time of such execution is required under this subsection to file a statement."

The PRESIDING OFFICER. The Senator from Missouri.

Mrs. CARNAHAN, Mr. President, I am offering an amendment on behalf of myself and Senators Dodd, Durbin, Levin, Harkin, and Corzine.

The Senate is engaged in an important debate about how to improve our Nation’s financial system. Today I am offering an amendment that is intended to provide more timely information to average investors. America has the most vibrant and dynamic economy in the world. Our robust and resilient capital markets are the foundation of our success. The success of those markets depends on the free flow of accurate, reliable information.

Recent disclosures about the inaccuracy of some companies’ financial reports have shaken that confidence. I am pleased the Senate has acted quickly to take up this important reform legislation. I believe that this bill makes tremendous progress in improving the quality of information available to the markets. In the interest of further improvement, I am offering an amendment that would change the method of disclosure required when insiders trade in their own companies’ stock.

One warning sign that a company may be in trouble is when its executives are selling large amounts of company stock, as occurred at Enron. I have learned, however, that information about insider selling is not easily accessible.

Under our current system a company’s officers are required to file a report disclosing sales of securities under the Securities and Exchange Commission, SEC, any time they sell securities of their company. Tens of thousands of these forms are filed annually. These are not complicated forms. I have a copy here. It is a simple 2-page form.

The Office of Management and Budget estimates that the form should not take more than 30 minutes to fill out. With full capital markets as sophisticated as they are in the U.S., information must be available quickly to be useful. However, insiders currently have up to six weeks to file their disclosure forms. And the overwhelming majority of these forms—95 percent—are still filed on paper, rather than electronically.

The Banking Committee has already addressed the issue of timely disclosure. This legislation would require disclosure of sales within 2 days, a vast improvement over the current deadlines. However, this legislation is silent on the issue of modernizing this arcane paper filing system.

Right now, there is no way for an investor in Missouri to quickly learn that company executives are selling off company stock. The only ways to get the information are to go to a reading room at the SEC in Washington, or to write a letter to the SEC. These written requests may take weeks to process. This is unacceptable in the electronic age.

My amendment requires that information about insider sales of publicly traded companies be filed electronically. The SEC would then be required to make the forms available to the public over the Internet. Any company that maintains a corporate Web site would be required to post these disclosure forms on the Web site. The SEC, itself, has acknowledged the value of having these forms filed electronically.

I have here a letter from SEC Chairman, Harvey Pitt. He wrote to me that “expedited disclosure of trading by company insiders is imperative.” In fact, he applauded the legislation I introduced earlier this year that requires electronic disclosure.

I ask unanimous consent that a copy of this letter be printed in the RECORD.

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


Hon. Jean Carnahan, U.S. Senate, Hart Office Building, Washington, D.C.

Dear Senator Carnahan: Thank you for your February 14th letter regarding S. 1897, the Fully Informed Investor Act which you recently introduced. I share your concerns about the issues regarding reporting of insider transactions in public company securities. This is an integral part of our effort to supplement the periodic disclosure system with “current disclosure” in order to put information where it will be needed more promptly.

I also share the view reflected in your bill that expedited electronic disclosure of trading by company insiders is imperative, and I applaud your initiative. As you know, the Securities Exchange Act of 1934, rather than
rules adopted by the Commission, sets the deadlines for officers, directors and beneficial owners of ten percent of a class of equity securities of a public company to report their holdings and changes in those holdings. A legislative solution, therefore, will be necessary to address fully the issue of investors’ timely access to information about insiders’ securities transactions.

While formal Commission comment on legislation is normally reserved for testimony on a proposal or a response to a request from a committee or subcommittee given jurisdiction over the bill, we would welcome the opportunity to provide you with technical assistance on your bill if you would find that helpful. I have contacted the Director of our Office of Legislative Affairs, to contact your staff to see if you would like our assistance. Please feel free to call me or to have your staff call Ms. Carter at (202) 942-3508 if you have any questions.

Yours truly,

Harvey L. Pitt.

Mrs. CARNAHAN. This is not a new idea. In fact, more than 2 years ago, in April 2000, the SEC published a rulemaking for its electronic data system. In that rulemaking, the SEC indicated that it “anticipated” making insiders file disclosure forms electronically. I applaud the SEC for recognizing the need to move forward, but I am frustrated by the delay. It has been over 2 years since the SEC made this proposal.

An agency that is responsible for monitoring markets where trillions of dollars are electronically exchanged ought to be able to develop a fairly simple electronic database to make this information available.

The Senate now has the opportunity to require the SEC to move quickly. I am very pleased that the bill I introduced earlier this year on this subject was included in the House accounting reform bill. The House has required that insiders file electronically, within one day of their transactions. The House has also required that corporations disclose insiders’ sales on their corporate Web sites.

I encourage my colleagues to support my amendment. We should not make investors wait any longer for these basic reforms.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I have an amendment numbered 4215 at the desk. I have submitted a modification of that amendment which I believe has been reviewed. I ask for its immediate consideration and I ask unanimous consent that the amendment be modified.

The PRESIDING OFFICER. Is there objection to laying aside the pending amendment of the Senator from Missouri?

Mr. SARBAZIAN. Will the Senator yield?

Mr. DORGAN. I am happy to yield.

Mr. SARBAZIAN. Is this the amendment that deals with the offshore companies?

Mr. DORGAN. Yes.

Mr. SARBAZIAN. I have no objection to setting aside the pending amendments in order to consider this amendment. I understand upon the conclusion of the consideration of this amendment we will revert to the Edwards-Carnahan amendment.

Mr. SCHUMER. Reserving the right to object, I believe I have two amendments that have been cleared by both sides. I would like to offer them immediately after the Senator from North Dakota.

Mr. SARBAZIAN. We are hoping to get to the Senator from New York. I make a unanimous consent request that following the disposition of the amendment of the Senator from North Dakota, we turn to the amendments referred to by the Senator from New York.

Mr. ENNSIGN. Provided that no second-degree amendments are in order by any of the...?

Mr. SARBAZIAN. Furthermore, upon conclusion of the consideration of the Schumacher amendments, we return to the regular order, which I take it would be the Edwards-Carnahan amendment.

Mr. REID. Reserving the right to object, Senator SCHUMER has a number of amendments on the list. I think we better get numbers of those amendments before there is an agreement they be next.

Mr. SARBAZIAN. Let us withdraw the unanimous consent request and make it only that Senator SCHUMER be recognized after the disposition of the Doran amendment and we can address those questions.

The PRESIDING OFFICER. Is there objection?

Mr. ENNSIGN. Reserving the right to object, just to make sure we have this clarified, the unanimous consent request is just to the Doran amendment pending, and we would not object as long as the second-degree amendment is not in order to his amendment.

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

The Senator from North Dakota.

Mr. DORGAN. Mr. President, first of all I will offer an amendment that I believe will be accepted. I understand the premise is that those amendments that will be accepted will be allowed to offer them and those whose amendments are not approved by both sides will not be allowed to offer them. In my judgment, this is not the kind of process in which we ought to use when considering this legislation. But I understand the Senator from Texas indicated he will object to setting aside or laying aside an amendment for the purpose of offering another first-degree amendment unless he agrees with the amendment. I will talk a little bit more about that in a couple of minutes.

I had asked unanimous consent my amendment be modified. Was the consent agreed?

The PRESIDING OFFICER. It was agreed to.

Mr. DORGAN. Is amendment No. 4215 called up at this point?

The PRESIDING OFFICER. The pending amendment is set aside and the clerk will report.

The legislative clerk read as follows: The Senator from North Dakota [Mr. DORGAN], for himself and Mr. GRAHAM of Florida, proposes an amendment numbered 4215, as modified.

Mr. DORGAN. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows: (Purpose: To clarify that the requirement that certain officers certify financial reports applies to domestic and foreign issuers)

On page 82, after line 24, insert the following:

(Foreign REINCORPORATIONS HAVE NO EFFECT.—Nothing in this section shall be interpreted or applied in any way to allow any issuer to lessen the legal force of the statement required under this section 302, by providing that the issuer has been engaged in any other transaction that resulted in the transfer of the corporate domicile or offices of the issuer from inside the United States to outside of the United States.

Mr. DORGAN. Let me describe what this amendment is briefly. There was a Wall Street Journal article on July 8 this week titled: “Offshore-based Firm’s Officials Won’t Have to Swear to Results.”

The Securities and Exchange Commission’s new order requiring chief executives and chief financial officers of the nation’s biggest companies to swear to the accuracy of their financial results was intended to restore investors’ battered confidence. But two of the companies that have promised the biggest concerns don’t have to comply.

Why? Because Tyco International Ltd. and Global Crossing Ltd. are based in Bermuda, even though they conduct many of their operations and have main office in the United States and are listed on the U.S. stock exchanges.

Securities and Exchange Commission spokesmen said large foreign-domiciled companies over which the SEC has jurisdiction,
such as and Global Crossing and Tyco, were excluded from the list because the agency wanted to issue the order “very quickly.” Therefore it focused only on U.S. companies.

So the Securities and Exchange Commission decided that the chief executives and chief financial officers of some of the biggest companies must swear to the accuracy of their financial results. But in recent times, we have had U.S. corporations decide that they want to renounce their American citizenship and they want to become citizens of another country, for example, of Bermuda. That is called a corporate inversion. They have essentially renounced their American citizenship, saying we are now corporate citizens of another country.

Guess what? Under the SEC order, they are rewarded for leaving the United States, in that their chief executives no longer have to certify financial results. The SEC says: We had to get this done quickly, and we don’t expect to change it at this point.

Why does a company renounce its U.S. citizenship? They do it because they don’t want to pay U.S. taxes. Very simple. If they can become a citizen of another country and renounce their U.S. citizenship, they can save a substantial amount on their U.S. tax bill.

At a time when we are at war with terrorists, is that a patriotic thing to do? No, I don’t think so. I hope the Senate, and I certainly encourage my colleagues to think about this, will shut the door tight and stop these corporate inversions. Stop these corporations from creating a sham of renouncing their U.S. citizenship in order to avoid paying U.S. taxes.

It might be interesting to ask companies such as Tyco: If you get yourself in trouble someplace around the world, who are you going to call? The Bermuda navy? The Bermuda army? The Bermuda marines? You want the full protection of the U.S. Government and the benefits that being a U.S. citizen brings along.

But then you want to renounce your citizenship and move to Bermuda, in a technical sense, while keeping your offices in the United States and saving big money on taxes. Then, under the SEC order, you don’t even have to have your chief executive officers certify the financial results of the corporation.

That is a shame. The SEC should know better. What could they have been thinking? I have accused them of being asleep, but this is not sleeping; this is making really dumb decisions.

I have discussed my concern with the staff of the Banking Committee. They believe that they still implicitly addressed the reincorporation problem. But Senator Graham of Florida and I said we are not satisfied with “implicitly” being covered. We want the issue addressed explicitly.

Let me also say, the technical people smiled at me when I talk about this, but, frankly, it took a day and a half for us to evaluate whether it was implicitly covered in the bill. So because of that, I think it is important to have an explicit provision in this bill that says those companies involved in inversions that renounce their citizenship, they, too, will be required to certify their results. Their chief executive officers and their CFOs will be required to certify their results.

In a moment I will conclude and ask that this amendment be attached to the bill. As I do that, I ask for the attention of the Senator from Maryland and the manager on the other side to reflect that if the amendment I offer is not included, I will withdraw it. I understand, based on your process, you don’t want it offered now. Let me describe it briefly.

The other amendment deals with the issue of what is called disgorgement of profits.

The top executives of these corporations make bonuses, commissions, and a substantial amount of compensation—some of them hundreds of millions of dollars. Then they issue a restatement of their earnings and everything collapses. But they keep their profits and they keep their commissions and they keep their bonuses.

This legislation says you can’t do that. When you restate, and just prior to restatement, you made all these bonuses, you have to disgorge this money. It is a $2 word, but I think everybody understands what it means.

The thing that is missing in this bill is that disgorgement should be required in bankruptcy as well. So I have an amendment that will say: Yes, disgorgement in this bill with respect to periods prior to restatement, but also disgorgement for the 12 months prior to the filing of bankruptcy by a corporation as well.

A fair number of people have had a lot to say about this. Former SEC Chairman, Richard Breeden, who was the Chairman of the SEC under President H.W. Bush from 1989 to 1993, said: We should consider disgorgement to the company of any net proceeds of stock sales or option exercises within a 6-month or a 1-year period prior to a bankruptcy filing.

So he feels that way.

Goldman Sachs CEO Henry Paulson has also spoken in favor of this idea. This bill will be incomplete if it does not include disgorgement in the period prior to bankruptcy. Those making a fortune, getting bonuses and commissions of tens of millions, yes hundreds of millions, of dollars, as companies are headed to bankruptcy—that is unfair. We need to do something about this.

I will not ask consent at the moment because I want to get my first amendment approved, but I will, following some discussions, either this morning or else on Monday, ask consent to set aside the second-degree amendment so we can consider, in first-degree, this issue. My hope is we would have a 100-to-0 vote on this matter because, failing that, this bill will be incomplete.

This bill is a great bill. I have credited Senator SABANES and others at length. This is a wonderful piece of legislation that I fully support. It can be and will be improved by my amendments and by the amendments of Senator SCHUMER and others. Let’s complete this amendment process.

Let me just say one last thing, if I might. I know it has taken the patience of Job to try to manage this bill on the floor of the Senate. I understand all the difficulties that Senator SABANES and Senator RIEI and many others have had these recent days because I have been here every day when this bill has been on the floor. My aggressive-ness in trying to get these amendments considered has nothing at all to do with the wonderful stewardship of the chairman. I am very proud of the result he brings to the floor, and I believe both of my amendments will improve it. I hope I can work with him from now until Monday afternoon to have the bankruptcy amendment included in this legislation.

Mr. SABANES. Will the Senator yield for just a moment?

Mr. DORGAN. I will be happy to yield.

Mr. SABANES. Madam President, I simply want to say I think the subject matter with which the Senator’s other amendment, that he just referred to, deals is a very important subject, and I think his observations are very much on point. Working with the other side, we are trying to work through the amendment. We are in the process of trying to do that. Of course, we will be continuing to talk with the Senator, and I hope we can resolve it. It would be very helpful. I appreciate his kind words.

Mr. DORGAN. I thank the Senator from Maryland. I ask my amendment be considered at this point and be voted upon.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to amendment No. 4215, as modified. The amendment, (No. 4215), as modified, was agreed to.

Mr. SABANES. I move to lay the motion to reconsider on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from New York. The amendment, (No. 4215), as modified, was agreed to.

Mr. SABANES. I ask unanimous consent to lay aside, and I send an amendment to the desk which we have talked about.

Mr. SABANES. Will the Senator describe the amendment?

Mr. SABANES. Yes. This amendment is the amendment that enhances the conflict of interest provisions by prohibiting personal loans by issuers to chief officers of the issuer. It has been agreed to by both sides.

Mr. SABANES. I ask unanimous consent no second-degree amendment to the Schumer amendment, when it is sent to the desk, be in order.

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

Is there objection to laying aside the pending amendment for purposes of
sion of credit, in the form of personal loan to end the following:

change Act of 1934 (15 U.S.C. 78m), as amend-

ed:

kinds of transactions were used then to be able to get loans from those compa-

ny loans to corporate officers.

or terms that are no more favorable than able by such issuer to the public; and

consumer credit business of such issuer;

credit under an open end credit plan (as de-

also ask unanimous consent that Sen-

ed: . . . I challenge compensation

and we have other business. I thank

of this amendment.

GRAMM, for their work on this amend-

I couldn’t agree more. It seems like we didn’t learn our lessons during the S&L crisis in the 1980’s? These same kinds of transactions were used then to

“cook the books” and our Nation’s economy and financial institutions paid the price for it. Once again, history repeats itself.

My amendment is very simple: it makes it unlawful for any publicly traded company to make loans to its executive officers. Let me give a few examples as to why we should do this.

Executives of major corporations, including Enron, WorldCom, and Adelphia, collectively received more than $5 billion in company funds in the form of personal loans. For example, Bernard Ebbers, CEO of WorldCom, borrowed a mind-boggling $408 million from the corporation over several years, while receiving a compensation package valued at over $10 million an-
nually, all the while the company was facing massive losses. In the case of Adelphia, the Rigas Family received loans and other financial benefits to-
taling a staggering $3.1 billion, while that company has also reported huge financial losses.

The question is: Why can’t these super rich corporate executives go to the corner bank, the Suntrust’s or Bank of America’s, like everyone else to take loans? In the case of WorldCom, Ebbers had funded his personal stock market ac-
tivities by borrowing on margin. When the value of those investments plunged, Ebbers had to pay up. How did he do it? He borrowed money from his board of directors to pay for the stock he had bought that was now being called in.

This is just wrong, and it must be stopped.

I urge the amendment be agreed to.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 4295) was agreed to.

Mr. SARBANES. I move to recon-

consider the vote.

Mr. CRAIG. I move to lay that mo-

tion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 4296

Mr. SCHUMER. I have a second amendment that has also been agreed to, so I ask, again, the Carnahan amendment be laid aside, and I send the amendment to the desk and ask for a call of the yeas and nays. I ask unanimous con-

sent Senator SHELBY be added as a co-
sponsor on this amendment on the SPEs.

Mr. SARBANES. I ask unanimous consent no second-degree amendment be in order to the Schumer amendment being sall to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. Is there ob-

jection to laying aside the pending amendments for the purpose of intro-

ducing a new amendment? Without ob-

jection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York (Mr. SCHU-

MER), for himself and Mr. SHELBY, proposes an amendment numbered 4296.

Mr. SCHUMER. I ask unanimous con-

sent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To require a study of the account-

ing treatment of special purpose entities)

On page 91, between lines 18 and 19, insert the following:

(c) STUDY AND REPORT ON SPECIAL PURPOSE ENTITIES.

On page 93, line 25, strike the following:

(3) Not later than 6 months after the date of comple-

tion of the study required by paragraph (1), the Commission shall submit a report to the President, the Committee on Banking, Rov-

ing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives, setting forth

(A) the amount or an estimate of the amount of off-balance sheet transactions, in-

cluding assets, liabilities, leases, and losses of, and the use of special purpose entities by, filing periodic reports to section 13 or 15 of the Securities Exchange Act of 1934;

(B) the extent to which special purpose enti-

ties are used to facilitate off-balance sheet trans-

actions;

(C) whether generally accepted accounting principles or the rules of the Commission re-

quire financial statements of issuers reflec-

ting the economics of such off-

balance sheet transactions to investors in a transparent fashion.

Mr. SCHUMER. Madam President, I am going to be very brief because I know we do not have too much time and we have other business. I thank

both the majority and minority man-

agers, Senator SARBANES and Senator GRAMM, for their work on this amend-

ment, and also spoke to the people in the White House who were sup-

portive of this amendment. It is a very simple amendment. It basically says that with certain narrow exceptions, CEOs and CFOs of companies will not be able to get loans from those compa-

nies.

In his speech before Wall Street yester-

day, President Bush forcefully stated: “. . . I challenge compensation committees to put an end to all company loans to corporate officers.”

I couldn’t agree more. It seems like we didn’t learn our lessons during the S&L crisis in the 1980’s? These same kinds of transactions were used then to

ine this section, complete a study of filings by issuers and their disclosures to determine—

(A) the extent of off-balance sheet trans-

actions, including assets, liabilities, leases, losses, and the use of special purpose enti-

ties; and

(b) whether generally accepted accounting rules result in financial statements of issuers reflecting the economics of such off-

balance sheet transactions to investors in a transparent fashion.

Mr. SCHUMER. Madam President, I am going to be very brief because I know we do not have too much time and we have other business. I thank

both the majority and minority man-

agers, Senator SARBANES and Senator GRAMM, for their work on this amend-

ment, and also spoke to the people in the White House who were sup-

portive of this amendment. It is a very simple amendment. It basically says that with certain narrow exceptions, CEOs and CFOs of companies will not be able to get loans from those compa-

nies.

In his speech before Wall Street yester-

day, President Bush forcefully stated: “. . . I challenge compensation committees to put an end to all company loans to corporate officers.”

I couldn’t agree more. It seems like we didn’t learn our lessons during the S&L crisis in the 1980’s? These same kinds of transactions were used then to

ine this section, complete a study of filings by issuers and their disclosures to determine—

(A) the extent of off-balance sheet trans-

actions, including assets, liabilities, leases, losses, and the use of special purpose enti-

ties; and

(b) whether generally accepted accounting rules result in financial statements of issuers reflecting the economics of such off-

balance sheet transactions to investors in a transparent fashion.

Mr. SCHUMER. Madam President, I am going to be very brief because I know we do not have too much time and we have other business. I thank

both the majority and minority man-

agers, Senator SARBANES and Senator GRAMM, for their work on this amend-

ment, and also spoke to the people in the White House who were sup-

portive of this amendment. It is a very simple amendment. It basically says that with certain narrow exceptions, CEOs and CFOs of companies will not be able to get loans from those compa-

nies.

In his speech before Wall Street yester-

day, President Bush forcefully stated: “. . . I challenge compensation committees to put an end to all company loans to corporate officers.”

I couldn’t agree more. It seems like we didn’t learn our lessons during the S&L crisis in the 1980’s? These same kinds of transactions were used then to

ine this section, complete a study of filings by issuers and their disclosures to determine—

(A) the extent of off-balance sheet trans-

actions, including assets, liabilities, leases, losses, and the use of special purpose enti-

ties; and

(b) whether generally accepted accounting rules result in financial statements of issuers reflecting the economics of such off-

balance sheet transactions to investors in a transparent fashion.
Raptor. They become pretty famous and the Enron’s former CFO, Andrew Fastow, contributed hard assets and related debt to Raptor SPE and then Raptor would turn around and borrow large sums of money from a bank to purchase assets or conduct other business.

This is the key. The debts of this SPE, Raptor, never showed up on Enron’s financial statements.

People make money on it. Fastow made $30 million in management fees. These SPEs go way overboard. The way we had proposed originally legislating on this was too complicated, but there are some good ones. There are some with legitimate purposes and many with bad purposes.

Congress can’t set these accounting standards, nor should we. Rather, that is the SEC and FASB’s job.

We have asked in this amendment that the SEC do a comprehensive study of the SPEs to show where the damage is, point the way to reform, and make recommendations. This amendment does not put Congress in the business of setting accounting standards.

It does, however, say to thousands of Enron and other employees who have lost pensions that we are stepping up to the plate now to stop these kinds of egregious practices.

I add that there are probably many of these SPEs for bad purposes floating around in other companies, and this cannot come too soon.

We have received agreement. I thank Senators SARBANES and GRAMM.

I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 4296) was agreed to.

Mr. SARBANES. Mr. President, I move to reconsider the vote.

Mr. SANTUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New York.

Mr. SCHUMER. Madam President, I thank Senator SARBANES and his staff as well as Senator GRAMM and his staff for their work on accepting these two important amendments that I think improves the bill, which is a very fine bill that I am proud to support.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Madam President, let me spend a few minutes talking about the underlying legislation. S. 2673.

There has been a great deal of debate over the last good number of days on this issue. I am pleased that we were able to get cloture. It is time we move on to this issue.

The American public, a good many stockholders, a good many pension plans, a good many retirement plans are discussing what are we going to do about the meltdown that last occurred in corporate America at the executive level with some key corporations. It is really, in most instances, a crisis of confidence.

There are a lot of well-run corporations across America that are publicly held. They have historically observed the prudent rules. Their boards have acted responsibly. But there are bad players. There are big, bad players that have had a dramatic impact on the markets. There is no question that we have to deal with this straight away.

When I look at the whole of this issue, it isn’t just in the markets where there is a confidence that Americans share: When you look at 9/11, then Enron, then WorldCom, and, of course, all the scandals that have occurred, and out in the West with the Ninth Circuit suggesting that the Pledge of Allegiance isn’t constitutional, put all of that together, and America has to be scratching its head at this moment, asking: Where does all of this take us? Where is that rock of stability that we have to come to rely on for so long?

I suggest that when we are debating this issue, while this is an issue that has to be dealt with, and we are now moving appropriately, it is one of a combination of factors that is critically important for our country to deal with.

One issue we have to deal with is the war on terrorism. The DOD appropriations ought to be the first bill we deal with on the defense side to begin to shore up again this sense of confidence in the American structure. Certainly, protecting our soldiers in the post-9/11 fighting that has gone on in Afghanistan is appropriate, and now, as we search out terrorism around the world, that is critical.

The next step I would suggest is the confirming of judges. It is important that we deal with judges. For the judicial system to remain strong, vacancies need to be filled. People should receive their day in court in a timely fashion. That has been one of the hallmarks and the strengths of this country throughout its history, and it ought to be today.

Clearly, I hope we appoint judges who will not act as the ones in the Ninth Circuit who suggested that the Pledge of Allegiance is unconstitutional. I think President Bush has gone a long way in nominating good judges to the Senate.

Yet, the politics here in the Senate today is obvious: Withhold as long as you can. Withhold as long as you can.

The President spoke the other day on Wall Street relating to corporate accounting. The U.S. Senate is speaking today, as they should.

I ask unanimous consent that a commentary by Lawrence Kudlow be printed in the RECORD.

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

[From the Washington Times, July 11, 2002] A CLASS ABOVE THE CORRUPTION AND CRITICS (By Lawrence Kudlow)

In front of a New York audience on Tuesday, President Bush unveiled a revised plan to counter corporate wrongdoing and accounting fraud, saying, “There can be no deals without wealth without character.” Adam Smith, the father of free-market economics, couldn’t have said it better.

Smith always argued that smooth-functioning markets require ethical behavior at their center. From Day One of his presidency, Mr. Bush has applied this rule even more forcefully, ensuring that ethical clarity and moral certitude in all areas of American life. He has successfully applied the rule of ethics to the war on terror, and now he is transferring the very same principle to root out corporate corruption.

From the election campaign to today, poll after poll shows that the public believes Mr. Bush is a leader with strong character and unshakable moral principles. Following the blowups of WorldCom, Enron and Tyco—and many other rotten apples—Mr. Bush’s honest example has been heard loud and clear.

It has also shone above the political carpings of Tom Daschle, Al Gore, Richard Gephardt and other national Democrats who would locate the imaginary virus of accounting fraud and corporate corruption within the Bush administration. Theirs is a political, reckless, and silly approach to a serious situation. The bad-business bug gained strength and spread well before George W. Bush became President.

And it today is a grave problem that requires serious solutions.

Serious Democrats, such as Senate Banking Committee head Paul Sarbanes and Senate Investigations Subcommittee Chairman Carl Levin, have taken a completely different tack from the business-as-usual partisan politics of the Daschle gang.

Mr. Sarbanes has crafted a significant proposal to set up an independent accounting-standards board—one that will end conflict of interests between the auditing and consulting functions, properly score stock options and create new independent boards of directors, and legislate tough legal sanctions on executives, bankers, auditors, accountants and others who violate the new standards.

The accounting system desperately needs a fix; it is even more incoherent than the dreaded tax code. A new accounting-standards board was recently approved by the Securities and Exchange Commission. Along with proposals from the New York Stock Exchange to create truly independent boards of directors, this action will promote honest accounting and shareholder-based corporate governance.

Meanwhile, Mr. Levin has just as seriously proposed giving the Securities and Exchange Commission’s principal accounting overseer, the right to levy tough fines on corporate evildoers without having to go to court first. Suburban liberals like Sens. Sarbanes and Levin, it seems, have suddenly become conservative lawmakers who will “move corporate accounting out of the shadows,” as Mr. Bush rightly put it, and protect the basic workings of our wealth-creating capitalist system.

President Bush, in tune with these focused Democrats, has proposed giving the federal government’s principal accounting overseer, the right to levy tough fines on corporate evildoers without having to go to court first. Suburban liberals like Sens. Sarbanes and Levin, it seems, have suddenly become conservative lawmakers who will “move corporate accounting out of the shadows,” as Mr. Bush rightly put it, and protect the basic workings of our wealth-creating capitalist system.

President Bush, in tune with these focused Democrats, has proposed giving the Securities and Exchange Commission’s principal accounting overseer, the right to levy tough fines on corporate evildoers without having to go to court first. Suburban liberals like Sens. Sarbanes and Levin, it seems, have suddenly become conservative lawmakers who will “move corporate accounting out of the shadows,” as Mr. Bush rightly put it, and protect the basic workings of our wealth-creating capitalist system.

Meanwhile, Mr. Levin has just as seriously proposed giving the Securities and Exchange Commission’s principal accounting overseer, the right to levy tough fines on corporate evildoers without having to go to court first. Suburban liberals like Sens. Sarbanes and Levin, it seems, have suddenly become conservative lawmakers who will “move corporate accounting out of the shadows,” as Mr. Bush rightly put it, and protect the basic workings of our wealth-creating capitalist system.

President Bush, in tune with these focused Democrats, has proposed giving the Securities and Exchange Commission’s principal accounting overseer, the right to levy tough fines on corporate evildoers without having to go to court first. Suburban liberals like Sens. Sarbanes and Levin, it seems, have suddenly become conservative lawmakers who will “move corporate accounting out of the shadows,” as Mr. Bush rightly put it, and protect the basic workings of our wealth-creating capitalist system.
and so will his request that corporate offi-
cers and directors who engage in serious mis-
code be barred from again sitting in cor-
porate-leadership positions. More, if the Bush
administration moves through Con-
gress, top executives will now have to certify
their financial statements with their own
signatures. False reporting could lead to jail.
It is all too serious.
Washington want to bolster the rule of law by
strengthening the incentive to choose right
from wrong.

Incentives matter. If you tax something
more you get less of it. If you tax something
less you get more of it. A 10-year jail term for
rotten corporate apples—or their account-
ants—is a huge legal tax on wrongful
actions.

Of course, standing behind higher ethical
standards in business is the great American
investor class. Covering more than 90 per-
cent of American households and more than
80 million people, this group is positively
changing financial practices and the politi-
cal culture. These shareholders have lost
enormous wealth, in part from dishonest ac-
counting and egocentric corporate misdeeds.

And they’re furious.

Financial data have been democratized in
the past 15 years with the rise of this in-
vestor class. They have already voted to
depress the stock market as a signal of their
indignation. They’ve now promised to
vote this November against the silly politi-
cians who fail to realize the enormity of the
current problem. Consider this: Slightly
more than one-third of the investors voted
in the last election. This may be the most
powerful lobby in America.

In no uncertain terms, this new political
movement is forcing Washington to renew
the rule of law, strengthen accounting and
financial standards across the board, and re-
store a proper incentive system that will re-
turn America to a capitalistic system that is
greatest wealth-creating machine in all of
history. The days of egocentric and corrupt
Soviet-style corporate culture have come to an
end. In the stock market, moral amnesia is
dead.

Mr. CRAIG. Madam President, I see
Chairman SARBANES on the floor. It is
not often that Lawrence Kudlow praises the
chairman, but he did the other day in an op-ed and commentary
piece that he often writes. He talked about
the Sarbanes bill and said:

Serious Democrats, such as the Senate
Banking Committee head Paul Sarbanes and Senate
Investigations Subcommittee Chair-
man Carl Levin, have taken a completely
different tact from the business as usual—

I will not repeat the remainder of it.
But that ought to be a part of the
RECORD because I think it reflects the
spectrum of the thinking on the floor of
the U.S. Senate at this moment. Whether you are conservative, mod-
erate, or liberal, we know that we have
to regain the confidence of the Ameri-
can investing public and the world in-
vesting public, and for that matter, the
market in general for our country and
in corporate America.

As long and as loud as many of us
speak about the good corporations out
there and how well they do the, the
moment another Enron occurs or some-
one else speaks out about misdealing,
that confidence is once again dashed.

All of those are very critical in cre-
ating bright lines of clarity, understand-
ing, confidence, and stronger en-
forcement of criminal behavior.

Someone I said the other day: You don’t have to strengthen the
accounting procedure, CRAIG. Put the
bombs in jail. Those are criminal acts.

When you knowingly are distorting the
financial strength of a company which
affects its stock, destroys retirement
funds, employee’s stock options, and
all of that, it is, in fact, a criminal act.

Our President has said it. Others
have spoken on the floor. But there is
a line we have to draw. It is not one of
grandstanding for political purposes
but doing the right thing, to set in
place good public policy that directs
the free market system in the appro-
priate fashion. Do we want to make it
so restrictive that decisionmaking in the
boardroom will always look over their
shoulder to see if they have done it exactly right against a
Federal law when the marketplace is a
dynamic place and laws are static?

We know there have to be some stat-
tic lines attached. There is no doubt about it. But once we are
at the same time, we cannot be so restrictive
that we blight the market and send in-
vestments outside the United States to
the rest of the world.

The Wall Street Journal wrote yes-
terday that everything you are hearing
now from Washington is aimed at win-
ning the November elections and not at
calming financial markets. I hope this
bill is all about calming financial mar-
kets. And I believe the majority of this
bipartisan legislation we have in front of us is
to protect the American investor. I think
this legislative action today will make a
positive difference here.

I hope the Wall Street Journal is
wrong. I hope we refrain from making
corporate accountability simply an-
other political exercise. It ought not
be. It has not been. It should never be.
It ought not to be. It is not right to hang
the same man twice. You can’t hang the
same person twice."

So let’s make the laws clearly, easily,
defined, not arbitrary, not like our tax
laws today where even the best con-
sultants cannot give good advice.

What we are working with, I hope,
is clean and clear and appropriate. There
are more than 10,000 corporations
under the jurisdiction of the SEC. Of
those, no more than a handful have
been guilty of wrongdoing.

In the end—when all the dust settles,
the market stabilizes, and investors
begin again to regain confidence, and
the Congress has acted—more than a
handful of corporations will have been
the bad actors.

So I hope and I trust we can finalize
what we are doing here today, and
Monday possibly. It is important. The
bottom line is very clear. The Congress
needs to act, and act now, and reaffirm
the confidence the American people
have in our public institutions.

I just came from a Republican bi-
cennial meeting between the House
and the Senate Republican leaders.
They said: Get us the bill immediately.
Assign conference. Let’s go to work.
Let’s get this out before the August re-
cess.

Let’s send a message to the American
and the world investor that we have
acted timely, that we have acted re-
ponsibly. The President has laid down
his marker. The House has laid down
their marker. It is now time for us to
move in with expeditions action—not
haste, not in an irresponsible way—I
think we can turn to the American
people and say: We have put in place
the right safeguards, the right protec-
tion, the right firewalls. Study the pa-
pers, study the financials, and begin,
once again, to reinvest in the American
marketplace because it will be the
right place to put your money.

Madam President, yield floor.

The PRESIDING OFFICER. The Sen-
ator from Pennsylvania.

Mr. SANTORUM. Madam President, I
want to pick up on what the Senator
from Idaho just said, which is, we were
just meeting on the House side among
the leadership. One of the messages
that was very clear was, when this bill
passes, the House is very eager to ap-
point conferees and to move forward to
get a bill out as quickly and as respon-
sibly as possible, to send all the right
messages to the investing public and to
Walk Street that Congress has seen the
problem and that we are ready, willing,
and able to act, and act in an expedi-
tious way.

I think it is important for us to act.
I agree with that sentiment. The
House, obviously, acted months ago in
dealing with this problem. We have
taken a little bit longer, which we have
a tendency to do in the Senate—take a
little longer to get things done. But we
are now moving forward, and we should
do not delay in getting to conference.
We should not delay in appointing con-
feres in the Senate. And we should have
these meetings of which we engage in
these meetings earnestly and come up
with a product, if possible, by the Au-
ger recess.

It is little difficult. The House is
going to be out a week before the Sen-
ate. So it is a pretty big task ahead of
us, but we should go about it in ear-
nest, and we should do our best to
move this forward and send the signals
that the Congress has moved as expedi-
tiously as possible to meet the con-
ditions of the world marketplace, the
markets and the reliability of the num-
bers that corporations are sending out to
the investing public.
I have to say, as one of the four members of the committee who voted against this bill in the committee, I have some concerns about the underlying bill that came out of committee. I have some concerns about particularly the impact on some of the small companies that will be governed by this legislation.

A lot has been made that this is a piece of legislation that just deals with publicly traded companies, and so we are talking about the big companies. As anyone who have watched the market for any length of time know, there are a lot of small companies that go into the equity markets and are publicly traded, particularly a lot of technology companies.

A lot of the economic growth engines of our economy are small publicly traded companies. One of the concerns I have is this bill may be appropriate for large multinational corporations—such as General Motors or IBM; you can go to Xerox, who is in Delaware, but it may not be particularly an appropriate vehicle of regulation for small-cap stocks.

As you know, there are small-capital stocks, mutual funds, small-cap funds. To apply rigorous accounting standards and rules and regulations that very well may be appropriate for these large companies to these smaller companies could have a very significant negative effect on economic growth in our country.

To put these kinds of rules and regulations in place for these small companies is going to be very expensive, very onerous, and make it very difficult for them to conduct business. And remember, folks, who is responsible for economic growth in America, job creation in America. Let me underscore this. We have job claims up again just last week. The economic engine for job creation is smaller businesses. A lot of them are these small publicly traded companies.

It is a very grave concern to me that, yes, we look at these companies we are talking about here. These are big companies that have done a lot of things that, obviously, they should not have done, and with big accounting firms. We are not hearing about scandal in these smaller publicly traded companies that use small accounting firms in most cases. To apply these rules to these smaller companies is really problematic and has a negative effect on our economy.

The last thing I want to see us do—yes, we want to strengthen confidence in the capital markets. Yes, we want to deal with the problems of fraud, and we want to hold people who commit fraud more accountable, and toughen punishments, which is what we have done on the floor. Those are very important things to do. But we should not do that at the expense of jobs and economic growth in our country.

I understand there is a provision in the bill that allows smaller—any company, I guess, to seek a waiver as to some of the provisions of this act. I know a lot of small businesses, and most of them do not have a lot of money to hire lobbyists and lawyers and other people to come here to Washington, DC, or to New York and plead their case that they should somehow be preempted from the provisions of this act.

You are talking about 16,000 publicly traded companies, most of which—well over 75 percent—are relatively small in size. Imagine the burden of the regulators not to sort out all thebabies in this one big basket, and understand that there are real significant consequences to jobs and future growth of this economy if we did that.

So I know that is an issue on which we are going to have a discussion next week. But, to me, it is a very significant issue, one where you can be for tougher regulation, you can be for increased accountability, you can be for tougher penalties—all those things, setting up this governing board, having it in place, it may not be particularly an appropriate vehicle of regulation for small-cap stocks.

So with that, it looks as if we have another Member who might be interested in offering an amendment or giving a speech. I am happy to yield.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARABANES. Madam President, later I want to address a couple of points made by the Senator from Pennsylvania, but the Senator from Delaware is in the Chamber and wishes to speak. So I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Madam President, I know the Senator from Maryland is getting tired of receiving all these bouquets, but he deserves them. Senator Enzi is not on the floor, but he deserves one or two as well, along with others of our colleagues, not just on the Banking Committee, but to deal with petitions after petition after petition.

Senator GRAMM has an amendment, which I presume he will offer on Monday. I am hopeful that the Senate will seriously consider giving the regulatory body some flexibility in providing blanket waivers to classes of companies, or based on some sort of rational scheme of determination of size and scope of a company, that we give a little flexibility to the regulators not to sort out all thebabies in this one big basket, and understand that there are real significant consequences to jobs and future growth of this economy if we did that.

It really is important for us to have some sort of provision for the regulatory body to exempt some of these smaller entities, where some of these regulations do not really apply or misapply, from some scheme of regulation that is in this bill.

With that, it looks as if we have another Member who might be interested in offering an amendment or giving a speech.
BUSINESS AS USUAL

For all the nouvelle elements of Bush’s thinking on social issues such as education or housing, his’s always been a conventional conservative on government over- sight of business. As governor of Texas, presidential candidate and president, Bush has focused more on intrusive government than irresponsible corporations.

His consistent message has been that, in pursuing its goals and enforcing its laws, government should be more cooperative and less coercive. During the 2000 campaign, he crystallized his view on government’s relationship with business when he insisted: “I do not believe you can sue your way or regu- late your way to clean air and clean water.”

Bush has put flesh on that philosophy by staffing many federal agencies with alumni of the industries they now regulate. The Interior Department is crowded with former lobbyists for the coal and oil industries. A former lobbyist is watching the national forests Harvey L. Pitt, the SEC chairman, came from the accounting industry; Bush already has appointed another accounting industry alum to the five-member com- mission and nominated yet a third. (That means Bush is seeking to construct an SEC, for the first time, with a majority of commissioners tied to accounting.)

To monitor safety in the workplace, Bush found an executive from the chemical indus- try. To monitor safety in the mines, he ap- pointed an executive from the mining indus- try. The list goes on.

In chorus, Bush’s appointees have sung the same tune. At her confirmation hearing last year, new Occupational Safety and Health Administration administrator Christie Whitman promised more negotiation and less litigation against corporate misbehavior. While facing these personal questions. The more relevant issue is whether it’s credible for Bush to threaten a crackdown now after his administration spent its first 18 months promising business kinder and gentler enforce- ment of the range of federal laws against corporate misconduct—from the environ- ment to the stock markets to the work- place.

In other words, can Bush plausibly shake the iron fist after stroking the Fortune 500 for so long with a velvet glove?

PARTNERSHIP WITH INDUSTRY

Partnership with industry has its place. But enforcing federal law to police the mar- ketplace isn’t it. No cop anywhere would agree with Whitman; they instead would argue that Bush’s call for discipline in dealing with drug or street crime is to instill fear—of relentless enforcement. The same is true in the boardroom. Polluters or stock swindlers are more likely to stop because they fear being caught than because Washington asks them nicely.

Mr. CARPER. Here is the first para- graph:

It’s easy to imagine the frenzy that would be engulfing Washington if it was President Clinton now revising his explanation of a controversial 12-year-old stock deal. Rush Limbaugh long ago outlived, Rob- ert Bork would be decrying the loss of moral authority in the Oval Office. [One of our Sen- ators] would be demanding a special pros- ecutor. Congressional committees would be subpoenaing the president’s old business partners.

This is a whole lot more important than trying to find political advantage in a past personal experience and a difficult time in this economic recov- ery. This is about the economy.

As a nation, we are trying to come out of a recession. There is a fair amount of doubt which sug- gests we are heading in the right direc- tion. The number of people being laid off is slowing. Manufacturing activity is increasing. Even economic activity among some of the most hard-hit sec- tors of the economy, technology sec- tors, is showing signs of life. I am en- couraged by that.

If you look at the stock exchange for much of the last several weeks and months, it does not really reflect the returning, emerging vibrancy in the rest of the economy. That is not a good thing.

One of the reasons why it is so impor- tant for us to pass this legislation is to send a clear signal to investors not just around the country, but around the world that the United States is a good place in which to invest. Our trade defi- cit last year was about $300 billion. This year it is going to be even more than $300 billion.

We are starting to see the value of American currency, the dollar, which was robust and strong for the last sev- eral years, deteriorate. The worst thing that could happen for us at a time when we need economic growth is that we are losing the foreign invest- ments, would be to send a message that the United States is not a good or safe place in which to invest. When we are looking to much of the rest of the world to help finance a trade deficit of over $300 billion, it is important that we send a strong message throughout the world that the U.S. remains the best place in which to invest.

There are a number of provisions. I will talk about this bill provision by provision. I want to talk about some of the groups that have the greatest in- terest, the most at stake, what our ob- ligation is to them, and how this legisla- tion seeks to make sure that we not only recognize that obligation but that we act on it.

Shareholders of companies, publicly traded companies, should have con- fidence. They should have confidence not only in the CEOs and top officials, but they should have confidence in the board of directors whose job it is to represent the interest of the share- holders and to know that that board is indeed independent. Shareholders should have confidence in the audit com- mittees of the board. Investors should know that the audit committees of the board are comprised of inde- pendent-minded board members, knowledgeable board members who will not be a lap dog but as a watchdog every day as they serve on the audit committee.

Shareholders should have confidence that there are rigorous auditing stan- dards that exist in this country and not that there are rigorous auditing stan- dards that are on a piece of paper some- where, but there is a strong, inde- pendent, knowledgeable entity that is going to make sure that those auditing standards are enforced.

Congressional Record — Senate
July 12, 2002

PHOTO

This bill goes a long way—some would say too far—toward curtailing that activity. To me, it strikes the right balance.

Most of us know of someone who used to work for one of the old big five, now the big four accounting firms. We were familiar with the five who dealt with consulting company which deals with consulting services; in many cases, these are lucra- tive services. We want to make sure the folks doing the audits of publicly traded companies are interested in doing a good job because that is their responsibility. Auditors should not be interested in cutting corners, looking the other way because doing so might enable their accounting company to at- tract and to retain lucrative consulting services.

This bill goes a long way—some would say too far—toward curtailing that activity. To me, it strikes the right balance.

Most of us know of someone who used to work for one of the old big five, now the big four accounting firms. We were familiar with the five who dealt with consulting company which deals with consulting services; in many cases, these are lucrative services. We want to make sure the folks doing the audits of publicly traded companies are interested in doing a good job because that is their responsibility. Auditors should not be interested in cutting corners, looking the other way because doing so might enable their accounting company to attract and to retain lucrative consulting services.

This bill goes a long way—some would say too far—toward curtailing that activity. To me, it strikes the right balance.

Most of us know of someone who used to work for one of the old big five, now the big four accounting firms. We were familiar with the five who dealt with consulting company which deals with consulting services; in many cases, these are lucrative services. We want to make sure the folks doing the audits of publicly traded companies are interested in doing a good job because that is their responsibility. Auditors should not be interested in cutting corners, looking the other way because doing so might enable their accounting company to attract and to retain lucrative consulting services.
that. Some would like to have a change in auditing companies, requiring auditing companies to rotate every 5 or 7 years. I don’t think that is a good idea. I do believe the approach we take in this measure, moving from 7 to 5 years the period of time after which the lead auditor and his partner has to be changed, is sound.

How about investors? I talked about shareholders, about the auditors themselves. How about investors? The investors—the ordinary investor, the investor in another country—what the crime or penalty should be. The Congress is to pass laws and to say what is an offense for which they can be imprisoned, and if what they have done is going through or attempting to follow are not being pressured to color their recommendations to buy, sell, or hold by what is happening on the investment banking side of the business, and to know that the analyst’s compensation is going to be derived more from how well the analyst does his job, providing good advice for investors, than from how many new business that analyst can help bring to the investment banking side of their company.

How about the CEOs and senior management? When they break the law, they should be fully prosecuted under the law, and if what they have done is an offense for which they can be imprisoned, they ought to be. Our job in the Congress is to pass laws and to say what the crime or penalty should be when people violate those laws.

It is the job of the Justice Department to fully prosecute—with the help of the SEC and the other watchdog agencies—people who violate the laws. Sen. Carper, on behalf of a number of Senators, earlier this week—yesterday, I believe—offered legislation that provides a new law that says not only can we prosecute some of the corporate wrongdoers—I am tempted to call them criminals, but I won’t—who violate the trust, and to not only say you have to go after them under the mail and fraud provisions of the criminal code, but to broaden that—which is sometimes difficult to do—and make the prosecutions more easily done and with very tough penalties under another part of the code.

CEOs should not be allowed to profit from financial misinformation or from manipulation of their books. I commend the President and those who have worked on this legislation to say, to the extent that this does happen—a CEO or senior official sells their stock; that the transaction would not only have to be reported to the SEC, but disclosed electronically.

Another provision in the bill that I think is especially good and timely, and I believe Senator WebCHom, Chairman Grassley, where apparently a senior official of that company received a $300 million loan from the company—a loan which I don’t believe the shareholders ever knew about—at least when they found out about it, it was too late for a lot of them. That kind of information should be fully disclosed promptly and through a medium that allows those who have some need to know—investors and shareholders—to have that information in a timely way.

Finally, a word about the employees who work for some of these companies that have gone through, or are going through, a meltdown. They need, I think, recourse when they are urged, on the one hand, by senior officials to buy company stock for their 401(k) investment plans at the very time when senior officials are bailing out of the company stock. There should be some kind of recourse for employees when that happens. In the belief of what is good advice for the grammar, employees should never again face the situation that Enron employees faced where, during a lockdown period of time, employees could not sell their stock while senior officials were able to bail out and sell their stock. What is good for the goose is good for the gander. To the extent that employees in a lockdown period are not able to sell their company stock in their 401(k) plan, the senior officials of the company should not be able to enter into transactions involving their stock either.

There is one thing I don’t believe we address in this bill; the others I mentioned, we do. One area we do not address is how companies have handled their 401(k) plan, and a member of the staff will tell me if I am mistaken. One of the problems we have with 401(k)s for the employees, the investors, is that they don’t get very good advice. The companies don’t want to be held liable if they provide bad advice when all is said and done. And when we move on to other issues, I hope we will have agreed on a way to better ensure that the employees who are not getting very good advice do get that good advice.

I worry about the concentration of assets and investments. I know some people believe there should be a cap and that they should not be able to invest any more than half or a quarter in company stock for your 401(k). If I am an employee and I am buying company stock, maybe I should have to sign a form that is an acknowledgment that I am about to do something very stupid—something similar to what the employees did at Enron, where they had held all their eggs in one basket—and an acknowledgment that is not a bright thing to do, and acknowledge that I am doing that unwise thing myself. Maybe that is needed here. In addition to that kind of disclosure, I think we do need to address the need for better advice for employees.

I will go back to where I started; that is to say, a lot is riding on this legislation—a whole lot more than we would have guessed 6 months ago. Six months ago, as we saw Enron melt down and the disclosures come forward, we thought it was one company that was going to run, maybe a couple more. A lot of people were hurt who worked at that company. A lot of people who worked for the auditor, the accounting firm. Arthur Andersen, have lost their jobs and were, frankly, fully innocent, but they have been harmed. Six months ago, there was a full sense of outrage at Enron and the people who led it to its fall.

We know now that what happened at Enron may not be precisely the same as what happened in other companies, where the people who run those companies do not meet their obligations to the shareholders, to the employees, and where greed has corrupted too many people. We need to ask ourselves for us to pass a law outlawing greed, we can try to outlaw fraud. But it is tough to do that; I acknowledge that.

With the developments within a whole host of other companies disclosures of financial mismanagement and misstatements, misrepresentation of performance of other companies in recent months—the importance of what we are doing this week and next has been made abundantly clear. We need to get our economy moving in the right direction. I believe that, underneath, a lot of the fundamentals are pretty sound. If you look at growth, and productivity, and the manufacturing activity to which I alluded earlier, there is some good news. The troubling news is what is going on in the stock market, as investors are skittish, and that is understandable.

We can begin to restore, in a very meaningful and tangible way, the confidence of those investors in America and in American companies, and we ought to do that.

The last word I will say is this. I commend Chairman SARBANES. He is not presently on the floor. I also commend the committee staff and personal staffs for the kinds of hearings that have been held this year which have led us to this day. Chairman SARBANES is the support of person who is interested in rushing out and being on television every night. He is not interested so much in seeing his name or picture in the newspaper. He is interested in getting the truth. I think the hearings that have held all of us have led us to finding the truth and, maybe just as important, to finding the right course for us to take as a nation, to be able to right some of the wrongs that have been done and to reduce the likelihood that further wrongs will occur in the future.

I know some have been impatient for us to get to this day and to take up
CORZINE, simply says that the board we are funding in this bill should review the accounting treatment of employee stock options and adopt an appropriate standard.

How anybody can be opposed to the proposition that we are doing a good job in acting and behaving in a most important way, have been tarred and feathered with the same brush, and have adopted reforms. Shareholders—market forces—have come to bear on companies, their boards of directors, as they should, and that is helpful as well.

In the end, there are some things the Congress can and ought to do, maybe not all of them, but a lot of them are included in this legislation before us. I am proud to have participated as a member of the Banking Committee in its development and proud to be witness to the work that is going on in this Chamber to make a good bill even better. I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Michigan.

Mr. LEVIN. Madam President, in a moment I am going to ask unanimous consent that the pending amendment be set aside and that I be allowed to call up amendment No. 4283. This amendment relates to stock options.

The amendment is one line. It says that the standard-setting body for accounting principles that is set up in this bill shall review the accounting treatment of employee stock options—just review it—and shall within a year of enactment adopt an appropriate generally accepted accounting principle for the treatment of employee stock options. They shall review it within a year and adopt an appropriate standard.

There has been a huge amount of debate about stock options. Recently the Republican Senate staff of the Joint Economic Committee issued a report about “Understanding the Stock Option Debate.” In that report, it concluded that, “Basic principles of financial accounting imply that stock option awards should be treated as a cost in corporate financial statements, and this cost should be recognized at the time of grant.”

While there is agreement, however, does not do that. Our amendment, which is an amendment I am offering on behalf of myself, Senator MCCAIN, and Senator
This is an extraordinary document and everybody should read it so people understand the kind of pressure that not only that board was under—hopefully, the newly independently funded board will not be under—but the kind of pressure which exists in this Congress. The Securities and Exchange Commission has been under enormous pressure, because it has an independent source of funding. We ought to let that board reach an independent conclusion on one of the most controversial, contentious issues we have before us.

This is just the bill we are voting on. But it can be strengthened. It is not a perfect bill, and from the point of view of pure fairness and deliberation, this Senate should be allowed to vote on a germane amendment postcloture. I will read one additional paragraph from the FASB document report to set out the extent of the pressure which exists in this area and why it is so important there be a review of this whole matter by an independent board.

In December 1994, the board said it decided that “the extent of improvement in financial reporting that was envisioned when this project was added to its technical agenda was not attainable.”

Why was it not attainable, the FASB said? Because the “deliberate, logical consideration of issues that usually leads to improvement in financial reporting was no longer present.” These are incredible words. This is from the board that is supposed to set accounting standards in this country. They wrote in their report that when their proposal to expense stock operations was issued, it was not attainable because the “deliberate, logical consideration of issues that usually leads to the improvement in financial reporting was no longer present.”

Why was it no longer present? Because the debate had become so divisive, in their words, that it threatened the board's working relationship with some of its constituents.

The nature of the debate, they wrote, threatened the future of accounting standards-setting in the private sector.

Finally, the board, beaten down, threatened with extinction, said this: “The board chose a disclosure-based solution for stock-based employee compensation to bring closure to a divisive debate on this issue, not because it believes the solution is the best way to improve financial accounting and reporting.”

That was in 1994. We have seen what has happened in terms of stock option abuses because this board, if it had proceeded in the way it thought best, would have gone out of existence.

This is why we created a newly independent board, a board that has an independent source of revenue. This bill, it seems to me, is not complete, is not strong, unless we now say to this country that the newly independent board should review and adopt a standard which reaches an appropriate conclusion.

This amendment, which is cosponsored by Senators MCCAIN and CORZINE, does not say what that conclusion is. It does not, unlike the McCain amendment which was not allowed a vote yesterday, conclude that stock options should be expensed. It does say we have an independently funded board which should review this matter and reach the appropriate conclusion.

Mr. REID. Will the Senator yield for a question?

Mr. LEVIN. I would be happy to.

Mr. REID. I am just curious. I am not sure I should get involved at this stage because the Senator knows the subject so well, but this board that is set up in this proposed law, they would not have authority to do that on their own?

Mr. LEVIN. They would.

Mr. REID. Why do we need your amendment?

Mr. LEVIN. Because this Congress has been on record as saying what the accounting standard should be. In the early 1990s we took a position. This neutralizes that position. This says, The board chose the right place. The Senate is on record by a vote of 88 to 9 as saying there should not be the expensing of stock options. What this amendment says is that the board should decide. It should review this matter. It is a neutral statement, thereby clearing the record as to what the position of this Senate is.

As of now, all we have on record is that stock options should not be expensed. What this amendment would say is account for this and reach an appropriate standard.

Mr. REID. My question to the Senator was, If we did not have the Senator's amendment, would the board not have that authority anyway?

Mr. LEVIN. They could do it, but all that there would be on the record would be our last statement saying they should not expense. That same kind of pressure we put on them would still be on the record, and I think that should not happen. Should this Senate make an appropriate statement on this subject.

The last statement we ought to make on this subject is that the accounting board is the appropriate place to make that decision, not the Senate.

Mr. REID. I still ask my friend for the third time, if we have no Levin amendment, it would seem to me this newly created board would still have authority to do what the Senator is talking about.

Mr. LEVIN. Under the cloud we created in 1994. I would refer my friend to the debate in this body back on May 3, 1994, where the Senate reached a conclusion that it is the sense of the Senate, that was approved by, again, a vote of 88 to 9 or something like that, that the Board of Accountancy Standards Board should not change the current generally accepted accounting treatment of stock options.

Mr. SARBANES. Will the Senator yield?

Mr. LEVIN. I am happy to yield.

Mr. SARBANES. I asked the Senator to yield because I do want to underscore that the legislation that is before us takes a major step in trying to guarantee the independence of the Financial Accounting Standards Board in terms of how it provides for its funding, and that is a dramatic improvement of the situation because here we are talking about the standards board seeking voluntary funding. So the standards board ended up going to the people for whom it was establishing the standards in order to get money to fund its operations. Well, when it came to the Congress, and this issue was such a crunch as far as the Financial Accounting Standards Board was concerned—the people from whom they were voluntarily getting the money said we are not going to give you any money. You are not going to be able to carry out your activities.

So we moved in this legislation because one of the things we require is that the issuers pay a mandatory fee. If you are an issuer, and this legislation is with the SEC and you have to pay a fee. That goes into a fund and that fund pays for the budget of the Public Accounting Oversight Board and the budget of the Financial Accounting Standards Board, so they are assured a revenue source.

I urge people to stop and think about that because it is a very important step to ensuring the independence of both boards. But here we are talking about the Fiscal Accounting Standards Board, and the dramatic change from its previous situation.

So it really will have, at least on the budget side, the independence to go and to make these decisions as they choose to call them. The issue that becomes involved in all of this otherwise is the question, Should the Congress of the United States be itself actually establishing accounting standards? Of course, as a Senator, I indicated when an opinion was voiced on that a few years ago, it went in one direction. And now people want the Congress to come along and express an opinion in another direction. I have some sympathy. Obviously, we have seen things open. Most people might have sympathy.

But we come back to the basic question, whether the Congress should be doing this. We set up this accounting standards board so it could make independent judgments. Unfortunately, there is no question about the fact that previously the standards board was subjected to tremendous pressure which affected its ability to make an independent judgment. It got tremendous pressure from industry groups, pressure from Congress reflecting the pressure of industry groups, and of course this exposure on its budget.

We have tried in the legislation to address this very basic question of making sure this board has its independence. That does not reach to the specific issue the Senate is now addressing, but I wanted that on the record. It is important that be understood.

Mr. REID. Mr. President I ask unanimous consent I be allowed to speak using my own time for up to 2 minutes.
The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. I will conclude, but I need to recline the floor because apparently all time otherwise is counted against my allotted time postcloture.

Mr. President, I ask unanimous consent that this amendment be set aside and that I be allowed to call up the amendment I filed at the desk relative to this subject which I understand has been ruled germane.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Reserving the right to object, I want to make a couple of points.

No. 1, the Senator from Michigan suggested that all amendments that are germane postcloture should be allowed to be offered. I wish that were the case. I wish we had the opportunity to do that in all situations, but that has not been the case in this Senate, or has not been necessarily the history of the Senate. There have been many instances where germane amendments have not been allowed to be offered postcloture.

No. 2, I make a point and reiterate the point that the chairman of the committee has made. The Senator from Michigan has made the point that FASB has been compromised because it wanted to do things and it felt constrained by the constituency which funds it. We have set up an independent funding source for FASB now, and I think that would allow a lot more independence to be able to deal with these accounting issues, such as the way we treat stock options, in a way that allows an independent judgment.

Finally, while we do have a sense of the Senate that is 8 years old on this issue, the Congress has never directed FASB to study an issue of accounting. This is precedent setting. There is nothing in this bill that directs FASB to do anything. It is an independent board. It sets up the accounting standards. I think there is no question that it will in all likelihood review this issue.

For the Congress to begin to weigh in—even 8 years ago, we did not direct FASB to do this; we simply expressed our opinion. To direct FASB to do something would be a very bad precedent to set.

I object.

The PRESIDING OFFICER. The objection is heard.

The Senator from Michigan.

Mr. LEVIN. Mr. President, I see no reason that a vote should not be permitted on this amendment. That is what this objection leads to. I urge we come back on Monday, or whenever we do come back, and I will make this motion again because this is a critical issue, that is not addressed in this bill, which is a big part of the lack of credibility we have right now in our markets. It needs to be addressed in some way. This is a neutral way to do it.

The arguments given by our friend from Pennsylvania are reasons to vote no on an amendment. They are not reasons to prevent an amendment from being called up and being offered.

I will say again, I don’t know where an amendment that is ready to be offered is not permitted to be offered because postcloture, because the Senate is not addressing an amendment. That is going to lead a first- and second-degree amendment standing out there without a vote in order to prevent other germane amendments from being voted on. I don’t think that has ever happened. Obviously, we have reached the end of the 30 hours at times and there are still germane amendments that are pending. But this is not that situation.

There is no further debate on the Carnahan amendment that I know of. Why not vote on the Carnahan amendment? There is no further debate—or if there is, let the debate take place so that other people can offer their germane amendments. That is being precluded here. I believe it is a misuse of postcloture to object.

That being the situation, I will be offering a unanimous consent at this time that my amendment be made in order at 2 p.m. on Monday.

The PRESIDING OFFICER. Is there objection?

Mr. SANTORUM. I object.

Mr. LEVIN. I thank the Chair, and I will make a unanimous consent request again on Monday that we be allowed to offer germane amendments in the time remaining on Monday and that we not be precluded by a blocking action which, it seems to me, is a distortion and a misuse of the postcloture rules which are intended to allow 30 hours to consider germane amendments. If that 30 hours is being used up and either being sworn off or not used, it seems to me that then precludes consideration of highly relevant—indeed, germane—amendments which are important to strengthening this bill.

I thank the Senator for Michigan. This is a strong bill. There is no reason we should not be able to vote on a way to make it stronger.

I yield the floor.

Mr. GRAHAM. Mr. President, I appreciate the chance to speak about the Public Company Accounting Reform and Investor Protection Act. I would like to strengthen section 302 of this legislation which is entitled, “Corporate Responsibility For Financial Reports.”

I have discussed several ideas with Senator SARBANES and greatly appreciate his leadership on this legislation. He has been tireless in his efforts to strengthen corporate accountability and protect the American investing public.

My first area of concern involves companies that have chosen to move their headquarters overseas. This legislation requires that CEOs and CFOs sign a statement saying that the financial documents they have filed are fair and accurate. This is consistent with an order just issued by the Securities and Exchange Commission, SEC, that requires CEOs and CFOs to attest to the accuracy of their company’s most recent financial statement.

But there is a glaring omission to this recent SEC order. Only companies that are U.S.-based would be required to send in these signed documents. If a company once based in the U.S. has fled our shores and gone overseas for tax reasons, they now just received a reward for leaving our Nation. Those CEOs and CFOs would not have to sign financial documents and attest to their accuracy.

The SEC has also overlooked the accuracy of future financial documents by non-U.S.-based companies under a proposed rule, that is in the “open comment period,” foreign based companies are again enjoying a lesser standard of accountability. This is wrong, and unfair to American companies.

In the proposed rule, the SEC does not cover amendments on the part of overseas-based companies. However, this could be a case of “too little too late.” If companies are being publicly traded in the United States, regardless of where their headquarters are located, they ought to be required to meet the level of accountability that we are establishing for everyone else in this legislation.

Let’s not give U.S.-based companies one more reason to leave our Nation and incorporate someplace else. We need to hold all companies in our markets to the same high standard—there should be no reward of a lower standard if your company leaves the U.S. for a new overseas headquarters.

My staff placed a call to the SEC to uncover the reason why foreign based companies were excluded from their recent order. To the credit of the SEC, they wanted to act quickly. They thought that the quickest way to promulgate this order was to cover only U.S. based companies. However, in doing this quickly, they ended up sending the wrong message. U.S. based CEOs and CFOs are “on the hook” in signed statements. Foreign-based CEOs and CFOs, simply put, are not.

Senator DORGAN and I want to change this. We want it to be clear in the statute that no matter where your company is based, you must comply with this obligation. Senator DORGAN has filed an amendment to correct this, amendment No. 422.

I appreciate the consideration that the floor managers, Senator SARBANES and Senator GRAMM, have given our amendment and I encourage all my colleagues to support us in this effort. I look forward to seeing it in the final legislation.

Mr. JOHNSON. Mr. President, I rise today to urge my colleagues to take swift and decisive action to stem the tide of corporate greed that is eroding the integrity of America’s capital markets. I am a strong believer in the free
enterprise system, and I am proud of America’s leadership in creating tremen-
dous economic opportunity for all investors, big or small, domestic or for-
eign. However, it is time that Congress curb the appalling corporate excesses and misinforma-
tion that has hurt investors and taxpayers. Passage of the Public Company Account-
ing Reform and Investor Protection Act is a critical step in addressing these concerns.

It is tempting to blame the problems corporate America is facing on just a few bad actors. For the most part, America’s business men and women are industrious, innovative, and honest people who work hard to build our economy and provide jobs for our com-
munities. However, we simply cannot ignore the shocking number and size of failed or failing companies, the marked increase in earnings restatements, and the profound toll this has taken on hard-working Americans. In fact, state pension plans have lost more than $1 billion from the WorldCom re-
statement and billions more from other companies involved in the scandals.

In light of these inexorable revelations, it is hard to believe that these problems are just isolated instances. Almost daily discoveries of accounting irregularities at some of America’s largest and most highly respected companies, such as Enron, WorldCom, Tyco, and Xerox, to name just a few, clearly demonstrate the need for sys-
temic accounting and corporate gov-
ernance reform. Just recently, in fact, the Wall Street Journal reported that the drug company Merck may have under-
statement of revenue by over $12 billion.

We must address systemic problems that are undermining the efficiency and transparency of our free market system, and which are eroding the faith of everyday Americans in the fund-
damental fairness of American business practices. We must clean up the cur-
rent corporate culture that rewards misleading financial reporting and lax or corrupt corporate governance. We need strong legislation that will end the conflicts of interest and lack of disclo-
sure that have misled investors and shaken their faith in America’s finan-
cial markets. And we need to ensure that the SEC has the tools and money it needs to become a strong and formi-
dable enforcer of securities laws. A kind of SEC that serves only those corporate executives who have something to hide.

The Public Company Accounting Re-
form and Investor Protection Act ad-
dresses these problems in a way that limits regulatory burden but provides affirmative measures to restore the integ-
rity of our free market system. I support the bill’s creation of a strong Public Company Accounting Oversight Board and restrictions on non-audit services accounting firms can provide to public companies. Further, the bill imposes tough new cor-
porate responsibility standards and im-
plements controls over stock analyst

conflicts of interest. Also, the bill re-
quires public companies to quickly and accurately disclose financial informa-
tion, so that high-level executives don’t have a head start over small in-
vestors in bailing out when a company is in trouble. Finally, the bill ensures that the SEC has the resources to ac-
complish its mission of regulating the securities markets.

On this last point, I was disappointed that President Bush’s budget did not include a provision for the SEC that the Banking Com-
mittee authorized last year that would have strengthened the SEC. The SEC has long been hobbled by its inability to compete for top-notch employees be-
cause of a pay scale that was out of line with other financial regulators. Late last year, Congress passed, and the President signed, H.R. 1088, which provided pay parity for SEC employees. Unfortunately, the President’s budget did not allocate additional funds, mak-
ing it difficult if not impossible for the SEC to implement its Congressional mis-
sion. I am pleased that President Bush is now calling for additional funding for the SEC, which should be better able to police public companies with adequate resources.

What we are facing is a threat of real con-
sequences, however, dishonest cor-
porate executives have little to fear from being caught with their hands in the cookie jar. For this reason, Con-
gress must implement a plan to hold in-
vestors responsible for their actions. We must not allow these criminals to hide be-
hind the corporate veil, while stealing millions of dollars from hard-working Americans. In that vein, I support pro-
visions contained in the Corporate and Criminal Fraud Accountability Act, sponsored by Senator LEAHY. The bill would provide stronger criminal penal-
alties for corporate managers who de-
\n
fraud investors of publicly traded secur-
\ned equity; employees responsible for in-
\n
vestors; criminal prosecution of persons who alter or destroy documents related to investiga-
tions, and protection for corporate whistleblowers against retali-
ation by their employers, among other provisions designed to protect inves-
tors from corporate greed.

Finally, I believe that we should take a strong stance against another form of corporate greed: corporations that profit from American consumers, yet intentionally dodge U.S. taxes by mov-
ing their profits overseas. It is outrageous that these so-called “American” companies take advantage of the benefits of operating in this country and yet shirk even the most basic re-
 sponsibilities of corporate citizenship.

That’s why I strongly support the Tax 
Shelter Transparency Act, sponsored by Senator BAUCUS, which would close the loopholes that allow corporate execu-
tives to use evasive accounting tac-
ts to enrich themselves on the backs of American taxpayers.

Before I close, I would like to thank Chairman SARBANES for his leadership on this important issue. I also want to thank the Chairman as well as the Banking Committee staff for con-
ducting a series of ten inclusive and comprehensive hearings on the issues addressed in his bill. The content of those hearings provided a conceptual foundation for our subsequent discus-
sions of Senator SARBANES’ bill and a powerful basis on which to build an appro-
\n
priate, thoughtful, bipartisan bill that makes great strides in addressing the problems in our financial markets and restoring investor confidence.

Ms. LANDRIEU. Mr. President, I would like to voice my strong support for S. 2673, the Public Company Ac-
counting Reform and Investor Protec-
tion Act. This legislation will bring ac-
countability to our corporate board-
rooms and end the accounting abuses that have undermined the free enter-
prise system.

The hallmark of our economic sys-
tem is free, fair, and open competition. The system rewards innovation, effi-
ciently, and hard work. It allows indi-
viduals to take an idea; invent a product or an innovation; build a business around it; and turn it into a livelihood. Some of our greatest corporations today started with just one idea.

The recent revelations from Wall Street have shown us much of this in doubt. For the Enrons, and WorldComs of the world, success was based on hid-
ing losses, misstating earnings, de-
stroying documents, and getting cozy 
with their so-called “independent” auditors and the stock analysis who are supposed to give the stock buying public objective information. Instead of winning through open competition, these companies and others won through accounting sleight-of-hand. Not one case of this has been too high. While much has been made in the media about how far the Dow, the NASDAQ, and the S & P 500 have fallen on Wall Street, the real pain is being felt on Main Street—in retirement plans, pensions, and the investment portfolios of hard working people in our country. The pain is being felt by the very wealthy and people with mod-
est means. Fortunately no Louisiana-

based corporation has been caught up in this mess and hopefully that will re-
mained the case, but I just want to say that the Louisiana in-
vestors were not so lucky.

Many have said that all of these problems have been caused by a few bad apples. But when we hear about corporations hiding losses, creating off-
book partnerships, insider trading, and inside loans to corporate officers, it means that something may be wrong with the whole tree: the tree is rotten because of loopholes in regulations and limited oversight.

My State of Louisiana is home to a large number of small businesses—94,000 of the employer businesses in my state employ fewer than 500 people—
and they employ about 54 percent of the state’s workforce. This does not include the estimated 135,000 self-employed people in my state. I find myself wondering what small business owners think of all of the news reports about these accounting firms, the fraudulent corporations and their crooked accounting?

Small business owners work hard to keep clear books. They do not have a team of creative accountants that turn losses into gains. The small business does not create sham, off-book partnerships to hide losses. I have never heard of a small business being forced to restate its earnings. Small business grow by playing by the rules. Many small business owners dream of taking the honest approach to turning their ideas and dreams into big businesses. How disheartening must it be for them to see that in the world of big corporate business the way to get ahead is by cheating.

The bill before us today will help restore faith in the free market. It creates a strong oversight board that will set auditing standards for public companies backed up with the power to investigate abuses. It gets rid of the inherent conflict of interest faced by accountants. It provides management consulting services to their auditing clients. Here on the floor we have added tough criminal penalties to this bill and given greater protections to whistleblowers. The whistle blower protections are an especially needed reform. We want the honest people in business to know that there is still a place for them.

We must take this opportunity to restore confidence in the free market. I urge my colleagues to vote in favor of this legislation and I want to commend the chairman of the Committee, Mr. SARBANES, for bringing this legislation to the floor.

VOTE EXPLANATION

Mr. KERRY, Mr. President, due to a longstanding commitment I was necessarily absent for the vote on cloture on the Public Company Accounting Reform and Investor Protection Act of 2002 (S. 2073). Although my vote would not have affected the outcome, had I been present, I would have voted for cloture on the bill.

ANDEAN TRADE ACT

Mr. REID. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on H.R. 3009.

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

The Presiding Officer (Mr. BAUCUS) laid before the Senate the following message from the House of Representatives:

Resolved, That the House insist upon its amendment to the amendment of the Senate to the bill (H.R. 3009) entitled “An Act to extend the Andean Trade Preference Act, to grant additional trade benefits under that Act, and for other purposes”, and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That the following Members be the managers of the conference on the part of the House:

From the Committee on Ways and Means, for consideration of the House amendment and the Senate amendment, and modifications committed to conference: Mr. Thomas, Mr. Crane, and Mr. Rangel.

From the Committee on Education and the Workforce, for consideration of section 603 of the Senate amendment, and modifications committed to conference: Mr. Boehner, Mr. Sam Johnson of Texas, and Mr. George Miller of California.

From the Committee on Energy and Commerce, for consideration of section 603 of the Senate amendment, and modifications committed to conference: Mr. Tauzin, Mr. Bilirakis, and Mr. Dingell.

Mr. REID. Mr. President, I ask unanimous consent that the Senate disagree to the House amendment, agree to the request for a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate with the ratio being 3 to 2.

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

TO AMEND FOREIGN ASSISTANCE ACT AND THE GLOBAL AIDS AND TUBERCULOSIS RELIEF ACT

Mr. REID. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of H.R. 2609 and the Senate proceed now to that matter.

The PRESIDING OFFICER (Mr. BAUCUS). Without objection, it is so ordered.

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2609) to amend the Foreign Assistance Act of 1961 to authorize assistance to prevent, treat, and monitor HIV/AIDS in sub-Saharan Africa and other developing countries.

There being no objection, the Senate proceeded to the immediate consideration of the bill.

AMENDMENT NO. 4297

(Purpose: To amend the Foreign Assistance Act of 1961 to increase assistance for foreign countries seriously affected by HIV/AIDS, tuberculosis, and malaria; to amend the Public Health Service Act with respect to the authority of the Department of Health and Human Services to act internationally with respect to HIV/AIDS, tuberculosis, and malaria; and for other purposes.)

Mr. REID. Mr. President, I send an amendment to the House amendment to the House amendment, agree to the request for a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate with the ratio being 3 to 2.

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

The PRESIDING OFFICER. The bill clerk will report.

The bill clerk read as follows:

The Senator from Nevada (Mr. Reid), for Mr. KERRY, Mr. Frist, Mr. Kennedy, Mr. Biden, and Mr. Harkin, proposes an amendment numbered 4297.

Mr. REID. I ask unanimous consent the reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To amend the title)

Amend the title to read as follows:

An Act to amend the Foreign Assistance Act of 1961 to increase assistance for foreign countries seriously affected by HIV/AIDS, tuberculosis, and malaria; to amend the Public Health Service Act with respect to the authority of the Department of Health and Human Services to act internationally with respect to HIV/AIDS, tuberculosis, and malaria; and for other purposes.

Mr. REID. I ask unanimous consent both amendments at the desk be agreed to; the bill, as amended, be read the third time and passed; the motion to reconsider be laid upon the table, all with no intervening action or debate; and any statements be placed in the RECORD at the appropriate place as if read.

Mr. SANTORUM. Reserving the right to object—and I will not object—this is a very important piece of legislation for the continent of Africa and has to do with AIDS relief, tuberculosis, and other infectious diseases. There is a provision in this legislation that Senator BIDEN and I have offered on debt relief for Third World countries. This is a vitally important piece of legislation that dovetails very well with the President’s initiative in trying to stem the scourge of AIDS in Africa and provide some hope for some of these heavily debt ridden countries.

I am very pleased we were able to do this in wrap-up today. I will not object.

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

The amendment (No. 4297) was agreed to.

The amendment (No. 4298) was agreed to.

The bill (H.R. 2609), as amended, was read the third time and passed.

Mr. DASCHLE, Mr. President, I am very pleased that we have just passed a bill that will give the President and his team the tools they will need to back up their words about fighting the scourge of HIV and AIDS with action.

The ominous HIV, AIDS, TB, and malaria authorization bill vastly increases our focus on treatment, giving hope to the millions of people already infected with this virus. It intensifies our ongoing prevention efforts. And it makes a new commitment to training local health care workers so that underdeveloped nations can create modern health infrastructures.

The bill also authorizes nearly 5 billion dollars over 2 years so that this commitment is matched with the resources to get it done. But unless we work in a bipartisan fashion to see that money appropriated, this bill offers little more...
than false hope. I want to commend Senators KENNEDY, KERRY, BIDEN, HELMS, FRIST, and GREGG for their leadership on this vital effort. And I want to ask the House of Representatives to match the commitment the Senate showed.

More than 20 million people have already died from HIV/AIDS. Last year, 5 million people contracted the virus, more than half of these new infections in young people. The UN estimates that 65 million more people could die by 2010, if we do not act. But if we act, we can prevent 10 million from dying. It is a moral imperative that we act.

The United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002 provides new legal authority and funding to our nation’s strongest health care agencies to join the global battle against AIDS. It promotes models of community-based care that reach the real people affected by this disease; better access to the drugs needed to prevent transmission of this deadly disease; and most importantly, funds research and treatment models to prevent transmission of HIV/AIDS from mothers to their infants. The legislation passed this afternoon is a step in that direction.

The United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002 provides new legal authority to fight this epidemic. When governments in poor countries have been provided resources to fight the spread of AIDS, infection rates have dropped 80 percent. With this legislation, the United States will do its part to support countries to turn the corner on AIDS on their own.

I am pleased that the administration increased funding for the fight against the global AIDS epidemic, and together with this legislation, we can truly lead the international community in the fight against the greatest public health threat of our times.

I have only a few moments of the legislation that I ask unanimous consent to have printed in the RECORD. I think it will help people better understand the aspects of the legislation that can really not only make an immediate lifesaving difference to millions of our fellow human beings in Africa but to those other Third World countries as well.

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

**SUMMARY OF THE UNITED STATES LEADERSHIP AGAINST HIV/AIDS, TUBERCULOSIS, AND MALARIA ACT OF 2002**

The bill strikes all after the enacting clause of the House-passed HIV/AIDS bill (H.R. 2752 (Kerry) and S. 2649 (Kennedy)) and amends the enacted language with the following:

The S. 2525 portion of the bill would:

- Mandate a comprehensive, integrated 5-year U.S. government strategy for promoting goals and objectives of the June 2001 UN General Assembly Declaration of Commitment on HIV/AIDS.
- Require the U.S. Agency for International Development (USAID) to develop an “emerging technology” roadmap providing for licensing of currently available technologies to prevent the spread of HIV/AIDS.
- Create a new HIV/AIDS Response Coordinator in the Department of State.
- Create a new Health Care Provider Service and Training Program enabling American health care professionals to provide basic health care services to HIV/AIDS patients in Africa and other countries severely affected by HIV/AIDS.
- Require a comprehensive report on U.S. efforts to increase access to treatment for people living with HIV/AIDS.

The bill would authorize more than $4.5 billion over two years for U.S. efforts to fight global HIV/AIDS, tuberculosis and malaria.

The bill would authorize more than $4.5 billion over two years for U.S. efforts to fight global HIV/AIDS, tuberculosis and malaria. Of this, $2.152 billion would be authorized in FY 2003, including $1 billion for the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria, and $2.321 billion would be included in FY 2004, including $1.2 billion for the Global Fund.

The bill would require a new 5-year strategy to meet or exceed the maternal-to-child transmission (MTCT) Declaration of Commitment on HIV/AIDS; create a new Assistance to Children Program to provide care and treatment to parents and/or children infected with HIV/AIDS; and mandate a comprehensive report on U.S. government MTCT and MTCT plus programs.

The bill would authorize expansion of the Enhanced Heavily Indebted Poor Countries (HIPC) Initiative to achieve debt reduction for health programs; expand the Department of State’s HIV/AIDS Volunteer Program to include countries beyond Africa and international peacekeepers; and set forth an HIV/AIDS Code of Conduct for U.S. Businesses Abroad.

Funding levels for this portion of the bill are summarized in the attached chart.

The S. 2449 portion of the bill would authorize $400 million in 2003 for the Centers for Disease Control and Prevention (CDC) and Health Resources Services Administration (HRSA) to work in collaboration with states to carry out community-based treatment and capacity building for HIV/AIDS, malaria, and tuberculosis in countries with, or at-risk for severe HIV/AIDS epidemics.

The bill would authorize $50 million (in both 2003 and 2004) for grants for clinical education and training in the delivery of HIV/AIDS care and treatment services, to authorize $5 million (in 2003) and $30 million (in 2004), out of amounts authorized under Prevention and Treatment, for public-private partnerships to prevent mother-to-child transmission; provide for inter-agency coordination of global HIV/AIDS initiatives under the Secretary of Health and Human Services (HHS) to direct an inter-agency team to write a strategic plan to carry out and support microbicide research, develop research teams through contacts with private and public entities, and report to Congress on this initiative; and authorize $10 million (in 2003) for the Department of Labor for work-based prevention and education programs that protect against discrimination in the workplace, promote wellness, and strengthen collaboration among governmental, business, and labor leaders.

Mr. KENNEDY. Mr. President, I thank the Chair. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.
The bill clerk proceeded to call the roll.

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

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

ORDER OF PROCEDURE

Mr. REID. Mr. President, we intend to be back on this bill at 1 o'clock on Monday. I ask unanimous consent the Senator from Michigan, Mr. LEVIN, be recognized at 1 o'clock when we resume consideration of the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that when the Senate reconvenes on Monday and resumes consideration of this bill at 1 o'clock, there be 5 hours of time left postcloture.

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

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business with Senators allowed to speak therein for up to 10 minutes each.

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

ANNIVERSARY OF THE REORGANIZATION OF THE SENATE JUDICIARY COMMITTEE

Mr. LEAHY. Mr. President, this week marks the first anniversary of the reorganization of the Senate Judiciary Committee following the change in majority last year. This past year has been a record year for our committee.

Just this week the Senate adopted an amendment to the accounting reform and investor protection bill the text of S. 10, the Corporate and Criminal Fraud Accountability Act. That is a bill we reported in May after committee action in February and April. The Senate also acted on important amendments offered by Senator BIDEN, Senator HATCH, and Senator EDWARDS to that bill and many members of this committee have made important contributions to improve these measures over the last several months.

In the days and months following the terrorist attacks on September 11, members of this committee led the Senate in its responses leading to enactment of the USA PATRIOT Act, the Enhanced Border Security and Visa Entry Reform Act, the Terrorist Bombings Convention Implementation Act, and the Mychal Judge Police and Fire Chaplains Public Safety Officers’ Benefit Act. The committee also reported a number of bills to honor the victims of those attacks with the Public Safety Medal of Valor and the Law Enforcement Tribute Act, S. 2431. We continue to work on important matters for victims of terrorism.

We have reported a number of other law enforcement related measures including the Drug Abuse Education, Prevention and Treatment Act, S. 304; the Federal Protection Act, S. 1099; the National Child Protection Improvement Act, S. 1688; the Safe Explosives Act, S. 1956; the National Cyber Security Defense Team Authorization Act, S. 1969; a bill clarifying the definition of “vehicle,” S. 2621; and an amendment to the Department of Justice, S. 1319 and its House counterpart H.R. 2215. The committee reported the Local Law Enforcement Enhancement Act, S. 625, which is an important hate crimes bill; and the COPS Reauthorization Act, S. 934, which extends the highly successful COPS Program. We have also reported legislation on identity theft, such as the Social Security Number Misuse Prevention Act, S. 848, and the Restore Your Identity Act, S. 848, which provides measures for identity theft.

In addition, we have reported a number of measures to improve competitive business conditions and protect consumers, such as the Drug Competitive Act, S. 754; the Motor Vehicle Franchises Compact Arbitration Fairness Act, S. 1140; and the Product Packaging Protection Act, S. 1233. We have acted on important intellectual property legislation, such as the Madrid Protocol Implementation Act, S. 407; the TEACH Act, S. 477; and the Patent and Trademark Office Authorization Act, S. 1754, as well as related House measures H.R. 1866 and H.R. 1886.

We have reported and worked on a number of immigration matters, including the Anti-atrocity Alien Deportation Act, S. 864; the Child Status Protection Act, S. 672, and its House counterpart, H.R. 1209; a bill for children of Vietnamese refugees, H.R. 1840; bills to provide work authorization for spouses, H.R. 2277 and H.R. 2278; and others.

Among our most important work has been our aggressive oversight efforts involving the Department of Justice, the FBI, the INS, and the Civil Rights Division. Our oversight efforts have already led to the committee’s reporting a bipartisan FBI Reform Act, S. 1974, which is awaiting Senate action.

This week the committee finally began its consideration of a most important legislative initiative we began years ago, the Innocence Protection Act, S. 486.

All in all, in our first year we reported 80 legislative matters and over 250 Presidential nominations to the Senate. We have held more than 100 hearings during our first tumultuous year.

We have had a record year in considering this President’s nominees. Partisans have perpetuated an untrue and unfortunate myth that the Democratic-led Senate and Judiciary Committee have blocked the President’s nominees. Nothing could be further from the truth.

The Democratic-led Judiciary Committee has had a record-breaking year fairly and promptly considering President Bush’s nominees. In addition to the dozens of high-ranking Justice Department officials for whom we held hearings, and our work in connection with the President’s counterterrorism nominees the committee reported, we have had a record year with respect to judicial nominees.

In this, our first year, we held hearings on 78 of the President’s nominees. That is more hearings for this President’s district and circuit court nominees than ever held in any of the past 6½ years that preceded the change in majority last summer.

In particular, we held more hearings for more of President Bush’s circuit court nominees, 16, than in any of the past 6½ years in which the Republicans controlled the committee before the change in majority last summer. For that matter, we held twice as many hearings for court nominees than were held in the first year of the Reagan administration when the Senate was controlled by Republicans and five times more than in the first year of the Clinton administration when the Senate was controlled by Democrats.

Those are the facts.

Under Democratic leadership, this Committee in its first year also voted on more judicial nominees, 74, than in any of the past 6½ years of Republican control or majority. We voted on almost twice as many circuit court nominees, 15, than the Republican majority averaged in the years they were in control. In fact, this last year we voted on more nominees than were voted on in 1999 and 2000 combined and on more circuit court nominees than the Republicans allowed during 1996 and 1997 combined. And the committee voted on an additional court of appeals nominee yesterday.

We have achieved what we said we would by treating President Bush’s nominees more fairly and more expeditiously than President Clinton’s nominees were treated by Republicans. By many measures the Senate Judiciary Committee has achieved almost twice as much this last year as Republicans averaged during their years in control.

The Senate has confirmed more circuit and district court judges, 57, than were confirmed during 2000, 1999, 1997, 1995, and 1993 combined. For the first year of Republican control of the Senate, Republicans averaged 38 confirmations a year. By contrast the Democratic Senate achieved 57 judicial confirmations in our first 10 months, before the Administration’s obstructionism stalled Senate floor actions on nominations for more than 2 months. There are another 17 judicial nominees on the Senate Executive Calendar. The delay in the votes on these nominees has been due to the Administration’s fulfilling its responsibility to work with the Senate in the naming of members of bipartisan boards and commissions.
I congratulate the majority leader for overcoming this impediment and for his patience and determination in achieving some movement on these matters. I understand that he hopes to be able to resume voting on judicial nominees as next week. He and I had the administration not caused this delay. I am confident that the Senate would have confirmed more than 70 judicial nominations before the end of this week and far outdistanced any Republican total for any preceding year. Nonetheless, we were able to overcome the other obstacles created by the administration and proceed to confirm 57 circuit and district court nominees in our first 10 months in the majority, a record outpacing any Republican total in any 10-month period in which they held the majority.

We have addressed longstanding vacancies on circuit courts caused by Republican obstruction of President Clinton’s judicial nominees. We held the first confirmation hearing for a Fifth Circuit nominee in 7 years, the first hearings for Sixth Circuit nominees in almost 5 years, the first hearing for a Tenth Circuit nominee in 6 years, and the first hearings for Fourth Circuit nominees in 3 years.

We have reformed the process for considering judicial nominees. For example, we have ended the practice of anonymous holds that plagued the period of Republican control, when any Republican Senator could hold any nominee from his home State, his own circuit or any part of the country for any reason, or no reason, without any acknowledgment or accountability. We have returned to the Democratic tradition of holding regular hearings, every few weeks, rather than going for months without a single hearing. It would certainly have been easier and less work to retaliate for the unfair treatment of the last President’s judicial nominees, but we did not. We have been, and will continue to be, more fair than the Republican majority was to President Clinton’s judicial nominees. More than 50 of Clinton’s nominees never got a vote; many languished for months and years before they were returned without a hearing. Others waited years—not just a year, but up to more than 4 years to be confirmed. Some never were accorded a hearing, some were finally confirmed after years of delay.

Those who now seek to pretend that the Democratic majority in the Senate caused a vacancy crisis in the Federal courts are ignoring the facts. Under Republicans, court vacancies rose from 63 in January 1995 to 110 in July 2001, when the committee reorganized. During Republican control before the reorganization of the committee, vacancies on the courts of appeals more than doubled, increasing from 16 to 33. That is what we inherited. But in 1 year of Democratic control and despite 45 additional vacancies caused largely by the retirements of many past Republican appointees, we have reduced the number of district and circuit court vacancies.

Vacancies continue to exist on the court of appeals, in particular, because a Republican Senate majority was not willing to hold hearings or vote on nominees. President Clinton’s circuit nominees in 1999 and 2000, and was not willing to confirm a single circuit judge during the entire 1996 session. Republicans caused the circuit vacancy crisis, and it has taken a tremendous effort to evaluate and have hearings for 16 circuit court nominees in less than a year.

We are hard at work evaluating the records of the few remaining nominees who have not yet had hearings. While we have moved as quickly as possible to evaluate all of the nominees, the Senate is not, and should not be, a rubber stamp. If this President is successful in filling all of the vacancies he inherited due to Republican obstruction as well as the new vacancies that have arisen on the circuits, Republican appointees will constitute the majority, and often a two-thirds majority, on 11 of the 13 appellate courts below the Supreme Court. Such a takeover would affect the next 20 years of judicial decisions on any and all matters of appeal.

The President and his advisers know this and, aside from the few relatively moderate nominees we have been able to confirm quickly, they have also chosen a number of people with records of judicial activism, out-of-mainstream ideology, including several young men in their thirties and early forties, for many of these lifetime appointments to the federal bench. What the President and his advisers acknowledge they are doing is nominating ideologically conservative judicial nominees to stack the fifth, sixth, and DC Circuits with judicial activists of their choice. That is part two of the Republican strategy.

In part one, several Republicans in the Senate prevented many of these vacancies from being filled in the first place, so that whatever balance there might be, or might have been, on those courts is missing. They kept off well qualified moderate nominees, not chosen because of any litmus test or ideology. They did so to provide a Republican President with the opportunity to load the bench, especially the appellate bench, with right wingers.

Advise and consent does not mean giving the President carte blanche to pack the courts. The best-known attempt to pack the courts occurred during the administration of President Franklin Roosevelt. President Roosevelt’s attempt to pack the Supreme Court with justices of his choosing, to get more votes on the side of his policies, was stopped by Congress and the American people.

If one thoroughly examines the types of nominees this President is sending us, one might conclude that we are facing another attempt to pack the courts. The Senate Judiciary Committee is working very hard to analyze all of President Bush’s judicial nominees fairly, one by one. In our first year, we have already had 21 hearings on 78 judicial nominees, including 16 circuit court nominees, and have planning another hearing for next week.

In the meantime, Republicans have been unfairly critical that not every nominee has yet had a hearing or been confirmed. Some have asserted that there is some sort of “honeymoon” period for Presidents in getting confirmation of their first choices for the courts. Of course, the Constitution provides for no such abdication of responsibility for a President’s first few lifetime appointees or appointees. Support this extra-constitutional theory, Republicans assert that the last three Presidents had a 100-percent confirmation rate of their first several circuit court nominees. When they say this, they conveniently leave a few details out. First, it is not true that Republicans more than a year to confirm 11 circuit court nominees of past Presidents. We have only had a year and the Senate has already confirmed nine of this President’s circuit court nominees and five more are awaiting a vote by the full Senate.

President George W. Bush has said previously that he would choose judges
in the mold of two ideologically con-
servative activists, Justice Scalia and
Justice Thomas. No judicial nominees
should be rubber-stamped by the Sen-
ate, not even a President’s first few
choices. All nominees for these lifetime
positions deserve a fair, thoughtful review by
the Senate. When a President is using ideo-
logical criterion to select nominees, it
is fair for the Senate to consider it as
well. Federalist Society credentials are
not a substitute for fairness, modera-
tion or judicial temperament. When a
President is intent on packing the
courts and stacking the deck on out-
come, consideration of balance and
how ideological and activist nominees
will affect a court are valid consider-
ations for Senators entrusted by the
Constitution to evaluate these lifetime
appointees.

The high dudgeon expressed by Re-
publicans about the order in which we
have been considering this President’s
circuit court nominees is especially un-
warranted by the objective unfair way they treated President Clin-
ton’s circuit court nominees. Some of
these vacancies we inherited date back to

Partisan Expediency ignore the
Republicans’ terrible record of obstruc-
tion when they complain that a few of
President Bush’s nominees have not
yet had a hearing. Those nominees
chosen without consultation with both
parties in the Senate and, in partic-
ular, those who have not had home-
State Senator support do not get hear-
ings, according to longstanding Senate
tradition. Republicans have tried to
measure our achievements by stand-
ards they never met but surely even
they are not now suggesting overriding the
longstanding Senate tradition of
consent or blue slips from both home-
State Senators on which they them-
selves insisted. Republicans averaged
only seven confirmations a year for
President Clinton’s circuit court nomi-
nees. We confirmed nine in our first 10
months.

I have tried to work with the White
House on judicial nominations. I have
gone out of my way to encourage them
to work in a bipartisan way with the
Senate, like past Presidents, but in all
too many instances they have chosen
to bypass bipartisanship. I have en-
couraged them to include the ABA in
the process earlier, like past Presi-
dents, but they have refused to do so
even though their decision adds to the
length of time nominations must be
pending before the Senate before they
can be considered.

This past January, I again called on
the President to stop playing politics
with judicial nominations and act in a
bipartisan manner. Just last month I
sent a detailed letter to the President
on these issues. My efforts to help the
White House improve the judicial
nomination process have been re-
jected. My most recent effort was
with a perfunctory acknowledgment or re-
cipt, which I will ask unanimous con-
sent to have printed in the RECORD at
the end of my remarks. Unfortunately,
this letter is about the most construc-
tive response that I have received from
the White House to my many efforts to
improve the process and speed up the
filling of judicial vacancies with qual-
ified, fair-minded judges.

Republican statements on judicial
nominees regularly rely on super-
ficially appealing but misleading sta-
tistics to gloss over the types of nomi-
nees they are choosing for our Federal
courts. For example, they complain
that Presidents Reagan, Bush and Clin-
ton got 97, 95 and 97 percent, respec-
tively, of their first 100 judicial nomi-
inations confirmed. What they conven-
tiently fail to mention is that it took 2
full years for President Reagan to have
89 of his judicial nominees confirmed,
and well into year 3 to reach the 100
mark. Similarly, the first President
Bush had only 71 judicial nominees
confirmed after 2 full years, and it took
well into year 3 to reach 100 confirma-
tions.

We are moving quickly, but respon-
sibly, to fill judicial vacancies with
qualified nominees we hope will not be
activists. In our first year we con-
firmed 57 judges and reported 74 judi-
cial nominations. Partisans ignore these
facts. The facts are that we are report-
ing President Bush’s nominees at a
faster pace than the nominees of prior
Presidents, including those who
worked closely with a Senate majority of
different parties. We have accomplished all this during a period of
tremendous tumult and crisis.

The Judiciary Committee noticed the
first hearing on judicial nominations
within 10 minutes of the reorganiza-
tion of the Senate, and held that hearing
on the day after the committee was
assigned new members. Yesterday was
the 1-year anniversary of that first
hearing for Judge Roger Gregory, who
was initially nominated by President
Clinton to a vacant judgeship like so many
other judi-
cial candidates, including other Afri-
can-American nominees to the Fourth
Circuit, his nomination languished
without a hearing by the Republican-
controlled Senate. Because of this
history of inaction on such nominees to
that court, President Clinton made a
recess appointment to make Roger
Gregory the first African-American
judge in history to sit on the Fourth
Circuit, and he sent his nomination for
his peers to be confirmed at court
back to the Senate at the beginning of
the 107th Congress. Unfortunately,
President Bush withdrew Judge Greg-
ory’s nomination in March of 2001, but
he finally sent it back to us later that
year. When the Senate Judiciary Com-
nittee held the hearing on the nomi-
 nation of Judge Roger Gregory to the
Fourth Circuit last year, it was the
first hearing on a Fourth Circuit nomi-
nee in 3 years, although five nominees
to that court during that period were
never given hearings by Republicans.

Subsequent to that hearing, we held
unprecedented hearings during the Au-
gust recess last year and proceeded
with a hearing 2 days after the 9/11 at-
tacks and shortly after the anthrax at-
tack. We will hold our 22nd hearing for
judicial nominees next week. We are
doing our best to address the vacancy
crisis we inherited.

The Senate Judiciary Committee and
the Democratic-led Senate has a record
of achievement and of fairness to be
proud of on this anniversary. I thank
the Members who have worked coop-
eratively with me to make progress in
so many areas over the last year.

President, I con-
sent that the letter previously referred
to be printed in the RECORD.

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

THE WHITE HOUSE,
Washington, DC.

DEAR SENATOR LEAHY:

I hope you will understand that in light of
the tragic events of September 11th, en-
hanced screening of all incoming White
House materials may prevent the receiv-
ing your correspondence and providing you
with a prompt reply to your letter.

I have shared your letter with the Presi-
dent’s advisors and the appropriate agencies
who have been formulating policy rec-
ommendations in this area. Your letter is re-
ceiving their close and careful attention.

Thank you for your patience.

Sincerely,

NICHOLAS E. CALIO,
Assistant to the President and
Director of Legislative Affairs.

HONORING 65 MEN FROM ALEXAN-
DRIA, WHO WERE KILLED IN AC-
TION OR MISSING IN ACTION IN
SOUTHEAST ASIA DURING THE
VIETNAM WAR

Mr. ALLEN. Mr. President, I rise
today to recognize 65 fallen servicemen
from Alexandria, VA, who paid the ul-
timate sacrifice with their life while
defending freedom in the Vietnam war.
No mere words can express the depth
of gratitude this country owes to the
families of our fallen service members
for the loss of their sons, daughters,
brothers, sisters, husbands, or wives.
By touching their names etched in
great marble monuments and statues in
countries around the world, we who are
living and those who come
after us have the ability to connect
with these fallen heroes. We must
never take the sacrifices of past gen-
erations of Americans for granted, for
each new generation is called upon to
defend representative democracy’s first
axiom: that “freedom is not free.”

On July 6, 2002, the city of Alexandria
dedicated a beautiful memorial plaza
to pay tribute to the 65 fallen Amer-
cans who gave their lives in Vietnam,
who were killed in action or who remain missing in action in southeast Asia from the
Vietnam war. Toby Mendez, a brilliant

S7604
CONGRESSIONAL RECORD — SENATE
July 12, 2002
young sculptor, has created a work that will allow us to touch the names of the brave men whose sacrifice will be memorialized for all time.

A statue of U.S. Army Cpl. Humbert Roque "Rocky" Versace is the centerpiece. On July 8, 2002, I had the distinct honor of being present at the White House for the posthumous awarding of the Medal of Honor by President George W. Bush for Rocky’s conspicuous gallantry at the risk of his life and among the ranks of Army personnel, those brave souls who, in the words of General of the Army Douglas MacArthur gave up their “youth and strength, . . . love and loyalty . . . all that mortality can give.”

Each of the 65 names engraved on the limestone benches in Alexandria has a story to tell of honor, courage, and heroism in action. Two outstanding examples of the dedication and service of this fine group of men are Robert William Cupp and Herman Leroy Judy, Jr.

U.S. Army Cpl., Robert William Cupp served proudly with Company B, 2nd Battalion, 505th Infantry, 82nd Airborne Division. He was killed in action in South Vietnam on June 6, 1968, by an enemy booby trap. Corporal Cupp was laid to rest in his family’s plot at Mount Comfort Cemetery on June 17, 1968, on his 21st birthday.

U.S. Cpl., Herman Leroy Judy, Jr. served proudly with Company B, 2nd Battalion, 505th Infantry, 82nd Airborne Division. He was killed in action in South Vietnam on May 29, 1969, a day before his wedding anniversary. He is buried in Arlington National Cemetery.

Both of these brave men received the Combat Infantryman’s Badge, Bronze Star Medal, and Purple Heart Medal for their heroism in combat.

The remains of Captain Versace and the other 65 men were memorialized on July 6, 2002.

Each of the 65 names engrave on the bronze plaque of the Washington Monument are Robert William Cupp and Herman Leroy Judy, Jr. moved to their final resting place.

Mr. President, it is my great honor to enter into the CONGRESSIONAL RECORD the names of the 65 men from Alexandria who were killed in action or remain missing in action in southeast Asia during the Vietnam war, and who were memorialized on July 6, 2002.

I ask unanimous consent that the list be printed in the RECORD.

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Date of Birth</th>
<th>Date of Death</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>John A. Winkler</td>
<td>November 22, 1965</td>
<td>November 22, 1965</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Paul M. Bayliss</td>
<td>November 7, 1966</td>
<td>November 7, 1966</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Carl L. Young</td>
<td>December 24, 1966</td>
<td>December 24, 1966</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Paul H. Karas</td>
<td>February 5, 1967</td>
<td>February 5, 1967</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Wayne L. Jordan</td>
<td>March 17, 1967</td>
<td>March 17, 1967</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Ralph B. Pappas</td>
<td>March 30, 1967</td>
<td>March 30, 1967</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Richard H. Freudenthal</td>
<td>June 30, 1967</td>
<td>June 30, 1967</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Foster J.G. Touhart</td>
<td>September 6, 1967</td>
<td>September 6, 1967</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Darrell L. Gibbons</td>
<td>October 11, 1967</td>
<td>October 11, 1967</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Robert E. Winkler</td>
<td>November 30, 1968</td>
<td>November 30, 1968</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Harry F. Richardson, Jr.</td>
<td>January 31, 1968</td>
<td>January 31, 1968</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Raymond L. Williams</td>
<td>May 13, 1969</td>
<td>May 13, 1969</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Herman L. Judy, Jr.</td>
<td>May 29, 1969</td>
<td>May 29, 1969</td>
<td>KILLED IN ACTION</td>
</tr>
<tr>
<td>Robert W. Cupp</td>
<td>June 6, 1968</td>
<td>June 6, 1968</td>
<td>KILLED IN ACTION</td>
</tr>
</tbody>
</table>

Mr. Domenici. Mr. President, I rise to recognize the Tres Rios High School Rodeo Association, which will soon host the 2002 National High School Finals Rodeo in Farmington, NM.

Mr. Domenici. The Tres Rios High School Rodeo Association, which will host the 2002 National High School Finals Rodeo in Farmington, NM, is the recipient of the 2002 National High School Finals Rodeo in Farmington, NM.

Mr. Domenici. The Tres Rios High School Rodeo Association is a wonderful setting for this rodeo. The Tres Rios High School Rodeo Association is a great setting for this rodeo. The Tres Rios High School Rodeo Association is a wonderful setting for this rodeo. The Tres Rios High School Rodeo Association is a wonderful setting for this rodeo.

Mr. Domenici. I join in welcoming the thousands of student athletes and spectators who will descend on Farmington to celebrate the athleticism associated with the rodeo competitions. Farmington, a burgeoning city that has already proven itself as an excellent host for sporting events, will again be the host of the Connie Mac World Series tournament.

Mr. Domenici. The Tres Rios High School Rodeo Association is a wonderful setting for this rodeo. The Tres Rios High School Rodeo Association is a wonderful setting for this rodeo. The Tres Rios High School Rodeo Association is a wonderful setting for this rodeo. The Tres Rios High School Rodeo Association is a wonderful setting for this rodeo.
County who briefed me on their work to host this national competition. Their enthusiasm and excitement was contagious, and I share in their anticipation for hosting the rodeo in northwest New Mexico. This is a great opportunity for the youth in the area to showcase their talents, and an excellent chance to boost the Four Corners area economy.

This year’s competition is a continuation of a tradition begun in 1949 in Hallettsville, TX, with the first National Championship Rodeo. That contest laid the foundation for what became the National Championship High School Rodeo Association. New Mexico was one of the first five charter members. Subsequently, in 1961, this association was incorporated into the National High School Rodeo Association and included 20 states. Today, they have grown to include 39 States and two foreign countries.

Every year, the National High School Rodeo Association holds a National High School Finals Rodeo. New Mexico has been the proud host of three previous events. I am proud to host the 2002 and 2003 competitions at the San Juan County Fairgrounds.

The National High School Rodeo Association serves to challenge high school students to keep alive a rich tradition of Western life through rodeo competitions. By providing a competitive environment, participants learn the spirit of sportsmanship and grow as individuals. In addition, participation in the promotion of student achievement and provides opportunities for college scholarships and further professional development. I believe their efforts at furthering student education bodes well for the association, and I applaud them for impacting young lives in such a positive manner.

Being selected as a host site is an honor, and I commend the Tres Rios High School Rodeo Association, San Juan County, the city of Farmington, Aztec and Bloomfield, and everyone associated with the event for their efforts to prepare for the National High School Finals Rodeo. I wish all participants in the rodeo the best of luck.

TRIBUTE TO JOE FORD

Mrs. LINCOLN. Mr. President, for the last several months the American people have been subjected to a string of stunning revelations from some of our largest public companies. Accounting irregularities, shady business practices, and exorbitant executive compensation packages are apparently standard operating practice in some of our corporate boardrooms. As a result, thousands of families have lost their jobs and their savings, and investor confidence in our system of free enterprise has been severely shaken.

I would like to take a few minutes today to pay tribute to an Arkansan whom everyone in every move has represented the ideals of the American business world: trust, responsibility, hard work, and the greater public good. I hope that all of our business leaders will follow Joe’s example in adhering to these ideals.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred in November 1998 in Providence, MA. A gay man was assaulted outside a bar. The assailants, David E. Sheldon, 19, and Taylor Grenier, 18, who used antigay slurs during the attack, were charged with a hate crime in the incident.

I believe that Government’s first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

DO THE WRITE THING CHALLENGE 2002

Mr. LEVIN, Mr. President. Do the Write Thing Challenge, sponsored by the National Campaign to Stop Violence, is a national writing contest in which students express their concerns about subjects such as violence, easy access to guns, and gang activity. DoWT currently operates in 14 cities, including Detroit, MI. In 2002, more than 75,000 students from more than 550 schools participated in the DoWT program. This week 38 Do the Write Thing national finalists came to Washington, DC, to talk to lawmakers about the impact of and solutions to the epidemic of youth violence in our Nation.

The national student finalists, along with their teachers and family members, also attended a ceremony at the Library of Congress on Monday. Representatives of the Secretary of Education and the Librarian of Congress placed the students’ writings in the Library of Congress. The writings, ranging from poems to essays to stories, describe the impact of youth violence on the lives of children. Two students from Michigan, Chastity Stewart and Justin Mozader, were honored by the National Campaign to Stop Violence for their writings on youth violence.
Justin’s poem offers excellent advice on dealing with feelings of anger and aggression.

What can I do about the problem at hand? It can’t be solved by one man.

To begin, I must look inside myself
And put my violence on the shelf.

One of the top priorities of the Do
the Write Thing Challenge is to address youth violence by drawing attention to the problem of easy access to guns. This is a laudable and important goal.

What can I do about the problem at hand?

To begin, I must look inside myself
And put my violence on the shelf.

Cedar Grove’s 100th Year of Incorporation

Mr. ROCKEFELLER. Mr. President, I rise today in recognition of a historical milestone in my State of West Vir-
ginia. July 13, 2002, marks the 100th year of incorporation for the town of Cedar Grove—making it the oldest town in Kanawha County. I take this opportunity to congratulate Cedar Grove on its centennial.

Cedar Grove is a small community nestled along the upper Kanawha Valley. Although only in existence for 100 years, the history of the town’s site is much longer. The first settlement in the Kanawha Valley was on the site of what is now Cedar Grove. Walter Kelly first settled the area, then known as Kelly’s Fort, in 1744. This was one of the first settlements started after the English bought what is now West Vir-
ginia from the Iroquois Indians. This site was also contested land during the Civil War, when control of the Kanawha Valley went back and forth between the North and the South.

From being the oldest settlement in the area to the oldest town, Cedar Grove has stood the test of time and remains strong to this day. It has been a historical keystone to the Kanawha Valley, and has greatly contributed to the richness of West Virginia culture and history.

On behalf of all citizens from the Mountain State, I would like to once again commend Cedar Grove on its 100th birthday and ask that my distin-
guished colleagues join me in re-
ognizing its rich history.

DISTRICT OF COLUMBIA’S FISCAL YEAR 2003 BUDGET REQUEST ACT—PM 102

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Com-
mitee on Governmental Affairs:

To the Congress of the United States:

Pursuant to my constitutional au-
thority and consistent with sections 202(c) and (e) of The District of Colum-
bia Fiscal Responsibility Act of 1995 and sec-

The proposed FY 2003 Budget Request Act reflects the major programmatic objectives of the Mayor and the Coun-
cil of the District of Columbia. For FY 2003, the District estimates total reve-
ues and expenditures of $5.7 billion.

GEORGE BUSH

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 9:29 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

H.R. 292. An act to establish the Benjamin Franklin Tercentenary Commission.

H.R. 3971. An act to provide for an inde-
pendent investigation of Forest Service fighter deaths that are caused by wildlife entrap-
ment or burnover.

H.J. Res. 87. A joint resolution approving the site at Yucca Mountain, Nevada, for the development of a repository for the disposal of high-level radioactive waste and spent nuclear fuel, pursuant to the Nuclear Waste Policy Act of 1982.

The enrolled bills and joint resolu-
tion was signed subsequently by the President pro tempore (Mr. Byrd).

At 11:08 a.m., a message from the House of Representatives, delivered by Ms. Niland, the of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2486. An act to authorize the National Oceanic and Atmospheric Administration, through the United States National Weather Research Program, to conduct research and development, training, and outreach activi-
ties relating to inland flood forecasting im-
provement, and for other purposes.

H.R. 2733. An act to authorize the National Institute of Standards and Technology to work with major manufacturing industries on an initiative of standards development and implementation for electronic enterprise integration.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2486. An act to authorize the National Oceanic and Atmospheric Administration, through the United States National Weather Research Program, to conduct research and development, training, and outreach activi-
ties relating to inland flood forecasting im-
provement, and for other purposes, to the Committee on Commerce, Science, and Transportation.

H.R. 2733. An act to authorize the National Institute of Standards and Technology to work with major manufacturing industries on an initiative of standards development and implementation for electronic enterprise integration; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND
JOINT RESOLUTIONS

The following bills and joint resolu-
tions were introduced, read the first and second times by unanimous con-
sent, and referred as indicated:

By Mr. BINGAMAN (for himself, Mr. BREAUX, Mr. CONRAD, and Mrs. LIN-
coln) S. 2726. A bill to treat certain motor dealer transitional assistance as an involuntary conversion, and for other purposes; to the Committee on Finance.

By Mr. AKAKA: S. 2727. A bill to provide for the protection of the paleontological resources on Federal lands, and for other purposes; to the Com-
mitee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND
SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LANDRIEU (for herself and Mr. Breaux).

S. Res. 383. A resolution expressing the sense of the Senate that a commemorative postage stamp should be issued to celebrate the 250th anniversary of the arrival of the first Acadians in the American colonies; to the Committee on Governmental Affairs.

ADDITIONAL COSPONSORS

S. 1238. At the request of Mr. LEAHY, the name of the Senator from Missouri (Mrs. Carana) was added as a co-
sponsor of S. 1238, a bill to amend sub-
chapter III of chapter 83 and chapter 84 of title 5, United States Code, to in-
clude Federal prosecutors within the definition of a law enforcement officer, and for other purposes.

S. 2533. At the request of Mr. BIDEN, the name of the Senator from Vermont
(Mr. JEFFORDS) was added as a cosponsor of S. 2613, a bill to assess the extent of the backlog in DNA analysis of rape kit samples, and to improve investigation and prosecution of sexual assault cases with DNA evidence.

At the request of Mr. Domenici, the name of the Senator from Wyoming (Mr. Enzi) was added as a cosponsor of S. 2528, a bill to establish a National Drought Council within the Federal Emergency Management Agency, to improve national drought preparedness, mitigation, and response efforts, and for other purposes.

At the request of Mr. Hollings, the name of the Senator from Wisconsin (Mr. Feingold) was added as a cosponsor of S. 2622, a bill to authorize the President to posthumously award a gold medal on behalf of Congress to Joseph A. De Laine in recognition of his contributions to the Nation.

At the request of Mr. Nelson of Florida, the name of the Senator from Arizona (Mr. Kyl) was added as a cosponsor of S. 2654, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income loan payments received under the National Health Service Corps Loan Repayment Program established in the Public Health Service Act.

At the request of Ms. Cantwell, the name of the Senator from Iowa (Mr. Grassley) was added as a cosponsor of S. 2667, a bill to amend the Peace Corps Act to promote global acceptance of the principles of international peace and nonviolent coexistence among peoples of diverse cultures and systems of government, and for other purposes.

At the request of Mr. Dodd, the name of the Senator from Michigan (Ms. Stabenow) was added as a cosponsor of S. 2667, a bill to amend the Peace Corps Act to promote global acceptance of the principles of international peace and nonviolent coexistence among peoples of diverse cultures and systems of government, and for other purposes.

At the request of Mr. Biden, the name of the Senator from Missouri (Mr. Bond) was added as a cosponsor of S. Res. 293, a resolution designating the week of November 10 through November 16, 2002, as ‘‘National Veterans Awareness Week’’ to emphasize the need to develop educational programs regarding the contributions of veterans to the country.

AMENDMENT NO. 4215

At the request of Mr. Dorgan, the name of the Senator from Iowa (Mr. Harkin) was added as a cosponsor of amendment No. 4215 proposed to S. 2673, an original bill to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase transparency and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes.

STATEDMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. Bingaman (for himself, Mr. Breaux, Mr. Conrad, and Mrs. Lincoln):

S. 2726. A bill to treat certain motor dealer transitional assistance as an involuntary conversion, and for other purposes; to the Committee on Finance.

Mr. Bingaman. Mr. President, I rise today to introduce legislation important to thousands of independent small business owners. The legislation I am introducing is a modest tax proposal designed to aid the Nation's 2,801 Oldsmobile franchised automobile dealers who are currently in the process of ending that relationship with General Motors. GM, due to GM's decision to eliminate the Oldsmobile product line. This legislation is similar to legislation that has been introduced in the House with bipartisan majority of the House Ways and Means Committee.

As many of my colleagues know, GM notified their 2,801 Oldsmobile dealers in the United States on December 12, 2000 that they were phasing out the 100-year-old Oldsmobile brand and its complete line-up of vehicles. The announcement came with little warning to Oldsmobile dealers. In fact, many of the dealers had recently signed a new agreement with GM on November 1, 2000, with most dealers receiving a five-year term agreement.

As a consequence of its actions, GM is in the process of compensating Oldsmobile dealers to assist in the phase-out of their Oldsmobile dealerships. These dealers will be required, out of financial necessity, to reinvest the payment from GM into other dealership opportunities. In many cases, these dealers may face a significant financial burden in connection with their efforts to continue in the automobile retail business.

The legislation I am introducing today seeks to lessen that burden by treating GM's financial assistance payments, made in connection with GM's unilateral decision to phase-out the Oldsmobile product line, as an involuntary conversion under an existing section of the Internal Revenue Code. Thus, the effect of the legislation is to allow the Oldsmobile dealer to defer tax consequences on GM's payments, provided that the proceeds are reinvested in other dealership properties in the time period specified in the Code.

Small and family-owned businesses, such as automobile dealerships, form the economic backbone of local communities across our country, particularly in rural states like my home state of New Mexico. Allowing Oldsmobile dealers to reinvest the entire proceeds, received from GM, in other dealership properties gives these dealers an opportunity to continue family-owned businesses and great benefits local economies throughout New Mexico and the Nation.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2726

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

SECTION 1. MOTOR VEHICLE DEALER TRANSITIONAL ASSISTANCE TREATED AS AN INVOLUNTARY CONVERSION.

(a) In General.—For purposes of subtitle A of the Internal Revenue Code of 1986, in the case of a taxpayer who was a party to a motor vehicle sales and service agreement with a motor vehicle manufacturer who announced in December 2000 that it would phase-out the motor vehicle brand to which such agreement relates—

(1) amounts received by such taxpayer from such manufacturer on account of the termination of such agreement shall be treated as received in an involuntary conversion to which section 1033 of such Code applies; and

(2) the period described in section 1033(a)(2)(B) of such Code shall begin on December 12, 2000.

(b) Character of Converted Property.—In applying section 1033 of such Code for purposes of this section, the property involuntarily converted shall be treated as being the property used in the trade or business of a motor vehicle retail sales and service dealership.

(c) Effective Date.—This section shall apply to amounts received after December 12, 2000, in taxable years ending after such date.

By Mr. Akaka:

S. 2727. A bill to provide for the protection of paleontological resources on Federal lands, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. Akaka. Mr. President, I rise today to introduce the Paleontological Resources Preservation Act to protect and preserve the Nation's important fossil record for the benefit of our citizens. Vertebrate fossils are rare and valuable natural resources that are threatened by a growing commercial market which is being supplied, in part, by the illegal collection of fossil specimens. This Act establishes a comprehensive national policy for preserving and managing paleontological resources found on Federal lands. It provides uniformity to the patchwork of statutes and regulations that currently exist, and it ensures that the
You might wonder why such a bill is needed. Who would want to take these fossils, and what would a person do with them? Let me give you an example. On September 24, 2000, four individuals at Badlands National Park in South Dakota took 170 fossil specimens that represented a variety of different types of animals. This area was scheduled for a scientific survey in July 2002, but because these four individuals removed the fossils from their context, scientists could no longer ascertain the positions of the fossils in the layers of rock, and the scientific and educational value of the fossils was destroyed. So what happened to these individuals? To be honest, not much. Each one of the four was fined between $250 and $1,000 for the theft of 1,700 pieces of our paleontological history.

You might think the fines were a lot of money until you realize how much fossils are worth. Trade in fossils is big business. With the popularity of paleontological programs on the Discovery Channel and movies like Jurassic Park, people are starting their own collections at home, and corporations are buying fossils as investments, similar to the purchase of works of art. For example, the complete skeleton of a T-Rex was recently sold for $3.6 million at auction to the Field Museum of Chicago.

Paleontological resources can be sold on the market for a hefty price, and they are being stolen from public lands without regard to science and education. Even worse is the fact that the people who steal fossils aren’t being held responsible for their actions and there is no incentive to stop the theft in the future. Less than one percent of organisms become fossils, and they are the key to understanding evolutionary patterns and processes. We need to protect these resources before it’s too late.

The protections I offer in this Act are not new. Federal land management agencies have individual regulations regarding the treatment of fossils by Federal land management agencies, and our concern was that the lack of appropriate standards would lead to the deterioration or loss of fossils, which are valuable scientific resources.

In response, seven Federal agencies and the Smithsonian Institution released a report in May 2000 entitled, “Assessment of Fossil Management on Federal and Indian Lands.” The report prescribed a national policy for the management of fossils on Federal lands. These principles are that fossils on Federal lands are rare and a part of America’s heritage; that effective stewardship requires accurate information and inventories; that penalties for fossil theft should be strengthened; and that Federal fossil collections should be preserved and available for research and public education.

The Paleontological Resources Preservation Act embodies these principles, and provides the paleontological equivalent of protections found in the Archaeological Resources Protection Act of 1979 or the Native American Graves Protection and Rehabilitation Act. This Act makes it clear that fossil resources on Federal lands are an irreplaceable part of the heritage of the United States. It affirms that reasonable access to fossil resources should be provided for scientific, educational, and recreational use. The Act recognizes the value of amateur collecting, but protects vertebrate fossils under a system of permits.
the scientific and educational use of paleontological resources, in accordance with applicable agency laws, regulations, and policies. These plans shall emphasize interagency coordination and collaborative efforts where possible with non-Federal partners, the scientific community, and the general public.

(b) AUTHORIZATION OF IMPLEMENTATION.—To the extent possible, the Secretary of the Interior and the Secretary of Agriculture shall coordinate in the implementation of this Act.

SEC. 6. PUBLIC AWARENESS AND EDUCATION PROGRAM.

The Secretary shall establish a program to increase public awareness about the significance of paleontological resources.

SEC. 7. COLLECTION OF PALEONTOLOGICAL RESOURCES.

(a) PERMIT REQUIREMENT.—

(1) IN GENERAL.—Except as provided in this subsection, a paleontological resource may not be collected from Federal lands without a permit issued under this Act by the Secretary.

(2) CASUAL COLLECTING EXCEPTION.—The Secretary may allow casual collecting of abundant invertebrate and plant paleontological resources, for scientific, educational, and recreational uses, without a permit. Such collection is consistent with the laws governing the management of those Federal lands and this Act.

(b) PREVIOUS PERMIT EXCEPTION.—Nothing in this Act shall affect a valid permit issued prior to the date of enactment of this Act.

(c) CRITERIA FOR ISSUANCE OF A PERMIT.—

The Secretary may issue a permit for the collection of a paleontological resource pursuant to an application if the Secretary determines that—

(1) the applicant is qualified to carry out the permitted activity;

(2) the permitted activity is undertaken for the purpose of furthering paleontological knowledge or for public education;

(3) the permitted activity is consistent with any management plan applicable to the Federal lands concerned; and

(4) the proposed methods of collecting will not threaten significant natural or cultural resources.

(d) PERMIT SPECIFICATIONS.—A permit for the collection of a paleontological resource issued under this section shall contain such terms and conditions as the Secretary deems necessary for the purposes of this Act. Every permit shall include requirements that—

(1) the paleontological resource that is collected from Federal lands under the permit will remain the property of the United States;

(2) the paleontological resource and copies of associated records will be preserved for the public in an approved repository, to be made available for scientific research and public education; and

(3) specimen locality data will not be released by the permittee or repository without the written permission of the Secretary.

(e) MODIFICATION, SUSPENSION, AND REVOCATION OF PERMITS.

(1) The Secretary shall modify, suspend, or revoke a permit—

(A) for reasonable, safety, or other management considerations; or

(B) when there is a violation of term or condition of a permit issued pursuant to this section.

(2) The permit shall be revoked if any person working under the authority of the permit is convicted under section 9 or is assessed a civil penalty under section 10.

(f) AREA CLOSURES.—In order to protect paleontological resource or other resources and to provide for public safety, the Secretary may restrict access to or close areas under the Secretary's jurisdiction to the collection of paleontological resources.

SEC. 8. CURATION OF RESOURCES.

Any paleontological resource, and any data and records associated with the resource, collected under a permit, shall be deposited in, or made available to, the Secretary. The Secretary may enter into agreements with non-Federal repositories regarding the curation of these resources, data, and records.

SEC. 9. PROHIBITED ACTS; PENALTIES.

(a) IN GENERAL.—A person may not—

(1) excavate, remove, cause, or otherwise alter or deface or attempt to excavate, remove, cause, or otherwise alter or deface any paleontological resource located on Federal lands unless such activity is conducted in accordance with this Act;

(2) exchange, transport, export, receive, or offer to exchange, transport, export, or receive any paleontological resource if such resource was excavated, removed, exchanged, transported, or received from Federal lands in violation of any provisions, rule, regulation, law, ordinance, or permit in effect under Federal law, including this Act; or

(3) sell or purchase or offer to sell or purchase any paleontological resource if any such resource was excavated, removed, sold, purchased, exchanged, transported, or received from Federal lands.

(b) FALSE LABELING OFFENSES.—A person may not make or submit any false record, account, or label for, or any false identification of, any paleontological resource excavated or removed from Federal lands.

(c) PENALTIES.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), a person who knowingly or willfully violates this section shall, upon conviction, be guilty of a class D felony.

(2) DAMAGE OVER $1,000.—If the sum of the scientific or fair market value of the paleontological resources involved and the cost of restoration and repair of such resources exceeds the sum of $1,000, such person shall, upon conviction, be guilty of a class E felony.

(d) MULTIPLE OFFENSES.—In the case of a second or subsequent violation, such person shall, upon conviction, be guilty of a class D felony.

(e) GENERAL EXCEPTION.—Nothing in subsection (a) shall apply to any person with respect to any paleontological resource which was in the lawful possession of such person prior to the date of the enactment of this Act.

SEC. 10. CIVIL PENALTIES FOR VIOLATIONS OF REGULATIONS OR PERMIT CONDITIONS.

(a) IN GENERAL.—A person who violates any regulation or permit condition promulgated pursuant to this Act, taking into account the following factors—

(1) the scientific or fair market value, whichever is greater, of the paleontological resource involved;

(2) the cost of response, restoration, and repair of the resource and the paleontological site involved;

(3) any other factors considered relevant by the Secretary assessing the penalty.

(b) FEDERAL LANDS.—Nothing in this section shall affect the collection of any penalty assessed under this subsection for a violation on Federal lands.

(c) ADMINISTRATIVE PENALTIES.—The Secretary shall have the authority to assess civil penalties against a person who violates any provision of title 5, United States Code.

(d) REDUCTION OF PENALTIES.—The amount of any penalty assessed under this subsection for any one violation shall not exceed an amount equal to double the cost of response, restoration, and repair of the paleontological site damage plus double the scientific or fair market value of resources destroyed or not recovered.

(e) PETITION FOR JUDICIAL REVIEW; COLLECTION OF UNPAID ASSESSMENTS.—Any person against whom an order is issued assessing a penalty under subsection (a) may file a petition for judicial review with an appropriate Federal district court within the 30-day period beginning on the date the order making the assessment was issued. The court shall hear the action on the record made before the Secretary and shall sustain his action if it is supported by substantial evidence on the record considered as a whole.

(f) HEARINGS.—Hearings held during proceedings instituted under subsection (a) shall be conducted in accordance with section 554 of title 5, United States Code.

(g) USE OF RECOVERED AMOUNTS.—No penalties collected under this section shall be available to the Secretary and without further appropriation may be used only as follows:

(1) To protect, restore, or repair the paleontological resources and sites which were the subject of the action.

(2) To provide educational materials to the public about paleontological resources and sites.

(3) To provide for the payment of Rewards as provided in section 11.

SEC. 11. REWARDS FORFEITURE.

(a) REWARDS.—The Secretary may pay from penalties collected under section 9 or 10 of this Act an amount equal to the lesser of one-half of the penalty or $500, to any person who furnishes information which leads to the filing of a civil violation, or the conviction of criminal violation, with respect to which the penalty was paid. If several persons provided the information, the amount shall be divided among the persons. No officer or employee of the United States or of any State or local government who furnishes information or renders service in the performance of his official duties shall be eligible for payment under this subsection.

(b) FORFEITURE.—All paleontological resources with respect to which a violation under section 9 or 10 occurred and which are in the possession of any person, and all vehicles and equipment of any person that were used in connection with the violation, may be subject to forfeiture to the United States upon—

(1) the person's conviction of the violation under section 9; or

(2) assessment of a civil penalty against any person under section 10 with respect to the violation.

(c) DISPOSITION.—Any acquisition or disposition by any court that the paleontological resources, vehicles, or equipment were involved in the violation.

SEC. 12. CONFIDENTIALITY.

Information concerning the nature and specific location of a paleontological resource the collection of which requires a permit under this Act or any other provision of Federal law shall be withheld from the public under subsection 5 of title 5, United States Code, or under any other provision of law unless the responsible person consents to disclosure.

S6710 CONGRESSIONAL RECORD — SENATE July 12, 2002
SECRETARY determines that disclosure would—
(1) further the purposes of this Act;
(2) not create risk of harm to or theft or destruction of the resource or the site containing the resource; and
(3) be in accordance with other applicable laws.

SEC. 13. REGULATIONS.
As soon as practical after the date of the enactment of this Act, the Secretary shall issue such regulations as are appropriate to carry out this Act, providing opportunities for public notice and comment.

SEC. 14. SAVINGS PROVISIONS.
Nothing in this Act shall be construed to—
(1) invalidate, modify, or impose additional restrictions or activities permitted under the general mining laws, or the mineral leasing, geothermal leasing, and mineral materials disposal laws;
(2) apply to, or require a permit for, amateaur collecting of a rock, mineral, or invertebrate or plant fossil that is not protected under this Act;
(3) affect any lands other than Federal lands or affect the lawful recovery, collection, or sale of paleontological resources from lands other than Federal lands; or
(4) alter or diminish the authority of a Federal agency under any other law to provide protection for paleontological resources on Federal lands in addition to the protection provided under this Act.

SEC. 15. AUTHORIZATION OF APPROPRIATIONS.
There is authorized to be appropriated such sums as may be necessary to carry out this Act.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4273. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency of corporate financial disclosure and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the independence of audit firms, to improve the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table.

SA 4274. Mr. LIEBERMAN (for himself, Mr. ENZI, Mrs. BOXER, Mr. ALLEN, Ms. CANTWELL, Mr. LOTT, Mr. BURROWS, Mr. MURRAY, and Mr. BURNS) submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4275. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4276. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4277. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4278. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4279. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4280. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4281. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4282. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4283. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4284. Mr. LEVIN submitted an amendment intended to be proposed by him to the bill S. 2673, supra; which was ordered to lie on the table.

SA 4285. Mr. SCHUMER (for himself and Mrs. FEINSTEIN) submitted an amendment to the bill S. 2673, supra.

SA 4286. Mr. SCHUMER (for himself and Mr. SHELLEY) proposed an amendment to the bill S. 2673, supra.

SA 4287. Mr. REID (for Mr. KERRY (for himself, Mr. Frist, Mr. Kennedy, Mr. Biden, and Mr. Helms)) proposed an amendment to the bill H.R. 2069, To amend the Foreign Assistance Act of 1961 and the Global AIDS and Tuberculosis Relief Act of 2000 to authorize assistance to prevent, treat, and monitor HIV/AIDS in sub-Saharan Africa and other developing countries.

SA 4288. Mr. REID (for Mr. KERRY (for himself, Mr. Frist, Mr. Kennedy, Mr. Biden, and Mr. Helms)) proposed an amendment to the bill H.R. 2069, supra.

TEXT OF AMENDMENTS

SA 4273. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting
practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the amendment, insert the following:

On page 82, line 24, insert before the period the following: "and shall include a brief narrative of the basis for the decision to so certify if discussion of any questionable accounting treatment.."

SA 4274. Mr. LIEBERMAN (for himself, Mr. ENZI, Mrs. BOXER, Mr. ALLEN, Ms. CANTWELL, Mr. LOTT, Mr. BENNETT, Mr. WYDEN, Mrs. MURRAY, and Mr. BURNS) submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. 2. RECOMMENDATIONS ON THE TREATMENT OF STOCK OPTIONS.

(a) ANALYSIS.—The Commission shall conduct an analysis and make regulatory and legislative recommendations on the treatment of stock options in which the Commission shall analyze:

(1) the accounting treatment for employee stock options, including the accuracy of available stock option pricing models;
(2) the adequacy of current disclosure requirements to investors and shareholders on stock options;
(3) the adequacy of corporate governance requirements, including shareholder approval of stock option plans;
(4) any need for new stock holding period requirements for senior executives; and
(5) the benefit and detriment of any new executive stock option holding period requirements for senior executives.

(b) the Committee on Banking, Housing, and Urban Affairs of the Senate; and
(c) the Committee on Financial Services of the House regarding the adequacy of disclosure requirement to investors and shareholders on stock options, corporate governance requirements, including the approval of stock option plans, and the need for new stock option holding period requirements for senior executives.

SA 4275. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after "options" insert the following: "and the standard setting body mentioned in Sections 3, 107, 108, 208, 301, 501, and 601, and the body directed to conduct studies and reports in Section 702 shall, within six months of the date of enactment of this Act, conduct an analysis and make recommendations regarding an appropriately generally accepted accounting principle for the treatment of employee stock options and transmit it to the standard setting body funded pursuant to Section 109."

SA 4276. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after "options" insert the following: "and the standard setting body mentioned in Sections 3, 107, 108, 208, 301, 501, and 601, and the body directed to conduct studies and reports in Section 702 shall, within six months of the date of enactment of this Act, conduct an analysis and make recommendations regarding an appropriately generally accepted accounting principle for the treatment of employee stock options and transmit it to the standard setting body funded pursuant to Section 109."

SA 4277. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after "options" insert the following: "provided that this standard setting body shall not take action to adopt such standard until the standard setting body mentioned in Sections 3, 107, 108, 208, 301, 501, and 601, and the body directed to conduct studies and reports in Section 702 shall, within six months of the date of enactment of this Act, conduct an analysis and make recommendations regarding an appropriately generally accepted accounting principle for the treatment of employee stock options and transmit it to the standard setting body funded pursuant to Section 109."

SA 4278. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after "options" insert the following: "provided that this standard setting body shall not take action to adopt such standard until the standard setting body mentioned in Sections 3, 107, 108, 208, 301, 501, and 601, and the body directed to conduct studies and reports in Section 702 shall, within six months of the date of enactment of this Act, conduct an analysis and make recommendations regarding an appropriately generally accepted accounting principle for the treatment of employee stock options and transmit it to the standard setting body funded pursuant to Section 109."

SA 4279. Mr. LIEBERMAN submitted an amendment intended to be proposed
by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after "options" insert the following: "provided that such standard body shall not take action to adopt such standard until the standard setting body mentioned in Section 3, has conducted an analysis and made regulatory and legislative recommendations regarding the adequacy of disclosure requirements to investors and shareholders on stock options, corporate governance requirements, including shareholder approval of stock option plans, and the need for new stock option holding period requirements for senior executives."

SA 4282. Mr. LIEBERMAN submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 8 of the Levin amendment after "options" insert the following: "provided that such standard setting body shall not take action to adopt such standard until the standard setting body mentioned in Section 3, has conducted an analysis and made regulatory and legislative recommendations regarding the adequacy of disclosure requirements to investors and shareholders on stock options, corporate governance requirements, including shareholder approval of stock option plans, and the need for new stock option holding period requirements for senior executives."

SA 4283. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On page 2, line 17 strike "directors." and insert the following: "directors.

SEC. 4. REVIEW OF STOCK OPTION ACCOUNTING TREATMENT.

"A standard setting body described in Section 108 paragraph (1) of this Act and funded pursuant to Section 109 of this Act shall review the accounting treatment of employee stock options and shall, within one year of the date of enactment of this Act, adopt an appropriately generally accepted accounting principle for the treatment of employee stock options."

SA 4284. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On page 2, line 17 strike "directors." and insert the following: "directors.

SEC. 5. INCREASED MAXIMUM CIVIL MONEY PENALTIES.

(a) SECURITIES ACT OF 1933.—Section 20(d)(2) of the Securities Act of 1933 (15 U.S.C. 77t(d)(2)) is amended—

(1) in subparagraph (A)(i), by—

(A) striking "$10,000" and inserting "$100,000"; and

(B) striking "$50,000" and inserting "$250,000";

(2) in subparagraph (B)(i), by—

(A) striking "$500,000" and inserting "$500,000"; and

(B) striking "$2,000,000" and inserting "$1,000,000"; and

(3) in subparagraph (C)(i), by—

(A) striking "$10,000" and inserting "$100,000"; and

(B) striking "$50,000" and inserting "$250,000".

(b) SECURITIES EXCHANGE ACT OF 1934.—Penalties.—Section 32 of the Securities Exchange Act of 1934 (15 U.S.C. 78ff) is amended—

(A) in subsection (b), by striking "$100" and inserting "$1,000"; and

(B) in subsection (c)—

(i) in paragraph (1)(B), by striking "$10,000" and inserting "$500,000"; and

(ii) in paragraph (2)(B), by striking "$10,000" and inserting "$500,000".

(2) INSIDER TRADING.—Section 21A(a)(3) of the Securities Exchange Act of 1934 (15 U.S.C. 78u-4(a)(3)) is amended by striking "$1,000,000" and inserting "$2,000,000".

(3) ADMINISTRATIVE PROCEEDINGS.—Section 21B(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78u-2(b)) is amended—

(A) in paragraph (1), by—

(i) striking "$5,000" and inserting "$100,000"; and

(ii) striking "$50,000" and inserting "$250,000";

(B) in paragraph (2), by—
(i) striking "$50,000" and inserting "$500,000"; and

(ii) striking "$250,000" and inserting "$1,000,000";

(C) in subparagraph (B), by—

(i) striking "$50,000" and inserting "$1,000,000"; and

(ii) striking "$250,000" and inserting "$1,000,000";

(B) in subparagraph (B), by—

(i) striking "$50,000" and inserting "$1,000,000"; and

(ii) striking "$250,000" and inserting "$1,000,000";

(C) in subparagraph (C), by—

(i) striking "$100,000" and inserting "$1,000,000"; and

(ii) striking "$500,000" and inserting "$2,000,000".

SA 4285. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to improve the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; as follows:

At the end of the amendment insert the following:

(b) ELECTRONIC FILING.—Notwithstanding the provisions of section 405 of this Act, section 407 of the Securities and Exchange Act of 1934, as added by section 403, is amended to read as follows:

"(2) if there has been a change in such own-

ership, or if such person shall have purchased or
sold a security-based swap agreement (as defined in section 206B of the Gramm-Leach-
Bliley Act) involving such equity security, shall file electronically with the Commission
(and if such security is registered on a na-
tional securities exchange, shall also file with the exchange), a statement before the end of the second business day following the day on which the subject transaction has been executed, or at such other times as the Commission shall establish, by rule, in any case in which the Commission determines that such 2 day period is not feasible, and the Commission shall provide that statement on a publicly accessible Internet site not later than the end of the business day following
that filing, and the issuer (if the issuer main-
tains a corporate website) shall provide that statement on that corporate website not later than the end of the business day fol-
lowing that filing (the requirements of this paragraph with respect to electronic filing and
providing the statement on a corporate website shall take effect 1 year after the date of
enactment of this paragraph), indicating ownership by that person at the date of filing,
any such changes in such ownership, and
such purchase and sales of security-based
swap agreements as have occurred since the most recent such filing under this paragraph.

SA 4287. Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after "SEC." and insert:

"PROVISION OF BOOK AND TAX DIFFERENCES

to the Commission.

Section 13 of the Securities Exchange Act of 1934 (15 U.S.C. 78m) is amended by adding at the end the following:

"(1) SUBMISSION OF TAX FORMS AND SCHEDULES

RELATING TO BOOK AND TAX DIFFERENCES.—

(a) In general. — Each issuer shall provide to the Commission—

"(A) any schedule or form included with its return of income tax required to be filed under chapter 1 of subchapter A of part IV of subchapter J of title I of the Internal Revenue Code of 1986 which reconciles the differences between the treatment of an item for purposes of such return and the treatment of such item for purposes of audited financial statements required to be filed under this Act, and

"(B) any supporting documents filed with any such schedule or form.

(b) TIME AND MANNER. — An issuer shall file information required to be submitted under
improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

(c) FOREIGN REINCORPORATIONS HAVE NO EFFECT.—Nothing in section 302 shall be interpreted or applied in any way to allow any issuer to lessen the legal force of the statement required under section 302, by having reincorporated or having engaged in any other transaction that resulted in the transfer of the domicile or offices of the issuer from inside the United States to outside of the United States.

SA 4291. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the matter proposed to be inserted, insert the following:

(b) PROCEEDS FROM THE SALE OF SECURITIES PRIOR TO BANKRUPTCY FILING.—If an issuer files for bankruptcy protection under title 11, United States Code, each director, chief executive officer, and chief financial officer of the issuer shall pay to the issuer all amounts described in paragraphs (1) and (2) of section 304(a) (to the extent that such amounts have not been disbursed under that section 304(a) realized by such director or officer from the sale of the securities of the issuer during the 12-month period preceding the date of the bankruptcy filing.

SA 4292. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 4187 submitted by Mr. EDWARDS (for himself, Mr. ENZI, and Mr. CORZINE) to the bill (S. 2673) to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; which was ordered to lie on the table; as follows:

On line 1 of this amendment, strike after ‘‘on page 82.’’ and insert:

(c) FOREIGN REINCORPORATIONS.—This subsection shall not be interpreted or applied in any way to lessen the legal force of the statement required under this subsection by an issuer having reincorporated or having engaged in any other transaction that results in the transfer of corporate domicile or offices from inside to outside the United States.
amendment to the bill S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, and for other purposes; as follows:

On page 91, strike line 19 and all that follows through page 93, line 22 and insert the following:

SEC. 402. ENHANCED CONFLICT OF INTEREST PROVISIONS.

(a) Prohibition on Personal Loans to Executives.—

(1) In general.—It shall be unlawful for any issuer to extend or maintain credit or arrange for the extension of credit in the form of a personal loan to or for any director or executive officer (or equivalent thereof) of that issuer.

(2) Limitation.—Paragraph (1) does not preclude any home improvement and manufactured home loan (as that term is defined in section 5 of the Home Owners Loan Act), consumer credit (as defined in section 103 of the Truth in Lending Act), or any extension of credit under an open end credit plan (as defined in section 16 of the Truth in Lending Act (15 U.S.C. 1612)), that is—

(A) made in the ordinary course of the consumer credit business of such issuer;

(B) made by such issuer on market terms, or terms that are no more favorable than those offered by the issuer to the general public for such loans; and

(C) made by such issuer on market terms, or terms that are no more favorable than those offered by the issuer to the general public for such loans.

(b) Prohibition on Personal Loans to Executives.—

(1) In general.—It shall be unlawful for any director or executive officer (or equivalent thereof) of a public company to extend or maintain credit or arrange for the extension of credit in the form of a personal loan to or for any director or executive officer (or equivalent thereof) of that issuer.

(2) Limitation.—Paragraph (1) does not preclude any home improvement and manufactured home loan (as that term is defined in section 5 of the Home Owners Loan Act), consumer credit (as defined in section 103 of the Truth in Lending Act), or any extension of credit under an open end credit plan (as defined in section 16 of the Truth in Lending Act (15 U.S.C. 1612)), that is—

(A) made in the ordinary course of the consumer credit business of such issuer;

(B) made by such issuer on market terms, or terms that are no more favorable than those offered by the issuer to the general public for such loans; and

(C) made by such issuer on market terms, or terms that are no more favorable than those offered by the issuer to the general public for such loans.

SA 4297. Mr. REID (for Mr. KERRY (for himself, Mr. FRIST, Mr. KENNEDY, Mr. BIDEN, and Mr. HELMS)) proposed an amendment to the bill H.R. 2009, To amend the Foreign Assistance Act of 1961 and the Global AIDS and Tuberculosis Relief Act of 2000 to authorize assistance to prevent, treat, and monitor HIV/AIDS in sub-Saharan African and other developing countries; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—The Act may be cited as the “United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002.”

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.
Sec. 4. Purpose.

TITLE I—POLICY PLANNING AND COORDINATION

Sec. 101. Development of a comprehensive, five-year, global strategy.
Sec. 102. Comprehensive plan to empower women to prevent the spread of HIV/AIDS.
Sec. 103. HIV/AIDS Response Coordinator.
Sec. 104. Report on reversing the exodus of the means to reverse the exodus of the means to reverse the exodus of

TITLE II—PUBLIC-PRIVATE PARTNERSHIPS

Sec. 201. Sense of Congress on public-private partnerships.

Sec. 203. Voluntary contributions to international vaccine funds.

TITLE III—MULTILATERAL EFFORTS

Sec. 301. Improvement of the Enhanced HIPC initiative.
Sec. 302. Reports on implementation of improvements to the Enhanced HIPC initiative.

TITLE IV—BILATERAL EFFORTS

Subtitle A—General Assistance and Programs

Sec. 401. Assistance to combat HIV/AIDS.
Sec. 402. Assistance to combat tuberculosis.
Sec. 403. Assistance to combat malaria.
Sec. 404. Pilot program for the placement of health care professionals in overseas areas severely affected by HIV/AIDS, tuberculosis, and malaria.
Sec. 405. Department of Defense HIV/AIDS prevention assistance program.
Sec. 406. Report on treatment activities by relevant Executive branch agencies.

Subtitle B—Assistance for Children and Families

Sec. 411. Findings.
Sec. 412. Policy and requirements.
Sec. 413. Annual reports on prevention of mother-to-child transmission of the HIV virus.
Sec. 414. Pilot program for assistance for children and families affected by HIV/AIDS.

TITLE V—BUSINESS PRINCIPLES

Sec. 501. Principles for United States firms operating in countries affected by the HIV/AIDS pandemic.

TITLE VI—ADDITIONAL AUTHORITIES

Sec. 601. Authority of the Department of Health and Human Services.
Sec. 602. Microbicide research at the National Institutes of Health.
Sec. 603. Authority of the Department of Labor.
Sec. 604. Authority for international programs.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) During the last 20 years, HIV/AIDS has assumed pandemic proportions, spreading from the most severely affected region, sub-Saharan Africa, to all corners of the world, and leaving an unprecedented path of death and devastation.

(4) As the leading cause of death in sub-Saharan Africa, AIDS has killed more than 17,000,000 people worldwide have been infected with HIV since the epidemic began; more than 22,000,000 of these have lost their lives to the disease; and more than 13,000,000 children have been orphaned by the disease.

HIV/AIDS is the fourth-highest cause of death in the world.

(3) At the end of 2001, an estimated 40,000,000 people were infected with HIV or living with AIDS. Of these, more than 2,700,000 were children of fifteen and more than 17,600,000 were women.

Women are four times more vulnerable to infection than are men and are becoming infected at increasingly higher rates because in many societies women lack control over sexual encounters and cannot insist on the use of protective measures. Women and children who are refugees or are internally displaced persons are especially vulnerable to sexual violence, thereby increasing the possibility of HIV infection.
An estimated 1,800,000 people in Latin America and the Caribbean and another 7,100,000 people in Asia and the Pacific region are infected with HIV or living with AIDS. Infectious diseases also pose a threat to the labor force and productivity of a broad array of economic sectors and by re- ducing the potential for economic growth over the long term.

HIV/AIDS undermines the economic security of a country and individual businesses in that country by weakening the productivity of the labor force. It is also a threat to the economic security of a country and individual businesses by weakening the productivity of the labor force. It is also a threat to the economic security of the individual and the social cohesion and economic well-being of the family unit.

HIV/AIDS threatens political stability by increasing the potential for political instability and by reducing the capacity of the government to deal effectively with political challenges.

HIV/AIDS weakens the defenses of counties severely affected by the HIV/AIDS crisis through high infection rates among members of their armed forces, particularly in sub-Saharan Africa. Many military forces have infection rates as much as five times that of the civilian population.

HIV/AIDS poses a serious security issue for the international community by—

(A) increasing the potential for political instability and economic devastation, particularly in those countries and regions most severely affected by the disease; and

(B) decreasing the capacity to resolve conflicts through the introduction of peacekeeping forces because the environments into which these forces are introduced pose a higher risk for the spread of HIV/AIDS.

The devastation wrought by the HIV/AIDS pandemic is compounded by the prevalence of tuberculosis and malaria, particularly in developing countries where the poorest and the members of the affected population, including women, children, and those living with HIV/AIDS, become infected. According to the World Health Organization (WHO), HIV/AIDS, tuberculosis, and malaria accounted for more than 5,700,000 deaths in 2001 and caused debilitating illnesses in millions more.

Tuberculosis is the cause of death for one out of every three people with AIDS worldwide and is a highly communicable disease. TB is the leading threat to tuberculosis control. Because HIV infection so severely weakens the immune system, individuals with HIV and latent tuberculosis infection are at much greater risk of de- veloping active tuberculosis diseases thereby increasing the risk of spreading tuberculosis to others. Tuberculosis, in turn, accelerates the onset of AIDS in individuals infected with HIV.

Malaria, the most deadly of all tropical parasitic diseases, has been undergoing a dramatic resurgence in recent years due to increasing resistance of the malaria parasite to inexpensive and effective drugs. At the same time, increasing resistance of mosqui- toes to traditional insecticides makes control of transmission difficult to achieve. The World Health Organization estimates that between 300,000,000 and 500,000,000 new cases of malaria occur each year, and annual deaths from the disease number between 2,000,000 and 3,000,000. Persons infected with HIV are particularly vulnerable to the malaria parasite. The spread of HIV infection contributes to the difficulties of controlling resurgence of the drug resistant malaria parasite.

Although HIV/AIDS is first and foremost a health problem, successful strategies to stem the spread of the pandemic will re- quire the concerted efforts of governments, the strengthening of health care delivery sys- tems and infrastructure and determined na- tional leadership and increased budgetary al- location for interventions known to be affected by the epidemic but also measures to address the social and behavioral causes of the epidemic in the public and private sectors, families, communities, and societal sectors.

Basic interventions to prevent new HIV infections and to bring care and treat- ment to people living with AIDS, such as voluntary counseling and testing and moth- er-to-child transmission programs, are achieving meaningful results and are cost-ef- fective. The challenge is to expand these interventions from a pilot program basis to a national basis in a coherent and sustainable manner.

In the United States, the magnitude and scope of the HIV/AIDS crisis demands a comprehensive, long-term, international response focused upon addressing the causes, reducing the spread, and ameliorating the consequences of the HIV/AIDS pandemic, including—

(A) prevention and education, care and treatment, basic and applied research, and surveillance activities; and

(B) development of health care infrastruc- ture and delivery systems through coopera- tion between government and non- government organizations to adopt policies and strategies that address the impact of HIV/AIDS on the individual, family, community, and nation and increase the participation of at-risk populations in programs designed to encourage behavioral and social change and reduce the stigma associated with HIV/AIDS; and

(C) coordination of efforts between inter- national organizations such as the Global Fund to Fight AIDS, Tuberculosis and Ma- laria, the Joint United Nations Programme on HIV/AIDS (UNAIDS), the World Health Organization (WHO), national governments, and private sector organizations.

The United States has the capacity to lead and expand these efforts by developing a comprehensive five-year, global strategy to fight HIV/AIDS that encompasses a plan for phased expansion of critical programs and improved coordination among relevant Execu- tive branch agencies and between the United States and foreign governments and international organizations.

AIDS. Such strategy shall

(1) establish a comprehensive, inte- grated five-year, global strategy to fight HIV/AIDS that encompasses a plan for phased expansion of critical programs and improved coordination among relevant Execu- tive branch agencies and between the United States and foreign governments and international organizations;

(2) providing increased resources for multi- lateral efforts to fight HIV/AIDS;

(3) providing increased resources for United States bilateral efforts for technical assistance and training, to combat HIV/AIDS, tuberculosis, and malaria;

(4) encouraging the expansion of private sector efforts and expanding public-private sector partnerships to combat HIV/AIDS; and

(5) intensifying efforts to support the de- velopment of vaccines and treatment for HIV/AIDS, tuberculosis, and malaria.

TITLe 1—POLICY PLANNING AND COORDINATION

Sec. 101. DEVELOPMENT OF A COMPREHENSIVE, FIVE-YEAR, GLOBAL STRATEGY.

(a) Strategy.—The President shall estab- lish a comprehensive, integrated, five-year strategy to combat global HIV/AIDS that establishes the goals included in the Declaration of Commitment on HIV/AIDS, adopted by the United Nations General As- sembly at its Special Session on HIV/AIDS in June 2001, and strengthens the capacity of the United States to be an effective leader of the international campaign against HIV/AIDS.

(1) include specific objectives, multisec- toral approaches, and specific strategies to

(b) Implementation.—The President shall estab- lish a comprehensive, integrated, five-year strategy to combat global HIV/AIDS that establishes the goals included in the Declaration of Commitment on HIV/AIDS, adopted by the United Nations General As- sembly at its Special Session on HIV/AIDS in June 2001, and strengthens the capacity of the United States to be an effective leader of the international campaign against HIV/AIDS.

(1) include specific objectives, multisec- toral approaches, and specific strategies to
treat individuals infected with HIV/AIDS and to prevent the further spread of HIV infections, with a particular focus on the needs of women, young people, and children;

(2) improve coordination among relevant Executive branch agencies and foreign governments and international organizations;

(3) improve coordination among relevant Executive branch agencies and foreign governments and international organizations;

(4) project general levels of resources needed to achieve the stated objectives;

(5) expand public-private partnerships and the leveraging of resources; and

(6) maximize United States capabilities in the areas of technical assistance and training and research, including vaccine research.

(b) In general.—Not later than 180 days after the date of enactment of this Act, the President shall submit to the appropriate congressional committees a report setting forth the strategy described in subsection (a).

(1) REPORT ELEMENTS.—The report required by paragraph (1) shall include a discussion of the following:

(A) The objectives, general and specific, of the strategy.

(B) A description of the criteria for determining success of the strategy.

(C) A description of the manner in which the strategy will address the fundamental elements of prevention and education; care and treatment, including increasing access to pharmaceuticals; vaccine, and microbicides when available; research, including incentives for vaccine development and new protocols; and training of health care workers, and the development of health care infrastructure and delivery systems.

(D) A description of the manner in which the strategy will promote the development and implementation of national and community-based multisectoral strategies and programs, including those designed to enhance leadership capacity particularly at the community level.

(E) A description of the specific strategies developed to meet the unique needs of women, including the empowerment of women in interpersonal situations, young people and children, including those orphaned by HIV/AIDS.

(F) A description of the programs to be undertaken to maximize United States contributions in the areas of technical assistance, training particularly of health care workers, and drug-related lending in affected sectors, and research including the promotion of research on vaccines.

(G) An identification of the relevant Executive branch agencies that will be involved and the assignment of priorities to those agencies.

(H) A description of the role of each relevant Executive branch agency and the types of programs that the agency will be undertaking.

(I) A description of the mechanisms that will be utilized to coordinate the efforts of the relevant Executive branch agencies, to avoid duplication of efforts, to enhance on-site coordination efforts, and to ensure that each program promotes programs primarily in those areas where the agency has the greatest expertise, technical capabilities, and potential for success.

(J) A description of the mechanisms that will be utilized to ensure greater coordination between the United States and foreign governments and international organizations including the Global Fund, UNAIDS, the United States Agency for International Development, the United States Agency for International Development, and governmental agencies and international financial institutions, and private sector organizations.

(K) The level of resources that will be needed to implement the strategy and the horizon in which those resources would generally be allocated among relevant Executive agencies.

(L) A description of the mechanisms to be established for monitoring and evaluating programs and for terminating unsuccessful programs.

(M) A description of the manner in which private, nongovernmental entities will factor into the United States Government-led effort and a description of the type of partnerships that will be established to leverage, enhance, and maximize the capabilities of these private sector entities and to leverage resources.

(N) A description of the manner in which the United States Agency for International Development for combating HIV/AIDS relates to and promotes the goals and objectives of the United Nations General Assembly’s Declaration of Commitment on HIV/AIDS.

(O) A description of the ways in which United States leadership will be used to enhance the overall international response to the HIV/AIDS pandemic and particularly to heighten the engagement of the member states of the G-8 and to strengthen key financial and coordination mechanisms such as the Global Fund and UNAIDS.

(P) A description of the manner in which the United States strategy for combating HIV/AIDS relates to other United States assistance strategies in developing countries.

SEC. 102. COMPREHENSIVE PLAN TO EMPOWER WOMEN TO PREVENT THE SPREAD OF HIV/AIDS.

(a) STATEMENT OF POLICY.—It is in the national interests to:

(1) to assist in empowering women socially, economically, and intellectually to prevent coercive practices which contribute to the spread of HIV/AIDS;

(2) to ensure that there are affordable effective female controlled preventative technologies widely available;

(3) to assist in ensuring adequate pre- and postnatal care to women infected with HIV or living with AIDS to prevent an increase in the number of AIDS orphans; and

(4) to educate communities in order to lessen the stigma facing women who are infected with HIV or living with AIDS.

(b) DEVELOPMENT OF PLAN.—The United States Agency for International Development, working in conjunction with other relevant Executive branch agencies, shall develop a plan to empower women to protect themselves against the spread of HIV/AIDS. The plan shall include—

(1) immediately providing women greatly increased access to reproductive health services and family planning services, including the use and availability of currently available prevention technologies for women and microbicides when they become available;

(2) providing funding for research to develop safe, effective, user-friendly microbicides, including support for—

(A) development and preclinical evaluation of topical microbicides;

(B) the conduct of clinical studies of candidate microbicides to assess safety, acceptability, and effectiveness in reducing the probability of HIV infection and other sexually transmitted infections;

(C) behavioral and social science research relevant to microbicide development, testing, acceptance, and use; and

(D) introductory studies of safe and effective microbicides in developing countries;

(3) increasing women’s access to microfinance programs and savings programs; and

(4) comprehensive education for women and girls including health education that emphasizes skills building on negotiation and assertiveness, male circumcision, and other male and female reproductive health risks and strategies that emphasize the delay of sexual debut;

(5) comprehensive strategies to combat gender-based violence and sexual coercion of women and minors;

(6) expansion of peer education strategies for men which emphasize responsible sexual behavior and consultation with their wives and partners in making decisions about sex and reproduction;

(7) resources for households headed by females caring for AIDS orphans;

(8) followup monitoring of and care and support for postnatal women living with HIV or at high risk of infection; and

(9) targeted plans to reduce the vulnerability of HIV/AIDS for women, young people, and children who are refugees or internally displaced persons.

(c) REQUIREMENT.—The plan shall specify, for the assistance to achieve each of the objectives set forth in paragraph (b) of subsection (b), the section of the Foreign Assistance Act of 1961 or other law that authorizes such assistance.

(d) STAFFING.—The Administrator of the United States Agency for International Development shall ensure that the Agency dedicates a sufficient number of employees to implementing the plan described in subsection (b).

(e) REPORT.—Not later than 270 days after the date of enactment of this Act and every year thereafter, the Administrator of the United States Agency for International Development shall submit to the appropriate congressional committees a report on the plan described in the United States Agency for International Development on empowering women in order to prevent the spread of HIV/AIDS. The report shall include a description of—

(1) the programs being carried out that are specifically targeted at women and girls to educate them about the spread of HIV/AIDS and the use and availability of currently available prevention technologies for women, together with the number of women and girls reached through these programs; in the steps taken to increase the availability of such technologies; and

(3) the progress on developing a safe, effective, user-friendly microbicide.

SEC. 103. HIV/AIDS RESPONSE COORDINATOR.

(a) ESTABLISHMENT OF POSITION.—Section 1 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 285(a)) is amended—

(1) by striking subsections (b)(7) through (b)(9); and

(2) by adding after subsection (e) the following—

(2) HIV/AIDS RESPONSE COORDINATION.—

(1) IN GENERAL.—There shall be within the Department of State a Coordinator for United States Government Activities to Combat HIV/AIDS Globally, who shall be appointed by the President, by and with the advice and consent of the Senate. The Coordinator shall report directly to the Secretary of State and shall have the rank and status of ambassador.

(2) DUTIES.—

(A) IN GENERAL.—The Coordinator shall have primary responsibility for oversight and coordination of all activities of the United States Government to combat the international HIV/AIDS pandemic, including all programs, projects, and activities of the United States Government under titles I through V of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002 or any amendment made by those titles.

(B) SPECIFIC DUTIES.—The duties of the Coordinator shall specifically include the following:

(i) Ensuring program and policy coordination among the relevant Executive branch agencies;

(ii) Ensuring that each relevant Executive branch agency undertakes programs primarily in those areas where the agency has...
SEC. 202. PARTICIPATION IN THE GLOBAL FUND TO FIGHT AIDS, TUBERCULOSIS, AND MALARIA.

(a) AUTHORITY FOR UNITED STATES PARTICIPATION.—

(1) UNITED STATES PARTICIPATION.—The United States is hereby authorized to participate in the Global Fund to Fight AIDS, Tuberculosis and Malaria.

(2) PRIVILEGES AND IMMUNITIES.—The Global Fund shall be considered a public international organization under the terms of the Special Act of the International Organizations Immunities Act (22 U.S.C. 288).

(b) REPORTS TO CONGRESS.—Not later than one year after the enactment of this Act and annually thereafter for the duration of the Global Fund, the President shall submit to the appropriate congressional committees a report on the Global Fund, including contributions pledged, contributions received (including donations from the private sector), projects funded, and the mechanisms established for transparency and accountability in the grant making process.

(c) UNITED STATES FINANCIAL PARTICIPATION.—

(1) AUTHORIZATION OF APPROPRIATIONS.—In addition to funds otherwise available for such purpose, there are authorized to be appropriated to the Global Fund for fiscal year 2002 $70,000,000 for the fiscal year 2003 $1,200,000,000 for the fiscal year 2004 for contributions to the Global Fund.

(2) AVAILABLE OF FUNDS.—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(3) REPURPOSING OF FISCAL YEAR 2001 FUNDS.—Funds made available for fiscal year 2001 under section 141 of the Global AIDS and Tuberculosis Relief Act of 2000 shall be available only (A) are authorized to remain available until expended; and (B) shall be transferred to, merged with, and made available for the same purposes as, funds made available for fiscal year 2002 under paragraph (1).

(4) STATUTORY CONSTRUCTION.—Nothing in this Act may be construed to substitute for, or reduce resources provided under any other law for bilateral and multilateral HIV/AIDS, tuberculosis, and malaria programs.

SEC. 203. VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL VACCINE FUNDS.

(a) VACCINE FUND.—Section 302(k) of the Foreign Assistance Act of 1961 (22 U.S.C. 2222(k)) is amended—

(1) by striking “$50,000,000” and all that follows through “2002,” and inserting “$60,000,000 for the fiscal year 2003 and $70,000,000 for the fiscal year 2004”; and

(2) by striking “Global Alliance for Vaccines and Immunizations” and inserting “Vaccine Fund.”

(b) INTERNATIONAL AIDS VACCINE INITIATIVE.—Section 302(l) of the Foreign Assistance Act of 1961 (22 U.S.C. 2222(l)) is amended by striking “$30,000,000” and all that follows through “2002” and inserting “$12,000,000 for the fiscal year 2003 and $15,000,000 for the fiscal year 2004”.

(c) MALARIA VACCINE INITIATIVE OF THE PROGRAM FOR APPROPRIATE TECHNOLOGIES IN HEALTH (PATH).—Section 302 of the Foreign Assistance Act of 1961 (22 U.S.C. 2222) is amended by adding at the end the following new subsection:

“(m) In addition to amounts otherwise available under this section, there are authorized to be appropriated to the President $5,000,000 for the fiscal year 2003 and $6,000,000 for the fiscal year 2004 to be available only for United States contributions to the Malaria and the Program for Appropriate Technologies in Health (PATH).”.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect October 1, 2002.

TITLE III—MULTILATERAL EFFORTS

SEC. 301. IMPROVEMENT OF THE ENHANCED HIPC INITIATIVE.

(a) AMENDMENT OF THE INTERNATIONAL FINANCIAL INSTITUTIONS ACT.—Title XVI of the International Financial Institutions Act (22 U.S.C. 262p-1 et seq.) is amended by adding at the end the following new section:

“SEC. 1625. IMPROVEMENT OF THE ENHANCED HIPC INITIATIVE.

“(a) AUTHORITY.—In order to ensure that the Enhanced HIPC Initiative achieves the objective of substantially increasing resources available for human development and poverty reduction in indebted poor countries, the Secretary of the Treasury is authorized and requested to conclude as soon as possible an agreement within the Paris Club of Official Creditors, as well as the International Bank for Reconstruction and Development (World Bank), the International Monetary Fund, and other appropriate multilateral development institutions to accomplish the modifications in the Enhanced HIPC Initiative described in subsection (b).

“(b) AGREEMENT.—The agreement referred to in subsection (a) is an agreement that provides the following:

“(1) ELIMINATION OF DEBT AND REVENUES.—

“(A) The amount of debt stock reduction approved for a country eligible for debt relief under the Enhanced HIPC Initiative shall be sufficient to reduce, for at least each of the first 3 years after date of enactment of this section or the Decision Point, whichever is later—

“(i) the net present value of the outstanding public and publicly guaranteed debt of the country to not more than 150 percent of the annual value of exports of the country for the year preceding the Decision Point; and

“(ii) the annual payments due on such public and publicly guaranteed debt to not more than 10 percent or, in the case of a country suffering a public health crisis (as defined in subsection (c)), not more than 5 percent, of the amount of the annual current revenues received by the country from internal sources.

“(B) LIMITATION.—In financing the objectives of the Enhanced HIPC Initiative, an international financial institution shall give priority to using its own resources.

“(2) RELATION TO POVERTY AND THE ENVIRONMENT.—The debt cancellation under the Enhanced HIPC Initiative shall be subject to conditions conditioned on any agreement by an impoverished country to implement or comply with policies that deepen poverty or degrade the environment, including any policy that—

“(A) implements or extends user fees on primary education or primary health care, including prevention and treatment efforts for HIV/AIDS, tuberculosis, malaria, and infant, child, and maternal well-being;

“(B) provides for increased cost recovery from poor people to finance basic public services such as education, health care, clean water, or sanitation;

“(C) reduces the country’s minimum wage to a level of less than $2 per day under workers’ ability to exercise effectively their internationally recognized worker rights, as defined under section 526(e) of the Foreign Operations, Export Financing and Related Programs Appropriations Act, 1995 (22 U.S.C. 262p-4); or

“(D) promotes unsustainable extraction of resources or results in reduced budget support for environmental or multilateral development aid.

“(3) FOREIGN GOVERNMENT POLICIES.—A country shall not be eligible for cancellation
of debt under the Enhanced HIPC Initiative if the government of the country—

“(A) has repeatedly provided support for acts of international terrorism, as determined by the Secretary of State under section 6(j)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)) or section 623A(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2371(a)); and

“(B) engages in a consistent pattern of gross violations of internationally recognized human rights (including its military or other security forces).

“(4) PROGRAMS TO COMBAT HIV/AIDS, TUBERCULOSIS, AND MALARIA.—A country that is otherwise eligible for cancellation of debt under the Enhanced HIPC Initiative may receive such cancellation only if the country has agreed—

“(A) in the case of a country suffering a public health crisis (as defined in subsection (c)), to ensure that, where practicable, 10 to 20 percent of the financial benefits of debt cancellation are applied to programs to combat HIV/AIDS, tuberculosis, and malaria in that country;

“(B) to ensure that the financial benefits of debt cancellation are applied to programs to combat poverty (in particular through concrete measures to improve basic services in education, nutrition, and health), and to redress environmental degradation;

“(C) to ensure that the financial benefits of debt cancellation are in addition to the government’s total spending on programs to combat poverty reduction from the previous year or the average total of such expenditures for the previous 3 years, whichever is greater;

“(D) to implement transparent and participatory policymaking and budget procedures, good governance, and effective anticorruption measures; and

“(E) to enhance public participation and popular understanding of the principles and goals of poverty reduction.

“(5) DEFINITIONS.—In this section:

“(1) COUNTRY SUFERRING A PUBLIC HEALTH CRISIS.—The term ‘country suffering a public health crisis’ means—

“(A) a country in which HIV/AIDS, tuberculosis, or malaria is causing significant family, community, or societal disruption; and

“(B) a country that has rapidly rising rates of incidence of at least one of such diseases that is likely to lead to conditions described in subparagraph (A).

“(2) DECISION POINT.—The term ‘Decision Point’ means the date on which the executive boards of the World Bank and the International Monetary Fund review the debt sustainability analysis for a country and determine that the country is eligible for debt relief under the Enhanced HIPC Initiative.


“(b) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated pursuant to paragraph (1) amounts necessary to carry out subsection (a) and such sums as may be necessary for the fiscal year 2003 and each fiscal year thereafter to carry out section 1625 of the International Financial Institution Act as added by section 301 of this Act to modify the Enhanced HIPC Initiative.

“(2) SUBSEQUENT REPORT.—Not later than one year after the date of submission of the initial report under section 301 of this Act, the Secretary of the Treasury shall submit to the appropriate congressional committees a report describing the actions taken by countries selected for safeguarding in the agreement referred to in subsection (a).

TITLE IV—BILATERAL EFFORTS

Subtitle A—General Assistance and Programs

SEC. 104A. ASSISTANCE TO COMBAT HIV/AIDS.

“(a) AMENDMENT (A) ADDITION TO HUMAN RIGHTS ASSISTANCE ACT OF 1961.—Chapter I of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended—

“(1) in subsection (c) (22 U.S.C. 2151c), by striking paragraphs (4) through (7); and

“(2) by inserting after section 104 the following new section:

“SEC. 104A. ASSISTANCE TO COMBAT HIV/AIDS.

“(a) FINDING.—Congress recognizes that the alarming spread of HIV/AIDS in countries in sub-Saharan Africa and other developing countries is a major global health, national security, and humanitarian crisis.

“(b) POLICY.—It is a matter of the highest priority for the United States to prevent, treat, and control HIV/AIDS. The United States and other developed countries should provide assistance to countries in sub-Saharan Africa and other affected countries and areas to control this crisis through HIV/AIDS prevention, treatment, and control of HIV/AIDS.

“(c) AUTHORIZATION.

“(1) IN GENERAL.—Consistent with section 104(c), the President is authorized to furnish assistance, on such terms and conditions as the President may determine, to prevent, treat, and monitor HIV/AIDS, and carry out related activities, in countries in sub-Saharan Africa and other countries and areas;

“(2) KOLK OF NOTE.—It is the sense of Congress that the President should provide an appropriate level of assistance under paragraph (1) through nongovernmental organizations in countries in sub-Saharan Africa and other countries and areas affected by the HIV/AIDS pandemic;

“(3) COORDINATION OF ASSISTANCE EFFORTS.—The President shall coordinate the provision of assistance under paragraph (1) with the provision of related assistance by the Joint United Nations Programme on HIV/AIDS (UNAIDS), the United Nations Children’s Fund (UNICEF), the World Health Organization (WHO), the United Nations Development Programme (UNDP), the Global Fund to Fight AIDS, Tuberculosis and Malaria and other appropriate international organizations (such as the International Bank for Reconstruction and Development), relevant regional and bilateral development institutions, national, state, and local governments of foreign countries, appropriate governmental and nongovernmental organizations, and relevant Executive branch agencies.

“(d) ACTIVITIES SUPPORTED.—Assistance provided under subsection (c), shall, to the maximum extent practicable, be used to carry out the following activities:

“(1) PREVENTION.—Prevention of HIV/AIDS through activities including—

“(A) education, voluntary testing, and counseling (including the incorporation of confidentiality protections with respect to such testing and counseling), including integration of such programs into health programs and the inclusion in counseling programs of information on methods of preventing mother-to-child transmission of the HIV infection, including medications to prevent such transmission and access to infant formula and other alternatives for infant feeding;

“(C) assistance to ensure a safe blood supply; and

“(ii) necessary commodities, including test kits, pharmaceuticals, and condoms;

“(D) assistance through nongovernmental organizations, including faith-based organizations, particularly those organizations that utilize both professionals and volunteers with appropriate skills and experience, to establish and implement appropriate HIV/AIDS education and prevention programs;

“(E) research on microbicides which prevent the spread of HIV/AIDS; and

“(F) bulk purchases of available prevention technologies for women and for appropriate program support for the introduction and distribution of new prevention technologies, as well as education and training on the use of the technologies.

“(2) TREATMENT.—The treatment and care of individuals with HIV/AIDS, including—

“(A) assistance to establish and implement programs to strengthen and broaden indigenous health care delivery systems and the capacity of such systems to deliver HIV/AIDS pharmaceuticals and otherwise provide for the treatment of individuals with HIV/AIDS, including clinical training for indigenous organizations and health care providers;

“(B) assistance to strengthen and expand hospice and palliative care programs to assist patients debilitated by HIV/AIDS, their families, and the primary caregivers of such patients, including programs that utilize faith-based and community-based organizations; and

“(C) assistance for the purpose of the care and treatment of individuals with HIV/AIDS through the provision of pharmaceuticals, including antiretrovirals and other pharmaceuticals and therapies for the treatment of opportunistic infections, nutritional support, and other treatment modalities.

“(3) MONITORING.—The monitoring of programs, projects, and activities carried out pursuant to paragraphs (1) and (2), including—

“(A) monitoring to ensure that adequate controls are established and implemented to prevent the proliferation of HIV/AIDS pharmaceuticals and other appropriate medicines to poor individuals with HIV/AIDS; and

“(B) appropriate evaluation and surveillance activities.

“(4) PHARMACEUTICALS.—

“(A) PROCUREMENT.—The procurement of HIV/AIDS pharmaceuticals, antiviral therapeutics, and other appropriate medicines, including medicines to treat opportunistic infections.

“(B) MECHANISMS FOR QUALITY CONTROL AND ESTABLISHMENT OF APPROPRIATE SUPPLY.—Mechanisms to ensure that such HIV/AIDS pharmaceuticals, antiretrovirals, and other appropriate medicines are quality-controlled and supplied as needed.
thepathogens, and other appropriate medicines (including medicines to treat opportunistic infections) to qualified national, regional, or local organizations for the treatment of individuals with HIV/AIDS in accordance with appropriate HIV/AIDS testing and monitoring requirements and treatment protocols and for the prevention of mother-to-child transmission of HIV.

(5) RELATED ACTIVITIES.—The conduct of related activities, including—

(A) the care and support of children who are orphaned by the HIV/AIDS pandemic, including services designed to care for orphaned children in a family environment where possible; and

(B) improved infrastructure and institutional capacity to develop and manage education, prevention, and treatment programs, including training and awareness programs to collect and maintain accurate HIV surveillance data to target programs and measure the effectiveness of interventions;

(C) vaccine research and development partnership programs with specific plans of action to develop a safe, effective, accessible, and low-cost vaccine for use throughout the world; and

(D) the development and expansion of financially sustainable microfinance institutions and other income generation programs that support and strengthen the capacity of communities afflicted by the HIV/AIDS pandemic, including support for the savings and productive capacity of affected poor populations and for orphans.

(e) ANNUAL REPORT.—

(1) IN GENERAL.—Not later than January 31 of each year, the President shall submit to the Congress, the Senate Committee on Appropriations, the Senate Committee on International Relations, the House of Representatives Committee on Appropriations, and the House Committee on International Relations a report on the implementation of this section for each fiscal year.

(2) REPORT ELEMENTS.—Each report shall include—

(A) a description of efforts made to implement the policies set forth in this section;

(B) a description of the programs established pursuant to this section; and

(C) a detailed assessment of the impact of programs established pursuant to this section, including—

(i) the effectiveness of such programs in reducing the spread of the HIV infection, particularly among children and girls, in reducing the mother-to-child transmission of the HIV infection, and in reducing mortality rates from HIV/AIDS; and

(ii) how progress made toward improving health care delivery systems (including the training of adequate numbers of staff) and infrastructure to ensure increased access to care and treatment.

(f) FUNDING LIMITATION.—Of the funds made available to carry out this section in any fiscal year, not more than 7 percent may be used for the administrative expenses of the United States Agency for International Development in support of activities described in this section. Such amount shall be in addition to other amounts otherwise available for such purposes.

(g) Authorization of Appropriations.—

(1) IN GENERAL.—In addition to funds available under section 104(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151c(e)) for such purpose, or under any other provision of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), as amended by section 401 of this Act, there are authorized to be appropriated to the President $800,000,000 for the fiscal year 2003 and $900,000,000 for the fiscal year 2004 to carry out section 104A of the Foreign Assistance Act of 1961, as added by subsection (a).

(2) Availability of Funds.—Amounts appropriated pursuant to paragraph (1) are authorized to be available until expended.

(h) Authorization of Appropriations.—

(1) Aiding.—In addition to funds available under the United States Antituberculosis and Tuberculosis Research Act of 1966 (22 U.S.C. 2151c) for such purpose, or under any other provision of such Act, the President is authorized to furnish assistance under the Act, as added by section 401 of this Act, to countries specified by the President as eligible for assistance under such Act.

(i) Authorization.—In carrying out this section, the President shall coordinate with activity receiving United States foreign assistance for tuberculosis control purposes.

(1) Priority to DOTS Coverage.—In furnishing assistance under subsection (c), the President shall give priority to activities that increase directly observed treatment short-course (DOTS) coverage, including funding for the Global Tuberculosis Drug Facility and the Stop Tuberculosis Partnership.

(2) Global Tuberculosis Drug Facility.—The term 'Global Tuberculosis Drug Facility' means the newly established Stop Tuberculosis Partnership to increase access to high-quality tuberculosis drugs to facilitate DOTS expansion.

(3) Stop Tuberculosis Partnership.—The term 'Stop Tuberculosis Partnership' means the partnership of the World Health Organization, donors including the United States Agency for International Development and other United Nations agencies, and nongovernmental and technical agencies committed to short- and long-term measures required to control and eventually eliminate tuberculosis as a public health problem in the world.

(b) Authorization of Appropriations.—

(1) In General.—In addition to funds available under section 104(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151c(e)) for such purpose or under any other provision of such Act, there are authorized to be appropriated to the President for the fiscal year 2003 and $200,000,000 for the fiscal year 2004 to carry out section 104B of the Foreign Assistance Act of 1961, as added by section 402 of this Act.

(2) Availability of Funds.—Amounts appropriated pursuant to paragraph (1) are authorized to be available until expended.

(3) Transfer of Prior Year Funds.—Not later than January 31 of each year, the President shall transfer to, and the amounts authorized to be appropriated by paragraph (1) are authorized to be available for the fiscal year 2004 to carry out section 104B of the Foreign Assistance Act of 1961 (as added by subsection (a)), relating to the procurement and distribution of essential medicines.

(4) Transfer of Prior Year Funds.—Unobligated balances of funds made available for the fiscal year 2001 or the fiscal year 2002 under section 104B of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)(2)) are transferred to, and available for the same purposes as funds made available for fiscal year 2003 under paragraph (1).

SEC. 402. ASSISTANCE TO COMBAT TUBERCULOSIS.

(a) Amendment of the Foreign Assistance Act of 1961.—Chapter I of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), as amended by section 401 of this Act, is further amended by inserting after section 104A the following new section:

‘‘SEC. 104B. ASSISTANCE TO COMBAT TUBERCULOSIS.

(a) Amendments.—The term ‘Tuberculosis Partnership’ means the partnership of the World Health Organization, donors including the United States Agency for International Development and other United Nations agencies, and nongovernmental and technical agencies committed to short- and long-term measures required to control and eventually eliminate tuberculosis as a public health problem in the world.

(b) Policy.—It is a major objective of the foreign assistance program of the United States to control tuberculosis, including the detection of at least 70 percent of the cases and control of the outcome in the treatment of at least 85 percent of the cases detected, not later than December 31, 2005, in those countries classified by the World Health Organization as among the highest tuberculosis burden, and not later than December 31, 2010, in all countries in which the United States Agency for International Development has established demarcated tuberculosis programs.

(1) Authorization.—To carry out this section and consistent with section 104B(c), the President is authorized to furnish assistance under section 104A of the Foreign Assistance Act of 1961, as added by subsection (a), on such terms and conditions as the President may determine, for the prevention, treatment, control, and elimination of tuberculosis;

(2) Coordination.—In carrying out this section, the President shall coordinate with the World Health Organization, the Global Fund to Fight AIDS, Tuberculosis, and Malaria, the Department of Health and Human Services (including the Centers for Disease Control and Prevention, the National Institutes of Health), and other organizations with respect to the development and implementation of a comprehensive tuberculosis control program.
Congress recognizes that there are cost-effec-
tive tools to decrease the spread of mal-
aria and that malaria is a curable disease if
promptly diagnosed and adequately treated.

(b) REQUIREMENTS.—Participants in the
program shall—
(1) provide basic health care services for
those infected and affected by HIV/AIDS, tu-
berculosis, and malaria in the area in which
they are serving;
(2) provide on-the-job training to medical
and other personnel in the area in which
they are serving in the basic health care
system of the affected countries;
(3) provide health care educational train-
ing for residents of the area in which they
are serving;
(4) serve for a period of up to two years;
and
(5) meet the eligibility requirements in sub-
section (d).

(c) ELIGIBILITY REQUIREMENTS.—To be el-
igible to participate in the program, a can-
didate shall—
(1) be a national of the United States who
is a trained health care professional and who
meets the educational and licensure require-
ments necessary to be such a professional
such as a physician, nurse, practice-
tioner, pharmacist, or other individual deter-
mined to be appropriate by the President;
and
(2) a retired commissioned officer of the
Public Health Service Corps.

(d) ELIGIBILITY REQUIREMENTS.—To be el-
igible to participate in the program, a can-
didate shall—
(1) be a national of the United States who
is a trained health care professional and who
meets the educational and licensure require-
ments necessary to be such a professional
such as a physician, nurse, practice-
tioner, pharmacist, or other individual deter-
mined to be appropriate by the President;
and
(2) a retired commissioned officer of the
Public Health Service Corps.

SEC. 404. DEPARTMENT OF DEFENSE HIV/AIDS
PREVENTION ASSISTANCE PROGRAM.

(a) EXPANSION OF PROGRAM.—The Sec-
retary of Defense is authorized to expand, in
accordance with this section, the Depart-
ment of Defense program of HIV/AIDS pre-
vention educational activities; and shall be
authorized and directed to continue in connec-
tion with the conduct of United States military training, exercises, and hu-
moral assistance in sub-Saharan Afri-
can countries.

(b) ELIGIBLE COUNTRIES.—The Secretary of
Defense may carry out the program in all el-
gible countries. A country that is eligible for
activities under the program if the coun-
try—
(1) is a country suffering a public health
危机 as defined in subsection (e); and
(2) participates in the military-to-military
contacts program of the Department of De-
fense.

(c) PROGRAM ACTIVITIES.—The Secretary of
Defense shall provide for the activities under
the program—
(1) to focus to the extent possible, on mili-
tary units that participate in peace keeping
operations;
and
(2) to include HIV/AIDS-related voluntary
counseling and testing and HIV/AIDS-related
surveillance.

(d) AUTHORIZATION OF APPROPRIATIONS.—
(1) IN GENERAL.—Of the amount author-
ized to remain available until expended,
$30,000,000 may be made available for carry-
ing out the program described in subsection (a)
as expanded pursuant to this section.

(2) AVAILABILITY OF FUNDS.—Amounts ap-
propriated pursuant to paragraph (1) are au-
thorized to remain available until expended.

SEC. 405. DEPARTMENT OF DEFENSE HIV/AIDS
PREVENTION ASSISTANCE PROGRAM.

(a) EXPANSION OF PROGRAM.—The Sec-
retary of Defense is authorized to expand, in
accordance with this section, the Depart-
ment of Defense program of HIV/AIDS pre-
vention educational activities; and shall be
authorized and directed to continue in connec-
tion with the conduct of United States military training, exercises, and hu-
moral assistance in sub-Saharan Afri-
can countries.

(b) ELIGIBLE COUNTRIES.—The Secretary of
Defense may carry out the program in all el-
gible countries. A country that is eligible for
activities under the program if the coun-
try—
(1) is a country suffering a public health
危机 as defined in subsection (e); and
(2) participates in the military-to-military
contacts program of the Department of De-
fense.

(c) PROGRAM ACTIVITIES.—The Secretary of
Defense shall provide for the activities under
the program—
(1) to focus to the extent possible, on mili-
tary units that participate in peace keeping
operations;
and
(2) to include HIV/AIDS-related voluntary
counseling and testing and HIV/AIDS-related
surveillance.

(d) AUTHORIZATION OF APPROPRIATIONS.—
(1) IN GENERAL.—Of the amount author-
ized to remain available until expended,
$30,000,000 may be made available for carry-
ing out the program described in subsection (a)
as expanded pursuant to this section.

(2) AVAILABILITY OF FUNDS.—Amounts ap-
propriated pursuant to paragraph (1) are au-
thorized to remain available until expended.
(3) an explanation of how those activities relate to efforts to prevent the transmission of the HIV infection.

**Subtitle B—Assistance for Children and Families**

SEC. 411. FINDINGS.

Congress makes the following findings:

(1) Approximately 2,000 children around the world are infected each day with HIV through mother-to-child transmission. Transmission can occur during pregnancy, labor, and delivery or through breast-feeding. Over ninety percent of these children are in developing nations that have little or no access to public health facilities.

(2) Mother-to-child transmission is largely preventable with the proper application of medications, antiretroviral therapy, and other public health interventions.

(3) The drug nevirapine, reduces mother-to-child transmission by nearly 50 percent. Universal availability of this drug could prevent up to 400,000 infections per year and dramatically reduce the number of AIDS-related deaths.

(4) At the United Nations Special Session on AIDS in June 2001, the United States committed to the specific goals with respect to the prevention of mother-to-child transmission including goals of reducing the proportion of infants infected with HIV by 20 percent by the year 2005 and by 50 percent by the year 2010, as specified in the Declaration of Commitment on HIV/AIDS. One-half of all new infections are preventable with the proper application of public health facilities.

(5) Several United States Government agencies, including the United States Agency for International Development and the Centers for Disease Control, are already supporting programs to prevent mother-to-child transmission in resource-poor nations and have the capacity to expand these programs rapidly by working closely with foreign governments and nongovernmental organizations.

(6) Efforts to prevent mother-to-child transmission can provide the basis for a broader response that includes care and treatment of mothers, fathers, and other family members that are infected with HIV or living with AIDS.

(7) HIV/AIDS has devastated the lives of countless children and families across the globe. Since the epidemic began, an estimated 13,000,000 children under the age of 15 have been orphaned by AIDS, that is they have lost their mother or both parents to the disease. The Joint United Nations Program on HIV/AIDS (UNAIDS) estimates that this number will double by the year 2010.

(8) HIV/AIDS also targets young people between the ages of 15 to 24, many of whom carry the burden of caring for family members living with HIV/AIDS. An estimated 10,300,000 young people are now living with HIV/AIDS. One-half of all new infections are occurring among this age group.

SEC. 412. PILOT PROGRAM REQUIREMENTS.

(a) Policy.—The United States Government’s response to the global HIV/AIDS pandemic should place high priority on the prevention of mother-to-child transmission, the care and treatment of family members and caregivers, and the care of children orphaned by AIDS. To the maximum extent possible, the United States Government should seek to leverage its funds by seeking matching contributions from the private sector, other national governments, and international organizations.

(b) Requirements.—The 5-year United States Government strategy required by section 101 of this Act shall—

(1) be consistent with the prevention of HIV/AIDS as set by the United Nations General Assembly Declaration of Commitment on HIV/AIDS to reduce the rate of mother-to-child transmission of HIV by 20 percent by 2005 and by 50 percent by 2010;

(2) include programs to make available testing for HIV infection and care of women and their family members, including drug treatment and therapies to prevent mother-to-child transmission; and

(3) expand programs designed to care for children orphaned by AIDS.

SEC. 413. ANNUAL REPORTS ON PREVENTION OF MOTHER-TO-CHILD TRANSMISSION OF THE HIV INFECTION.

(a) In General.—Beginning 270 days after the date of enactment of this Act, and annually thereafter for the ensuing eight years, the President shall submit to designated congressional committees a report on the activities of relevant Executive branch agencies during the reporting period to assist in the prevention of mother-to-child transmission of the HIV infection.

(b) Report Elements.—Each report shall include—

(1) a statement of whether or not all relevant Executive branch agencies have adopted the targets set by the United Nations General Assembly at the Special Session on AIDS in June 2001, with respect to mother-to-child transmission of the HIV infection;

(2) a description of efforts made by the United States Agency for International Development and the Centers for Disease Control and Prevention to expand those activities, including—

(A) information on the number of sites supported for the prevention of mother-to-child transmission of the HIV infection; (B) the specific activities supported; (C) the number of women tested and counseled; and

(D) the number of women receiving preventive drug therapies;

(3) a statement of the percentage of funds expended by each relevant Executive branch agency for activities to prevent mother-to-child transmission of the HIV infection and, in the case of United States Agency for International Development, whether or not its expenditures on bilateral assistance have met the 8.3 percent target in section 101(c)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151b(c)(4)(D)), in effect immediately before the date of enactment of this Act, with respect to the current reporting period to prevent mother-to-child transmission of the HIV infection;

(4) a discussion of the extent to which the programs of the relevant Executive branch agencies are meeting targets set by the United Nations General Assembly; and

(5) a description of efforts made by the Centers for Disease Control and Prevention and the United States Agency for International Development to expand care and treatment services for families at established sites for the prevention of mother-to-child transmission.

(c) Reporting Period Defined.—In this section, the term “reporting period” means, in the case of the initial report, the period since the date of enactment of this Act and, in the case of any subsequent report, the period since the date of submission of the most recent report.

(d) Pilot Program of Assistance for Children and Families Affected by HIV/AIDS

(a) In General.—The President, acting through the United States Agency for International Development, shall establish programs of the relevant Executive branch agencies to expand those activities, including—

(1) provide for meeting or exceeding the goals set by the United Nations General Assembly; and

(2) work in conjunction with indigenous community-based programs and activities, particularly those that offer proven services for children affected by HIV/AIDS.

(b) Availability of Funds.—Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(c) Principles and Practices.—The principles and practices referred to in subsection (b) are the following:

(1) build upon and be integrated into programs administered as of the date of enactment of this Act by the United States Agency for International Development for children affected by HIV/AIDS;

(2) work in conjunction with indigenous community-based programs and activities, particularly those that offer proven services for children affected by HIV/AIDS;

(3) reduce the stigma of HIV/AIDS to encourage vulnerable children infected with HIV or living with AIDS and their family members and caregivers to avail themselves of voluntary counseling and testing, and related programs, including treatments;

(4) provide, in conjunction with other relevant Executive branch agencies, a range of services for the care and treatment, including the provision of antiretrovirals and other necessary pharmaceuticals, of children, parents, and caregivers infected with HIV or living with AIDS;

(5) provide nutritional support and food security, and the improvement of overall family health;

(6) work with parents, caregivers, and community-based organizations to provide children with educational opportunities; and

(7) provide appropriate counseling and legal assistance for the appointment of guardians and the handling of other issues relating to the protection of children.

(d) Authorization of Appropriations.—In general, in addition to amounts otherwise available for such purposes, there is authorized to be appropriated to the President $15,000,000 for the fiscal year 2003 and $30,000,000 for the fiscal year 2004 to carry out the program.

(e) Title V—Business Principles

SEC. 501. PRINCIPLES FOR UNITED STATES FIRMS OPERATING IN COUNTRIES AFFECTED BY THE HIV/AIDS PANDEMIC.

(a) Findings.—Congress finds that the global spread of HIV/AIDS presents not only a health crisis but also a crisis in the workplace that affects—

(1) the productivity, earning power, and longevity of individual workers;

(2) the productivity, competitiveness, and financial solvency of individual businesses; and

(3) the economic productivity and development of individual communities and the United States as a whole.

(b) Sense of Congress.—It is the sense of Congress that United States firms operating in countries affected by the HIV/AIDS pandemic can make significant contributions to the United States effort to respond to this pandemic through the voluntary adoption of the principles and practices described in subsection (c).

(c) Principles and Practices.—The principles and practices referred to in subsection (b) are the following:

(1) With respect to employment and health policies and practices, the treatment of HIV/AIDS is in the same manner as any other illness.

(2) The promotion of policies and practices that eliminate discrimination and stigma, enhance real or perceived HIV/AIDS status, including—
(A) assessing employees on merit and ability to perform; (B) not subjecting employees to personal discrimination or abuse; and (C) establishing and enforcing measures where discrimination occurs.

(3) A prohibition on compulsory HIV/AIDS testing for recruitment, promotion, or career development.

(4) An assurance of the confidentiality of an employee’s HIV/AIDS status.

(5) Permission for employees with HIV/AIDS to work as long as they are medically fit and, when they are no longer able to work and sick leave has been exhausted, that the employment relationship will be terminated in accordance with antidiscrimination and labor laws and respect for general procedures and full benefits.

(6) An assurance that employment practices will comply, at a minimum, with national and international employment and labor laws and codes.

(7) The involvement of employees and individuals infected with HIV or living with AIDS, drawn from the workplace or the community, in the development and assessment of HIV/AIDS policies and programs for the workplace.

(8) An offer to all employees of access to culturally appropriate preventive education programs and services to support those programs.

(9) An assurance that programs offered in the workplace will support and be integrated into larger community-based responses to the problems posed by HIV/AIDS.

(10) Work with community leaders to expand the availability of treatment for those employees and others infected with HIV or living with AIDS.

TITLe VI—ADDITIONAL AUTHORITYs

SEC. 601. AUTHORITY OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.

(a) In General.—Title III of the Public Health Service Act (42 U.S.C. 274 et seq.) is amended by adding at the end the following—

“PART R—HIV/AIDS, TUBERCULOSIS, AND MALARIA PREVENTION, CARE AND TREATMENT IN DEVELOPING COUNTRIES

“SEC. 399AA. GENERAL AUTHORITY OF THE CENTERS FOR DISEASE CONTROL AND PREVENTION.

“(a) PURPOSE.—It is the purpose of this section to provide the Secretary, acting through the Director of the Centers for Disease Control and Prevention, with the authority to expand availability of treatment, care, treatment, support, capacity development, and other activities (determined appropriate by the Secretary) for HIV/AIDS, tuberculosis, and malaria in countries determined by the Secretary to have or be at risk for severe HIV epidemic with particular attention to resource constrained countries.

“(b) ACTIVITIES AND ASSISTANCE.—In carrying out the purpose described in subsection (a), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, in coordination with the Administrator of the United States Agency for International Development and the Administrator of the Health Resources and Services Administration, may provide support and assistance under this section relating to—

“(1) universal prevention services provided through—

“(A) education and voluntary counseling and testing activities, including rapid testing; training, development and application of confidentiality protections with respect to such counseling and testing, and the integration of such activities into programs serving women and children;

“(B) programs to reduce the mother-to-child transmission of HIV, including the treatment and care of HIV-infected women, their children, and families, and including the involvement of fathers in such programs; (C) activities involving behavioral interventions for women, and other vulnerable populations;

“(D) programs to prevent the transmission of HIV and other pathogens at health care facilities, including provisions of personal precautions, equipment sterilization, post-exposure prophylaxis for health care workers and other individuals determined to be appropriate, and other interventions appropriate to the resources available), and to support the use of post exposure prophylaxis, when indicated, for patients;

“(E) activities to ensure a safe blood supply;

“(F) programs to provide prevention, care, treatment, and support services for sexually transmitted infections to infected individuals and individuals at risk of infection; and

“(G) activities, including laboratory support, to collect and maintain accurate HIV/AIDS surveillance and epidemiologic data, to target and monitor programs, and to measure the effectiveness of interventions.

“(2) HIV/AIDS care and treatment services provided through—

“(A) programs to provide care and treatment, integrated with prevention services to further reduce the transmission of HIV for individuals living with HIV/AIDS, including the treatment of opportunistic infections (including tuberculosis) and the provision of antiretroviral therapies and nutritional services;

“(B) programs to provide support services that are needed to enhance the effectiveness of health services and to promote family stability, including services for family members affected by, but not infected with, HIV such as children orphaned by AIDS; and

“(C) programs that link care and treatment services to proven prevention programs, including linkages with voluntary counseling and testing efforts (including rapid testing);

“(3) infrastructure and training through—

“(A) activities to improve the health infrastructure and institutional capacity within participating countries, including the training of appropriate personnel, and to assist countries in improving the availability of health care facilities, to enable such countries to develop and manage HIV/AIDS education, prevention, care and treatment programs, and to conduct evaluations of such programs; and

“(B) activities to provide laboratory support as well as technical assistance and training to increase the capacity for the diagnosis, care, and treatment of HIV/AIDS and related health conditions (including rapid testing);

“(4) HIV/AIDS treatment protocols through—

“(A) the provision of support and assistance to countries determined by the Secretary to be at risk for severe HIV epidemic with particular attention to resource constrained countries for the development of treatment protocols for the delivery of HIV/AIDS treatment and prevention services; and

“(B) the provision of assistance to countries determined by the Secretary to have or be at risk for severe HIV epidemic with particular attention to resource constrained countries, and to be ready to implement the protocols described in subparagraph (A); and

“(5) other activities determined appropriate by the Secretary.

“(c) UTILIZATION OF EXISTING CAPACITIES.—In carrying out the purpose described in subsection (a), the Secretary, acting through the Director of the Centers for Disease Control and Prevention and the Administrator of the United States Agency for International Development, may provide assistance under this section relating to—

“(1) activities to assist communities in assessing the strengths and capabilities of the existing system of care and in planning and carrying out care, treatment, and support relating to HIV/AIDS and other opportunistic infections, including critical unmet needs;
“(2) activities to assist communities in the development and implementation of appropriate systems of care that provide for a continuum of HIV/AIDS-related services for prevention, treatment, care, support and education services based on an assessment under paragraph (1);

“(3) activities to improve the health-related knowledge and institutional capacity of participating countries, including the training of health care providers and community workers, to enable such countries to develop and maintain HIV/AIDS education, prevention, care and treatment programs and to conduct evaluations of such programs;

“(4) activities to assist in the development of training modules and curricula on HIV/AIDS and associated conditions as part of the professional training programs for physicians, nurses, dentists, pharmacists, and other health care providers;

“(5) activities to improve the coordination between American medical centers and hospitals and indigenous hospitals and clinics in participating countries; and

“(6) other activities determined appropriated by the Secretary.

“(c) UTILIZATION OF EXISTING CAPACITIES.—In carrying out activities under subsection (b), the Secretary, acting through the Administrator of the Health Resources and Services Administration and in coordination with the Director of the Centers for Disease Control and Prevention and the Administrator of the United States Agency for International Development, shall, to the maximum extent practicable, utilize existing indigenous capacity in countries determined by the Secretary to have or be at risk for severe HIV epidemic and public or at risk for severe HIV epidemic with particular attention to resource constrained countries, including coordinating with relevant government ministries and carrying out activities in partnership with non-governmental organizations and affected communities.

“(d) AUTHORIZATION OF APROPRIATIONS.—There are authorized to be appropriated to the Secretary to have or be at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary.

“(2) ELIGIBLE ENTITIES.—To be eligible to receive a grant under paragraph (1), an administrative organization shall—

“(A) have a demonstrable record in managing large scale maternal and child health programs in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary, and sufficient HIV/AIDS expertise;

“(B) have established relationships with major international organizations and multi-institutional institutions;

“(C) provide an assurance to the Secretary that the organization is capable of providing the support from non-Federal funds to the costs of the activities to be carried out under this section that is greater than the amount of funds provided to the organization under a grant under this section; and

“(D) be a recipient of an international HIV/AIDS clinical research, education, or training grant awarded by the National Institutes of Health or the Health Resources and Services Administration;

“(3) USE OF FUNDS.—Amounts provided under a grant awarded under paragraph (1) shall be used—

“(A) for administrative support and subgrant management;

“(B) for administrative data collection and reporting costs;

“(C) for the monitoring and evaluation of grant activities;

“(D) for training and technical assistance for subgrantees; and

“(E) to promote sustainability.

“(g) SUBGRANTS.—(1) IN GENERAL.—An organization awarded a grant under subsection (a) shall use amounts received under the grant to award subgrants to eligible entities.

“(2) ELIGIBILITY.—To be eligible to receive a subgrant under paragraph (1), an entity shall—

“(A) be a local health organization, an international organization, or a partnership of such organizations;

“(B) demonstrate to the awarding organization that such entity—

“(i) is able to provide HIV care, including antiretroviral treatment when medically indicated, to HIV infected women, men, and children with the support of the project funding; and

“(ii) has the ability to enroll a minimum of 250 HIV infected women per service site, based on the current uptake rate, into existing HIV mother-to-child transmission programs;

“(C) prepare and submit to the awarding organization an application at such time, in such form, and containing such information as the Secretary may require.

“(3) SELECTION OF SUBGRANT RECIPIENTS.—In awarding subgrants under this subsection, the organization shall—

“(A) consider applicants from a range of health care settings, program approaches, and geographic locations; and

“(B) if appropriate, award not less than 1 grant to an applicant to fund a national system of health care delivery to HIV positive families.

“(4) USE OF SUBGRANT FUNDS.—An eligible entity awarded a subgrant under this subsection shall use subgrant funds to expand activities to prevent mother-to-child transmission of HIV by providing medical treatment and care and support services to parents and their children, including—

“(A) providing treatment and therapy, when medically indicated, to HIV-infected women, men, and children; and

“(B) the hiring and training of local personnel, including physicians, nurses, other health care providers, counselors, social workers, outreach personnel, laboratory technicians, data managers, and administrative support personnel;

“(C) providing laboratory costs, including costs of equipment and diagnostic testing and monitoring (including rapid testing), complete blood counts, standard chemicals, and liver function testing (including direct costs related to the purchase of necessary laboratory equipment;
(1) The coordination of all Department programs related to the prevention, treatment, and monitoring of HIV/AIDS, tuberculosis, and other sexually transmitted infections in countries at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary (referred to in this section as the ‘Department programs’); and

(2) that global HIV/AIDS, tuberculosis, and malaria activities are conducted in a coordinated, strategic fashion, utilizing the expertise from the various agencies within the Department, to the maximum extent practicable.

(b) DUTIES.—In carrying out this section, the Secretary shall—

(1) review all Departmental programs to ensure proper coordination and compatibility of the activities, strategies, and policies of such programs; and

(2) ensure that the Departmental programs utilize the best possible practices for HIV/AIDS prevention, treatment, and monitoring to improve the effectiveness of Department programs in countries in which the Department operates.

(c) REPORT.—(1) IN GENERAL.—The Secretary shall prepare an annual report that—

(A) describes the actions that are being taken to coordinate the multiple roles and policies of, and foster collaboration among, the offices of the Department that contribute to global HIV/AIDS activities;

(B) describes the respective roles and activities of each of the offices and agencies of the Department;

(C) contains any recommendations for legislative and administrative actions that are needed to create a coherent, effective departmental approach to global HIV/AIDS that achieves the goals for Department programs; and

(D) describes the progress made towards meeting the HIV/AIDS goals and outcomes as identified by the Director.

(2) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this part, and annually thereafter, the Secretary shall submit the report described in paragraph (1) to the appropriate committees of Congress.

(b) EXTENSION OF TUBERCULOSIS PREVENTION PROGRAM.—Section 317(g) of the Public Health Service Act (42 U.S.C. 265f-g(e)) is amended—

(1) in paragraph (1)(A), by striking ‘2002’ and inserting ‘2004’; and

(2) in paragraph (2), by striking ‘2002’ and inserting ‘2004’; and

(3) by adding at the end the following:

‘(D) Coordination under this section shall, to the extent practicable, be coordinated with related activities carried out under title VI of the United States Leadership Against HIV/AIDS, Tuberculosis, and Malaria Act of 2002 (and the amendments made by that title).’.

SEC. 602. MICROBICIDE RESEARCH AT THE NATIONAL INSTITUTES OF HEALTH.

Subpart I of part D of title XXIII of the Public Health Service Act (42 U.S.C. 233c-40 et seq.) is amended by inserting after section 2951 the following:

‘SEC. 235A. MICROBICIDES FOR PREVENTING TRANSMISSION OF HIV AND OTHER SEXUALLY TRANSMITTED INFECTIONS.

‘(a) EXPANSION AND COORDINATION OF ACTIVITIES.—The Secretary, acting through the Director of the Office of AIDS Research, and in coordination with other relevant institutes and offices, shall expand, intensify, and coordinate the activities of all appropriate institutes and components of the National Institutes of Health with respect to research on the development of microbicides to prevent the transmission of HIV and other sexually transmitted infections referred to in this section, and shall accelerate the progress of similar research and activities.

‘(b) RESEARCH PLAN.—The Secretary, acting through the Director of the Office of AIDS Research and in consultation with the Director of the Institute of Allergy and Infectious Diseases, shall expedite the implementation of the strategic plan for the development and support of microbicide research, and shall annually review and as appropriate revise the plan. In developing, implementing, and reviewing the plan, the Secretary shall consider, among other things, the current state of microbicide research and development, and may provide microbicide research support services.

‘(c) MICROBICIDE RESEARCH AND DEVELOPMENT TEAM.—(1) IN GENERAL.—The Secretary, acting through the Director of the National Institutes of Health, shall establish the team referred to in this subsection.

(2) REQUIREMENT.—The Secretary shall establish a team referred to in this subsection that—

(A) shall be composed of representatives of public and private entities for the development and operation of multidisciplinary teams to conduct research on innovative microbicide interventions, including combination microbicides.

‘(d) Microbicide Research and Development Team.—(1) COMPOSITION.—The team established under this part shall consist of representatives from public and private entities for the development and operation of multidisciplinary teams to conduct research and development on innovative microbicide interventions, including combination microbicides.

(2) REQUIREMENT.—The team referred to in paragraph (1) shall at all times include—

(A) representatives from public and private entities for the development and operation of multidisciplinary teams to conduct research on innovative microbicide interventions, including combination microbicides.

‘(e) REPORT.—Not later than 1 year after the date of the initial submission of the report required under subparagraph (A), and annually thereafter, the Secretary, acting through the Director of the Office of AIDS Research and in consultation with the Director of the Institute of Allergy and Infectious Diseases, shall submit to the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate a report describing the progress made under the authority of the National Institutes of Health regarding microbicide research. Each such report shall include—

(1) an updated research plan;

(2) a description and evaluation of the progress made, during the period for which such report is prepared, in research on microbicides; and

(3) a summary and analysis of expenditures made, during the period for which the report is made, for activities with respect to microbicides research, supported by the National Institutes of Health, including the number of full-time equivalent employees; and

recommendations as the Director of the Office of AIDS Research considers appropriate.

‘(f) DEFINITION.—In this section, the term ‘HIV’ means the human immunodeficiency virus. Such term includes acquired immune deficiency syndrome.’.

SEC. 603. AUTHORITY OF THE DEPARTMENT OF LABOR.

(a) PURPOSE.—It is the purpose of this section to provide the Secretary of Labor with the authority to carry out workplace-based HIV/AIDS programs in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary.

(b) ACTIVITIES AND ASSISTANCE.—In carrying out the purpose described in subsection (a), the Secretary of Labor, in coordination with the Secretary of Health and Human Services and the Administrator of the United States Agency for International Development, may provide assistance under this section to activities or assistance and may provide financial assistance awarded by the Secretary and shall describe—

(1) the establishment and implementation of workplace HIV/AIDS prevention and education programs in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary, including programs that emphasize protections against discrimination and the creation of supportive environments for individuals living with HIV/AIDS;

(2) the development and implementation of on-site care and wellness programs that enhance the health and productivity of the workforce in countries with or at risk for severe HIV epidemic with particular attention to resource constrained countries, as determined by the Secretary; and

(3) activities to strengthen collaboration among governments, business, and labor leaders to respond to the HIV/AIDS pandemic; and

(4) other activities determined appropriate by the Secretary.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $10,000,000 for fiscal year 2003, and such sums as may be necessary to implement the program established under this subsection until available.
SEC. 604. AUTHORITY FOR INTERNATIONAL PROGRAMS.

Section 307 of the Public Health Service Act (42 U.S.C. 226) is amended—

(1) in subsection (b)—

(A) in paragraph (6), by adding “and” at the end;

(B) in paragraph (7), by striking “;” and “and” and inserting a period;

(C) in the flush sentence after paragraph (7), by inserting “new” before “facility in any foreign country”;

and (D) by striking paragraph (8); and

(2) by adding at the end the following:

“(d)(1) The Secretary is authorized to utilize the authority contained in section 2 of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2969), subject to the limitations set forth in subsection (e).

“(2) The Secretary is authorized to use the authority contained in section 1 of the Act of April 18, 1930 (46 Stat. 177; 22 U.S.C. 291) and section 1 of the Foreign Service Buildings Act (22 U.S.C. 292) directly or through contract, grant, or cooperative agreement to lease, alter, or renovate facilities in foreign countries as necessary to conduct programs of assistance for international health activities, including activities relating to HIV/AIDS and other infectious diseases, chronic and environmental diseases, and other health activities abroad.

“(e) In exercising the authority set forth in paragraphs (1) and (2) of subsection (d), the Secretary shall consult with the Secretary of State to ensure that planned activities are within the legal strictures of the State Department Basic Authorities Act of 1956 and other applicable laws."

SA 4298. Mr. REID (for Mr. KERRY, for himself, Mr. FRIST, Mr. KENNEDY, Mr. BIDEN, and Mr. HELMS) proposed an amendment to the bill H.R. 2069. To amend the Foreign Assistance Act of 1961 and the Global AIDS and Tuberculosis Relief Act of 2000 to authorize assistance to prevent, treat, and monitor HIV/AIDS in sub-Saharan African and other developing countries; as follows:

Amend the title to read as follows: “An Act to amend the Foreign Assistance Act of 1961 to increase assistance for foreign countries seriously affected by HIV/AIDS, tuberculosis, and malaria; to amend the Public Health Service Act with respect to the authority of the Department of Health and Human Services to act internationally with respect to HIV/AIDS, tuberculosis, and malaria; and for other purposes.”.

NOTICES OF HEARINGS/MEETINGS COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HARKIN. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry, will conduct a hearing on July 16, 2002 in SD-562 at 10 a.m. The purpose of this hearing will be to discuss the proposed ban on packer ownership and also the enforcement of the packers and stockyards act.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HARKIN. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry, will conduct a hearing on July 17, 2002 in SH-216 at 2 p.m. The purpose of this hearing will be to discuss homeland security.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HARKIN. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry, will conduct a hearing on July 18, 2002 in SR-328A at 2 p.m. The purpose of this hearing will be to discuss S. 532, the Pesticide Harmonization Act.

HONORING THE 19 UNITED STATES SERVICEMEN WHO DIED IN THE TERRORIST BOMBING OF THE KHOBAR TOWERS MILITARY HOUSING COMPOUND IN DHAIKRAN, SAUDI ARABIA

Mr. REID. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from further consideration of H. Con. Res. 161 and the Senate now proceed to its consideration.

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

The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con Res. 161) honoring the 19 United States servicemen who died in the terrorist bombing of the Khobar Towers military housing compound in Dhahrar, Saudi Arabia, on June 25, 1996.

There being no objection, the Senate proceeded to the consideration of the concurrent resolution.

Mr. REID. Mr. President, I ask unanimous consent that the concurrent resolution and preamble be agreed to, on clause, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the Record, without further intervening action or debate.

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

ORDER FOR RECORD TO REMAIN OPEN

Mr. REID. Mr. President, I ask unanimous consent that the Record remain open until 1 p.m. until the conclusion of statements and the introduction of legislation.

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

ORDER FOR MONDAY, JULY 15, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 noon, Monday, July 15; that following the prayer and the pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and there be a period of morning business until 1 p.m., with Senators permitted to speak for up to 10 minutes each, with the first half of the time under the control of the minority, that is, Senator LOTT or his designee, and the second half under the control of Senator DASCHE or his designee; that at 1 p.m., the Senate resume consideration of the accounting reform bill under the previous order.

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

ORDER FOR ADJOURNMENT

Mr. REID. Mr. President, following the remarks of the Senator from West Virginia, Mr. BYRD, I ask unanimous consent that the Senate stand in adjournment under the previous order.

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

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Montana, asks unanimous consent that further proceedings under the quorum call be dispensed with.

Without objection, it is so ordered.
APPOINTMENT OF CONFEREES—H.R. 3009

The PRESIDING OFFICER. Pursuant to the previous order, the Chair will appoint the following conferees.

The Presiding Officer appointed Senators BAUCUS, ROCKEFELLER, BREAUX, GRASSLEY, and HATCH conferees on the part of the Senate.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from Montana, suggests the absence of a quorum.

The clerk will call the roll. The bill clerk proceeded to call the roll.

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

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

ADJOURNMENT UNTIL MONDAY, JULY 15, 2002

The PRESIDING OFFICER. Under the previous order, the Senate stands adjourned until Monday, July 15, at 12 noon.

There being no objection, the Senate, at 12:53 p.m. Adjourned until Monday, July 15, 2002, at 12 noon.
EXTENSIONS OF REMARKS

HONORING DEZIE WOODS-JONES

HON. BARBARA LEE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 11, 2002

Ms. LEE. Mr. Speaker, I rise today to honor Dezie Woods-Jones for her lifetime of distinguished public service. She has been a tireless community activist, civic and educational leader for more than 40 years.

Dezie’s long history of civic involvement began in high school, while working in the Civil Rights Movement. She served as President of the Fresno Youth Chapter of the National Association for the Advancement of Colored People (NAACP), later becoming an organizer for the Congress of Racial Equality (CORE), and a national fundraiser for the Student Non-violent Coordinating Committee (SNCC).

Ms. Woods-Jones has continued to demonstrate her commitment to social and economic equity by striving to empower women and working with young people. She joined the Peralta Community College District in 1969, Advancing the Merrill College Outreach Center. During her 34-year career, she served as an administrator of Student Services, Community Relations, and Governmental Affairs. First and foremost, however, Dezie considers herself an instructor and teacher. Indeed, she has taught all of us so much.

Ms. Woods-Jones was the first woman to run for the office of Mayor of Oakland. She was elected to the Oakland City Council in June of 1991 and served as the City’s Vice Mayor from 1996-1997. While in office, Ms. Woods-Jones served as Chair of the Rules Committee, the Finance and Legislation Committee, and the Health and Human Services Committee. After her term ended, she returned to the Peralta Community College District and presided as Vice Chancellor for External Affairs.

Over the years, she has continued her community activism, working diligently on behalf of the underprivileged and disenfranchised, particularly on behalf of youth and women. Dezie Woods-Jones was a founding member of Black Women Organized for Political Action (BWOPA) and has served as the organization’s president for over 30 years. She is also founder of Black Women Organized for Educational Development and its outreach arm, the Black Women’s Resource Center.

Ms. Woods-Jones’ commitment to the Oakland/Bay Area community is indeed unparallelled. She has been part of the Alameda County Intergency Task Force, the Greater Oakland International Trade Center Board of Directors, Chair of the Oakland Community Policing Advisory Board, and President of the Oakland Private Industry Council. Her outstanding service has been recognized by the Department of Defense, the Department of Energy, the American Heart Association, the City and County of San Francisco, the City of Oakland, the State of California, and the Congress of the United States of America.

Finally, as we honor Dezie Woods-Jones today, I want to thank her on behalf of the entire 9th Congressional District of California for being a great friend and leader. Dezie has shared with me her wisdom and has given me support.

I have known Dezie since the early 1970’s and continue to be inspired by her optimism, her energy, her boldness, her intellect, her heart, and her soul. Those who meet her cannot forget her incredible sense of style and exquisitely. She is a true role model who continues to live a life of wisdom—young and old—in magnificent ways. Her love for people transcends race and gender.

I take great pride in joining Ms. Woods-Jones’ friends, family, and colleagues to salute the extraordinary Dezie Woods-Jones. Her spirit soars even through difficult times. What a remarkable woman!

RESTORE DEVELOPMENT ASSISTANCE TO HAITI

HON. MAXINE WATERS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, July 11, 2002

Ms. WATERS. Mr. Speaker, Haiti is the poorest country in the Western Hemisphere. Yet the U.S. government is blocking aid to Haiti in order to expand the influence of a single Haitian political party. This party, known as the Democratic Convergence, is supported by only a small fraction of the Haitian electorate.

Nevertheless, the Democratic Convergence and the Organization of American States raised questions about the May 21, 2000, elections in Haiti.

Meanwhile, Haiti’s population is facing a serious humanitarian crisis. Haiti’s per capita income is only $460 per year. Four percent of the population is infected with the AIDS virus, and 163,000 children have been orphaned by AIDS. Every year, there are 30,000 new AIDS cases. The infant mortality rate is over seven percent. For every 1000 infants born in Haiti, five women die in childbirth. Furthermore, there are only 1.2 doctors for every 10,000 people in this desperately poor country.

Not only has the United States suspended development assistance to Haiti, the United States has been blocking loans from international financial institutions such as the World Bank, the International Monetary Fund (IMF) and the Inter-American Development Bank. U.S. policy has effectively prevented Haiti from receiving $146 million in loans from the Inter-American Development Bank that were already approved by that institution’s Board of Directors. These loans are desperately needed by the people of Haiti.

The Board of Directors of the Inter-American Development Bank recently agreed to send a special mission to Haiti to review conditions for the renewal of lending to Haiti. This mission, which will take place later this month, is purely technical. Its purpose is twofold. First, the mission’s participants will reassess past loans to Haiti that are in arrears. Second, they will assess current efforts by the Haitian government to resolve the political crisis. Unfortunately, there is no indication that participants in this mission will discuss conditions for the restoration of loans or development assistance to Haiti.

President Jean-Bertrand Aristide has taken several steps to address the concerns raised by the international community regarding the May 21, 2000, elections. Yet the U.S. government continues to refuse to negotiate with the Haitian government.

It is time for the United States to end this political impasse and restore development assistance to this impoverished democracy.

IN CELEBRATION OF THE 60th ANNIVERSARY OF WAVES

HON. LOUISE McIntOSH SLAUGHTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, July 12, 2002

Ms. SLAUGHTER. Mr. Speaker, I am pleased today to pay special tribute to WAVES, “Women Accepted For Voluntary Emergency Service”, on the 60th anniversary of its incorporation. WAVES brings together all former, retired, and present Navy women, promotes the Navy and Navy women, serves women veterans, and supports the traditions and history of the Women of the United States Navy.

During World War I, while the Army remained committed to its prohibition against enlisted women, the Navy Department took advantage of the skills women offered by signing up 13,000 women into the Navy and the Marine Corps.

World War II marked a turning point in the history of women in the military. On July 30, 1942, Congress enacted legislation establishing a Women’s Reserve for duty with the U.S. Navy. During August 3, 1942, WAVES was established. Women have continued to make invaluable contributions to the United States military ever since.

The Bureau of Labor Statistics estimates that there are over 1,448,000 women veterans in this country, representing 5 percent of the total veteran population. Women have served in and with the military services since our country was founded. As medics, mechanics, postal workers, clerks, cooks, or MPs, women have contributed and continue to contribute mightily to our national defense in times of both war and peace. Women veterans have served proudly in nearly every United States military action risking their lives in the service of their country.

I am proud to have the Finger Lakes Unit #49 of WAVES National, with members from Rochester and surrounding towns, as an active organization in my district. Our local unit carries out national programs with special emphasis on service to women veterans in VA.
houses, at home, and in nursing homes. In addition, our dedicated group continuously supports the Institute of Logopedics for Special children.

I am happy to offer my congratulations to WAVES on their 60th anniversary and my strong support for the important work they do recognizing and promoting the valuable service of women veterans.

HOUSE RESOLUTION 393
SPEECH OF
HON. HILDA L. SOLIS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, July 9, 2002
Ms. SOLIS. Mr. Speaker, I rise today in support of H. Res. 393, the resolution offered by Representative JOSEPH CROWLEY.

We have all heard during the past year and a half about the egregious acts of anti-Semitic behavior that have spread through Europe—vandalism of synagogues; desecration of graveyards; personal attacks of people of Jewish faith; boycott of products made in Israel. These actions are cowardly and have resulted in the worst wave of anti-Semitic behavior since 1945.

Today, I rise to support this resolution that calls upon the governments of Europe to protect their residents—Jewish and non-Jewish alike. We must fight for understanding and cooperation between people of all religions, not just in the turbulent Middle East but wherever prejudice and discrimination occur.

Our nation prides itself on maintaining an atmosphere where people can practice whatever religion they choose. Religious tolerance is the root of our peace and prosperity; we must strive to ensure that it is practiced throughout the world so that others may benefit from this spirit of cooperation.

No one deserves to be discriminated against, harmed or even killed simply because of their personal religious beliefs. I urge my colleagues to support this resolution to ensure that this behavior ceases immediately.

TRIBUTE TO ANTHONY A. MINISSALE
HON. TODD RUSSELL PLATTS
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Friday, July 12, 2002
Mr. PLATTS. Mr. Speaker, it is with great admiration and respect that I offer congratulations to my constituent, Anthony A. Minissale, D.O. of York, Pennsylvania. On July 20, Anthony A. Minissale will be inducted as the President of the American Osteopathic Association. Dr. Minissale is a board-certified osteopathic medicine, Dr. Minissale will work with the AOA to enhance professional unity, ensure quality education and training and preserve osteopathic principles.

Dr. Minissale, vice president of medical affairs and director of medical education at Memorial Hospital in York, earned his Doctor of Osteopathic Medicine degree from the Philadelphia College of Osteopathic Medicine. He completed a rotational internship at Green Cross General Hospital in Cuyahoga Falls, Ohio, and a residency in general surgery at Parkview Hospital in Philadelphia.

A member of the AOA for 45 years, he has served as a member of its Board of Trustees for nine years and as a delegate to its legislative body, the House of Delegates, for over 20 years. Additionally, he has chaired all departments of the AOA and acts as the AOA’s internship inspector, a post he has held since 1973.

Dr. Minissale, a fellow of the American College of Osteopathic Surgeons, also serves the Pennsylvania Osteopathic Medical Association (POMA). A member of POMA since 1961, he has worked in such capacities as vice chairman, secretary/treasurer, and board member. A founding member and chairman of the Pennsylvania Osteopathic Surgical Society, Dr. Minissale is also a member of the York Osteopathic Medical Society.

Above and beyond his osteopathic duties, Dr. Minissale has worked with civic organizations, such as Leadership York, the Coalition for a Healthy York, and the Gladwayne Civic Association. Dr. Minissale resides in York with his wife, Adele, and their two children, Anthony and Angela.

Mr. Speaker, osteopathic medicine plays an important role in the health of my fellow Pennsylvanians. We are proud to be the home of two osteopathic medical schools—the Philadelphia College of Osteopathic Medicine and the Lake Erie College of Osteopathic Medicine. Over 4,800 osteopathic physicians serve residents of the Keystone State.

I am pleased to congratulate Anthony A. Minissale, D.O. on achieving the high honor of being named President of the American Osteopathic Association. I look forward to working with him to advance the health of my fellow Pennsylvanians and all Americans.

TRIBUTE TO THE GREAT DOMINICAN PARADE AND FESTIVAL OF THE BRONX
HON. JOSÉ E. SERRANO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, July 12, 2002
Mr. SERRANO. Mr. Speaker, it is with great pride that I rise today to pay tribute to the thirteenth annual Great Dominican Parade and Festival of the Bronx which will take place this Sunday, July 14. This famed event is eagerly anticipated by the Dominican and Bronx communities each year. It is a wonderful celebration of the spirit and richness of Dominican culture.

As the second largest Latino community in New York City, Dominicans have made invaluable contributions to the city, as well as to the entire nation. Although the highest concentration of Dominican people live in Washington Heights, a significant number have enriched the Bronx with their unique culture and spirit. The Dominican culture is one characterized by, among other things, diverse multi-culturalism, strong family values, distinctive art, amazing music and unique cuisine. We are grateful that so many have chosen to make the Bronx their home.

Mr. Speaker, the roots of Dominican New Yorkers lie in a country with a fascinating history and arresting beauty. The Dominican Republic is the home of numerous peoples from various cultures. As a result, the culture is charged with strong Taino, African, and European influences. One view to the Dominican Republic will put rest any questions one might have as to why Dominicans in America retain such a strong sense of pride in their homeland and never stop missing it.

The achievements and contributions made by Dominican-Americans and Dominican residents have spanned the realms of politics, science, the Armed Forces, literature, public service, and the arts, and undoubtedly make them an integral part of American society. The Great Dominican Parade and Festival of the Bronx is a great opportunity to celebrate the Dominican people’s culture, history, and bright future.

I ask my colleagues to please join me in honoring the Great Dominican Parade and Festival of the Bronx.

HAPPY BELATED BIRTHDAY TO EILEEN COUNIHAN
HON. NYDIA M. VELÁZQUEZ
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, July 12, 2002
Ms. VELÁZQUEZ. Mr. Speaker, I rise today to wish a very happy belated birthday to Eileen Counihan, born June 21, 1952, in New York City. Eileen celebrated her 50th birthday with family and friends in Yorkville and Margateville in Upstate New York. Eileen is known for her loyalty to friends and her commitment to her family, a quick smile and a warm sense of humor. She is a dedicated, active member of her community, volunteering to distribute food to the homeless on Friday evenings and even Thanksgiving Day. On Earth Day this year she led a project that planted 100 trees.

For these reasons and more I would like to extend the warmest best wishes to her and her family, Happy Belated Birthday, Eileen!

ADDRESSING THE GLOBAL AIDS PANDEMIC
HON. DANNY K. DAVIS
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Friday, July 12, 2002
Mr. DAVIS of Illinois. Mr. Speaker, I rise today in urge of dramatic funding increases to stop the spread of an epidemic that is taking the lives of millions of people throughout the world.

To date there are more than 40 million people in the world living with HIV/AIDS. Last year 5 million people contracted the virus, and 3 million people died of AIDS related causes. This current health crisis was once again brought
to my attention yesterday, when the Chicago Tribune reported that African-Americans account for 67 percent of all newly reported cases of HIV in Chicago. They went on to state that the rate of undiagnosed AIDS cases among women in Chicago has nearly tripled in the last decade, with 80 percent of those women being African-American.

But Chicago is not the only place where people are affected by AIDS. In the words of U.S. Secretary of State, Colin Powell, “AIDS respects no man, woman, or child. It knows no race, religion, class, or creed. No community, country, or continent is immune from its ravages.”

Ninety-five percent of those infected with HIV/AIDS live in the developing world. Across the Atlantic, millions of Africans are battling with an epidemic that has ravaged the human capital infrastructure, leaving homes and communities barren. The dreams and hopes of millions of people have been deferred as men, women, and children engage in a losing battle with the silent but powerful enemy that is sweeping and dismantling Africa at an alarming rate. Last year in sub-Saharan Africa alone 2.3 million people have died from AIDS related causes.

HIV/AIDS has made a devastating impact on the fruit of Africa’s future, the children. Thirteen million African children have been orphaned due to AIDS, by the end of the decade this number is expected to exceed 40 million.

Global infection rates will continue to rise at alarming rates unless education and treatment options are made available. Recent surveys in 17 countries found that more than half of the adolescents questioned could not name a single method for protecting themselves against HIV/AIDS. In developing nations only 6 to 10 percent of HIV-infected people are receiving treatment for HIV-related opportunistic infection.

If we are serious about finding solutions to this epidemic, then I charge us to commit ourselves to fighting for the humanity of our African brothers and sisters, at whatever the cost. The World Health Organization Commission on Macroeconomics and Health estimates that the cost of mounting an effective global response to HIV/AIDS could reach $14 billion by 2007. This figure includes programs for prevention, care, and treatment.

We must provide life-saving drugs at reasonable cost. We must support funding for innovative research in finding a cure. We must support the regulation of affordable drugs for all Africans infected by this deadly disease. We must support the development of comprehensive HIV/AIDS policy for Africa.

As a civil society, we ourselves must unite to confront this dilemma head on, to defeat this plague which has us anxious and on the run. It is time for us to stop running and start to act.

SEC CHAIRMAN PITT SHOULD NOT RESIGN

HON. DAVID L. HOBSON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, July 12, 2002

Mr. HOBSON. Mr. Speaker, I rise today to bring attention to the recent calls by some of our colleagues for Securities and Exchange Commission Chairman Harvey Pitt to resign in the wake of the public disclosure of inaccurate corporate accounting measures and other problems on Wall Street.

Mr. Pitt should resign, they say, because in his terms, he has done nothing to crack down on corporate abuses on the scale and because he is too “cozy with the business community.” These calls for Mr. Pitt’s resignation are the epitome of hypocrisy. These schemes were hatched in the mid to late 1990s and the Bush administration inherited our current situation. When Justin Dart did not miss the opportunity to protest that the fact that he and only two other disability advocates were on stage when President George Bush signed the ADA, he said, “hundreds of others should have been there as well.”

Justin Dart, the father of the ADA, did not stop, did not rest, but instead pushed ahead with another cause after the victory of 1990. Universal healthcare became his passion and he once again traveled the nation calling himself “a full-time citizen soldier in the trenches of justice.” When he spoke in Chicago in the early 1990s on universal healthcare, people drove hundreds of miles to hear him. He later fought tirelessly against attempts to weaken or even repeal the ADA and the Individuals with Disabilities Education Act. He turned back the attacks. Once again, Justin Dart was victorious.

In his lifetime, Justin Dart was unwavering in his convictions. And in his final words to us, he wrote, “Thanks to you, I die in the beautiful belief that the revolution of empowerment will go on. I love you so much. I’m with you always. Lead on! Lead on!” Justin, we will.

EXPRESSING REGRET AND SYMPATHY FOR FAMILIES OF THE UKRAINIAN COAL MINERS KILLED ON JULY 7, 2002

HON. LOUISE McNITICH SLAUGHTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Friday, July 12, 2002

Mr. SLAUGHTER. Mr. Speaker, I rise today to express my humblest condolences to the families of the thirty-five coal miners who lost their lives in a July 7th fire in Donetsk, Ukraine.

The terrible loss of life in Donetsk hits home on a number of levels. A tragedy of this magnitude is suffered not only by the families who lost their loved ones but the larger community. As the representative of a sizeable Ukrainian-American community and the co-chairperson of the Congressional Ukrainian Caucus, I would like to express our condolences to the families of the lost Ukrainian miners. The Ukrainian community in Monroe county, which was established over a century ago, maintains close ties with their counterparts in Ukraine. In fact, in recent years, the Rochester-area Ukrainian community opened its arms to a new wave of immigrants.

As a Kentuckian, I have seen, firsthand, the enormous toll that underground mining can exact. Underground mining is dangerous. Tunnels can collapse. Coal mines can catch on fire. Sometimes there are poisonous gases near coal. In the U.S., the modernization of mining methods has made it...
Mr. Speaker, Ukraine’s mines have one of the highest accident rates in the world due to poor maintenance and neglect of safety regulations. This accident comes a year after a gas explosion killed at least 50 miners in Donetsk and two years after 80 miners died in another underground mining explosion. More than 3,700 miners have died since Ukraine’s independence from the Soviet Union in 1991. At this time of reflection, it is my sincere hope that this terrible incident marks a turning point for Ukraine and the Ukrainian government takes substantial steps to close the roughly 200 mines that the World Bank rates as highly prone to methane blasts.

Mr. Speaker, I extend my condolences to the victims’ families in Ukraine, and offer my sorrow and sympathy to the people of Ukraine for this shocking tragedy that resulted in thirty-five deaths and my sincerest hope for real reforms in the Ukrainian mining industry.

Ms. SOLIS. Mr. Speaker, it is my distinct pleasure to rise today to honor the 10th anniversary of the Planned Parenthood Los Angeles Promotoras Comunitarias Training Program.

This innovative community outreach program started in 1991 to help promote family planning education programs in Latino communities by training women within the community to do the outreach. This is important because it helps spread the message of family planning in a culturally sensitive manner.

Not only did the program help spread much-needed information about family planning methods, it also instilled in the women who became Promotoras a sense of pride and helped them develop critical life skills. By giving their families, friends and neighbors vital health care information and then facilitating access to gynecological health care, Promotoras are empowering women to advocate for their own health care. In return, these dedicated women were able to develop job skills, communication methods and leadership traits.

In short, the Promotoras program has helped thousands of women in my area learn about gynecological care and domestic violence prevention. I urge all of my colleagues to join me in recognizing this remarkable organization.

Ms. HILLIARD. Mr. Speaker, I wish to commemorate the life of Carlton Reese today. Professor Reese led the Freedom Choir in Birmingham during the days of struggle in the 1960’s and continued to lead it to his death this month. He provided the soul to the movement—without him the struggle might have failed or fallen into violence and disorder.

He was the original writer of the great anthem of the movement, “We Shall Overcome,” now one of the most well known songs in the world and sung everywhere that people are struggling for freedom. It has been sung in the freedom rallies in Chile, in democratic rallies in Turkey and in the bomb shelters of Hanoi. In this song, Professor Reese left a permanent legacy of freedom, equality, peace and hope for all to come.

At the tender age of 17, Rev. Fred Shuttlesworth asked him to be the music director of the Alabama Christian Movement for Human Rights. He organized and directed the demonstrations in Birmingham. It was his music that defined the movement and its spirit. Some of that music can be found on the Smithsonian Institute’s CD, “Voices of the Civil Rights Movement.”

When he graduated from Miles College in the 60s with a teaching degree, he was blacklisted by the Birmingham School system, and had to go to Tupelo, Mississippi to begin his career as a teacher. The Birmingham school system said that they did not want teachers who had been in jail—even if imprisoned for their commitment to freedom.

Upon returning to Alabama to teach in the Shelby County schools, South of Birmingham, he became Music Director and was ordained to the New Bethel Church in Dolomite, where he served for over 40 years, turning down positions with many of the great gospel churches throughout the nation. This humble giant of freedom and music also served as a Deacon in the church, Religious Education Consultant, Youth Staff Worker, Advisor to the Senior Citizens Program and Financial Planner for the building fund.

Upon returning to Birmingham, he reorganized the Freedom Choir, which later took the name of the Sacred and Heritage Singers. Using this as a base, he became the Music Director for the City-Wide Unity Breakfast Program, and annual major event in Birmingham which brings members of the white and Black communities together to celebrate our progress and unity.

We have lost this great freedom fighter, but he will march on wherever people struggle for freedom, peace and the human family. His music will be sung wherever people are celebrating their victories. His music will be sung in every valley and on every hill of this planet. Carlton Reese will be with us forever. He has overcome!
once was at the edge of town but that is now surrounded by residential development.

What evolved from these discussions is the vision that Forest City Stapleton, Inc. is implementing today—a vision that I am proud to recognize as an example of the kinds of responsible community redevelopment.

As Colorado continues to increase rapidly in population, policies that promote smart, responsibly managed growth become ever more important. The new Stapleton community that Forest City Stapleton, Inc. has planned displays the finest aspects of both smart growth and “New Urbanism.”

New urbanism refers to community development that concentrates a diversity of uses (residential, commercial, governmental) and thus avoids some of the impacts that come with suburban sprawl (such as long commutes, lost open space). Forest City Stapleton, Inc. has consistently remained mindful of the critical importance of developing land so as to maximize the use of natural resources while minimizing the impact on the natural environment.

Over the next 20 years, Stapleton’s 4,700 acres will become a new community of 12,000 homes and 13 million square feet of offices and shops as well as over 1,100 acres of parks and open space. The Stapleton redevelopment alone will increase the acreage of Denver parks by 30 percent. With new homes, schools, retail and office space, Stapleton will be a self-sustainable community where people can live, learn, work and play. By varying land-use and density of development, Forest City Stapleton, Inc. is able to create the social and economic diversity characteristic of any great urban community.

Essentially, through the foresight of the Stapleton redevelopment committee, the surrounding communities and the City and County of Denver, Coloradans are converting a once productive property into a new community that will serve its residents well. The redevelopment vision represented an opportunity to employ innovative and workable approaches that will result in healthy, livable communities. I hope that this model can be used as an example of alternatives to traditional development in communities throughout Colorado.

Mr. Speaker, I ask my colleagues to join with me in expressing our appreciation for the conscientious development Forest City Stapleton, Inc. has undertaken. I wish them continued success.

Today, Captain Yatto will step down as the Commanding Officer of the largest Air Station on the East Coast. It is an assignment that is one of the most difficult in the entire Coast Guard, with a unique set of challenges both at sea and on land.

On the water, the Air Station provides law enforcement and search-and-rescue coverage throughout much of the Northwest Atlantic, with a large boating and fishing community that operates in some of the most difficult conditions. In the past three years, the Air Station performed over 750 search-and-rescue cases and saved over 200 lives. On land, the Air Station is a large industrial complex spread over 1,400 acres, with over 600 houses, a medical clinic, and dozens of buildings that support hundreds of Coast Guard and military families. The Air Station is also located on top of a fragile underground drinking water supply, located next to one of the largest Superfund sites in the country. The job is so large that, when they work, it live at the base, they often see Captain Yatto as the local mayor.

However, unlike politics, in the Coast Guard there is no margin for error. During Captain Yatto’s tenure, the Air Station has not only had its fair share of daring rescues, it has successfully tackled a host of environmental challenges, including the local vs. the installation. The Air Station’s success in pollution prevention, innovative environmental management, and energy efficiency has won national recognition from the Environmental Protection Agency, the Department of Transportation, and the White House.

In my district, the Coast Guard is widely respected as the oldest maritime service in the country, with a tradition forever linked to the heritage of Cape Cod and the Islands. Many of the first Coast Guard stations were built on the Massachusetts coast, manned by brave men from local families with deep roots in our communities. Their gallant deeds and heroics are not only a part of the Coast Guard’s proud tradition, they are permanently etched into the communities and family histories of the people I represent.

This explains why the Coast Guard is so much a part of our community, why there is so much local pride in its rich tradition and in the work they do today saving lives, protecting our fisheries, the marine environment and defending our homeland. That pride in our Coast Guard will continue as long as it is led by people like Captain Rick Yatto and served by the fine men and women of Air Station Cape Cod.

On behalf of a very grateful constituency, Captain Yatto: “Mission accomplished, and job well done.”

Mr. Speaker, I rise today to bring to the attention of this Congress the accomplishments of Captain Rick Yatto of the United States Coast Guard. We extend our appreciation for his three years of outstanding service as Commanding Officer of Air Station Cape Cod.

Mr. DELAHUNT. Mr. Speaker, I urge the House to support this measure.
Mr. JONES of North Carolina. Mr. Chairman, as I stand before you today, homeowners of my district in Eastern North Carolina are making preparations for another hurricane season along the coast. Unfortunately, many of my constituents have yet to fully recover from effects of seasons past.

The United States has a significant hurricane problem. More than 60 percent of our population live in coastal states, and every year these citizens must rely on the most accurate information at their disposal as they take the measures necessary to remain safe.

Mr. Chairman, when most people think of the dangers of hurricanes, high winds and storm surges come to mind. However, more people have died from inland flooding over the past 30 years than any other cause. While high winds are a major source of damage, their impacts are often localized to immediate coastal areas. On the contrary, inland flooding threatens communities hundreds of miles from the coast, as powerful rains fall from these huge tropical air masses.

My constituents know all too well the perils of inland flooding. In 1999, Hurricane Floyd brought torrential rains and record flooding to Eastern North Carolina. As riverbanks and dams gave way, townspeople were lucky to find safety before their homes and businesses were washed away. Of the 56 people who lost their lives in this storm, 50 of them drowned due to inland flooding.

Mr. Chairman, even more heartbreaking is the fact that these deaths could have been prevented. That is why I stand before you today to voice my full support for H.R. 2486, the Inland Flood Forecasting and Warning System Act, introduced by my colleague from North Carolina, BOB E THERIDGE.

This bill will give the National Weather Service, emergency officials, and meteorologists the tools necessary to moderate the dangers of tropical cyclones and inland flooding. More importantly it saves lives.

Mr. Chairman, each year citizens along coastal areas do their part to protect families and communities from the effects of hurricanes, now it’s time for Congress to do ours.
Chamber Action

Routine Proceedings, pages S6683–S6728

Measures Introduced: Two bills and one resolution were introduced, as follows: S. 2726–2727, and S. Res. 303. Page S6707

Measures Passed:

**Global Access to HIV/AIDS Prevention:** Committee on Foreign Relations was discharged from further consideration of H.R. 2069, to amend the Foreign Assistance Act of 1961 to increase assistance for foreign countries seriously affected by HIV/AIDS, tuberculosis, and malaria; to amend the Public Health Service Act with respect to the authority of the Department of Health and Human Services to act internationally with respect to HIV/AIDS, tuberculosis, and malaria, and the bill was then passed, after agreeing to the following amendments proposed thereto: Pages S6700–02

Reid (for Kerry) Amendment No. 4297, in the nature of a substitute. Page S6700

Reid (for Kerry) Amendment No. 4298, to amend the title. Page S6700

**Honoring U.S. Servicemen:** Committee on Armed Services was discharged from further consideration of H. Con. Res. 161, honoring the 19 United States servicemen who died in the terrorist bombing of the Khobar Towers military housing compound in Dhahran, Saudi Arabia, on June 25, 1996, and the resolution was then agreed to. Page S6672

**Terrorist Response Commendation:** Committee on Armed Services was discharged from further consideration of H. Con. Res. 378, commending the District of Columbia National Guard, the National Guard Bureau, and the entire Department of Defense for the assistance provided to the United States Capitol Police and the entire Congressional community in response to the terrorist and anthrax attacks of September and October 2001, and the resolution was then agreed to. Page S6672

**Accounting Reform Act:** Senate continued consideration of S. 2673, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight, taking action on the following amendments proposed thereto: Pages S6683–85, S6687–S6700

Adopted:

Dorgan/Graham Modified Amendment No. 4215, to clarify that the requirement that certain officers certify financial reports applies to domestic and foreign issuers. Pages S6688–89

Schumer Amendment No. 4295, to enhance conflict of interest provisions by prohibiting personal loans by issuers to chief officers of the issuer. Pages S6689–90

Schumer Amendment No. 4296, to require a study of the accounting treatment of special purpose entities. Pages S6690–91

Pending:

Edwards Modified Amendment No. 4187, to address rules of professional responsibility for attorneys. Page S6683

Reid (for Carnahan) Amendment No. 4286, to require timely and public disclosure of transactions involving management and principal stockholders. Pages S6687–88

During consideration of this measure today, Senate also took the following actions:

By 91 yeas to 2 nays (Vote No. 173), three-fifths of those Senators duly chosen and sworn, having voted in the affirmative, Senate agreed to the motion to close further debate on the bill. Page S6685

Subsequently, the following motion to recommit was ruled out of order when cloture was invoked.

McCain Motion to Recommit the bill to the Committee on Banking, Housing, and Urban Affairs with instructions to report back forthwith with Amendment No. 4270, to require publicly traded companies to record and treat stock options as expenses when granted for purposes of their income statements. Page S6683
Subsequently, the following amendments fell when McCain Motion to Recommit (listed above) was ruled out of order:

Reid (for Edwards) Amendment No. 4271 (to the instructions of the motion to recommit the bill to the Committee on Banking, Housing, and Urban Affairs), to address rules of professional responsibility for attorneys.

Reid (for Levin) Amendment No. 4272 (to Amendment No. 4271), to address procedures for banning certain individuals from serving as officers or directors of publicly traded companies, civil money penalties, obtaining financial records, broadened enforcement authority, and forfeiture of bonuses and profits.

The Chair sustained a point of order that Daschle (for Levin) Amendment No. 4269 (to Amendment No. 4187), to address procedures for banning certain individuals from serving as officers or directors of publicly traded companies, civil money penalties, obtaining financial records, broadened enforcement authority, and forfeiture of bonuses and profits, is not germane post-cloture, and the amendment thus fell.

A unanimous-consent agreement was reached providing that Senator Levin be recognized at 1 p.m., on Monday, July 15, 2002.

A unanimous-consent-time agreement was reached providing for further consideration of the bill at 1 p.m., on Monday, July 15, 2002, and that there be 5 hours remaining on the bill post cloture.

Andean Trade Promotion and Drug Eradication Act: Senate disagreed to the amendment of the House and agreed to the House request for a conference thereon, and the Chair was authorized to appoint the following conferees on the part of the Senate: Senators Baucus, Rockefeller, Breaux, Grassley, and Hatch.

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

Transmitting, pursuant to law, the District of Columbia's Fiscal Year 2003 Budget Request Act; to the Committee on Governmental Affairs. (PM–102)

Messages From the House:

Measures Referred:

Additional Cosponsors:

 Statements on Introduced Bills/Resolutions:

Additional Statements:

Amendments Submitted:

Notices of Hearings/Meetings:

Record Votes: One record vote was taken today. (Total—173)

Adjournment: Senate met at 9:15 a.m., and adjourned at 12:53 p.m., until 12 noon, on Monday, July 15, 2002. (For Senate’s program, see the remarks of the Acting Majority Leader in today’s Record on page S6727).

Committee Meetings

No committee meetings were held.
House of Representatives

Chamber Action

Measures Introduced: 5 public bills, H.R. 5110–5114; and 2 resolutions, H. Con. Res. 440 and H. Res 482, were introduced.

Reports Filed: Reports were filed today as follows:
- H.R. 3479, to expand aviation capacity in the Chicago area, amended (H. Rept. 107–568);
- H.R. 3214, to amend the charter of the AMVETS organization (H. Rept. 107–569);
- H.R. 3838, to amend the charter of the Veterans of Foreign Wars of the United States organization to make members of the armed forces who receive special pay for duty subject to hostile fire or imminent danger eligible for membership in the organization, and for other purposes (H. Rept. 107–570); and
- H.R. 3988, to amend title 36, United States Code, to clarify the requirements for eligibility in the American Legion (H. Rept. 107–571).

National Construction Safety Team Act: The House passed H.R. 4687, to provide for the establishment of investigative teams to assess building performance and emergency response and evacuation procedures in the wake of any building failure that has resulted in substantial loss of life or that posed significant potential of substantial loss of life by a yea-and-nay vote of 338 yeas to 23 nays, Roll No. 295.

Agreed to:
- Boehlert amendment that makes technical changes and defines team members who are not Federal Employees as Federal Government contractors; clarifies that nothing in the act shall be construed to confer authority on the National Institute of Standards and Technology to require the adoption of building standards, codes, or practices; and removes limitation on the amounts authorized to be appropriated.

Meeting Hour—Monday, July 15: Agreed that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday, July 15 to morning-hour debate.

Calendar Wednesday: Agreed to dispense with the Calendar Wednesday business of Wednesday, July 17.

Committee Meetings

HOMELAND SECURITY ACT

VETERANS HEALTH-CARE ITEMS PROCUREMENT REFORM AND IMPROVEMENT ACT
Committee on Veterans' Affairs: Subcommittee on Health approved for full Committee action, as amended, H.R. 3645, Veterans Health-Care Items Procurement Reform and Improvement Act of 2002.

CONGRESSIONAL PROGRAM AHEAD
Week of July 15 through July 20, 2002

Senate Chamber

On Monday, at 1 p.m., Senate will resume consideration of S. 2673, Accounting Reform bill.

During the balance of the week, Senate may consider S. 812, Greater Access to Affordable Pharmaceuticals Act, and any other cleared legislative and executive business, including appropriation bills and conference reports, when available.

Senate Committees

(Special Committee on Aging: July 18, to hold hearings to examine issues with respect to identify theft, 9:30 a.m., SD–628.

Committee on Agriculture, Nutrition, and Forestry: July 16, to hold hearings to examine livestock packer ownership issues, 10 a.m., SD–562.

July 17, Full Committee, to hold hearings to examine Homeland Security, 2 p.m., SH–216.

July 18, Subcommittee on Production and Price Competitiveness, to hold hearings on S.532, to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a Canadian pesticide for distribution and use within that State, 2 p.m., SR–332.

Committee on Appropriations: July 16, Subcommittee on Defense, business meeting to mark up H.R.5010, making
appropriations for the Department of Defense for the fiscal year ending September 30, 2003, 10 a.m., SD–192.

July 16, Full Committee, business meeting to mark up proposed legislation making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2003, 2 p.m., S–128, Capitol.

July 16, Subcommittee on Labor, Health and Human Services, and Education, business meeting to mark up proposed legislation making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2003, 5:30 p.m., SD–124.

July 18, Full Committee, business meeting to mark up H.R.5010, making appropriations for the Department of Defense for the fiscal year ending September 30, 2003; proposed legislation making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2003; proposed legislation making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2003; and proposed legislation making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2003, 2 p.m., S–128, Capitol.

Committee on Banking, Housing, and Urban Affairs: July 16, to hold oversight hearings to examine the Semi-Annual Report on Monetary Policy of the Federal Reserve, 10 a.m., SH–216.

July 17, Subcommittee on Housing and Transportation, to hold oversight hearings to examine public mass transit systems, 2:30 p.m., SD–538.

Committee on Commerce, Science, and Transportation: July 16, to hold hearings on the nomination of Jonathan Steven Adelstein, of South Dakota, to be a Member of the Federal Communications Commission, 2:30 p.m., SR–253.


July 18, Full Committee, to hold hearings to examine the role of Enron Corporation energy services in the western state electricity crisis, 9:30 a.m., SR–253.

July 18, Full Committee, to hold hearings on the nominations of Frederick W. Gregory, of Maryland, to be Deputy Administrator of the National Aeronautics and Space Administration; and Kathie L. Olsen, of Oregon, and Richard M. Russell, of Virginia, each to be an Associate Director of the Office of Science and Technology Policy, 2:30 p.m., SR–253.

Committee on Energy and Natural Resources: July 16, to hold hearings to examine the Administration’s plans to request additional funds for wildland firefighting and forest restoration as well as ongoing implementation of the National Fire Plan, 9:30 a.m., SD–366.

July 18, Full Committee, to hold hearings to examine the effectiveness and sustainability of U.S. technology transfer programs for energy efficiency, nuclear, fossil and renewable energy, and to identify necessary changes to those programs to support U.S. competitiveness in the global marketplace, 9:30 a.m., SD–366.

July 18, Subcommittee on National Parks, to hold hearings to examine S. 1865, to authorize the Secretary of the Interior to study the suitability and feasibility of establishing the Lower Los Angeles River and San Gabriel River watersheds in the State of California as a unit of the National Park System; S. 1943, to expand the boundary of the George Washington Birthplace National Monument; S. 2571, to direct the Secretary of the Interior to conduct a special resources study to evaluate the suitability and feasibility of establishing the Rim of the Valley Corridor as a unit of the Santa Monica Mountains National Recreation Area; S. 2595, to authorize the expenditure of funds on private lands and facilities at Mesa Verde National Park, in the State of Colorado; and H.R.1925, to direct the Secretary of the Interior to study the suitability and feasibility of designating the Waco Mammoth Site Area in Waco, Texas, as a unit of the National Park System, 2:30 p.m., SD–366.

Committee on Environment and Public Works: July 16, with the Committee on the Judiciary, to hold joint hearings to examine new source review policy, regulations, and enforcement activities, with respect to clean air, 10 a.m., SD–106.

July 18, Full Committee, to hold hearings on the nominations of John S. Bresland, of New Jersey, to be a Member, and Carolyn W. Merritt, of Illinois, to be a Member and Chairperson, both of the Chemical Safety and Hazard Investigation Board, 10 a.m., SD–406.

Committee on Finance: July 16, to hold hearings to examine homeland security and international trade issues, 10 a.m., SD–215.

July 17, Full Committee, to hold hearings to examine schemes, scams, and cons regarding fuel tax fraud, 10 a.m., SD–215.

Committee on Foreign Relations: July 17, to resume hearings on the Treaty Between the United States of America and the Russian Federation on Strategic Offensive Reductions, Signed at Moscow on May 24, 2002 (Treaty Doc.107–08), 10:30 a.m., SD–419.

Committee on Governmental Affairs: July 17, to hold hearings to examine the nomination of Mark W. Everson, of Texas, to be Deputy Director for Management, Office of Management and Budget, 2 p.m., SD–342.

Committee on Health, Education, Labor, and Pensions: July 16, to hold hearings to examine the proposed Department of Homeland Security issues, 10 a.m., SD–430.

July 17, Full Committee, business meeting to consider S. 2394, to amend the Federal Food, Drug, and Cosmetic Act to require labeling containing information applicable
to pediatric patients; S. 2499, to amend the Federal Food, Drug, and Cosmetic Act to establish labeling requirements regarding allergenic substances in food; S. 1998, to amend the Higher Education Act of 1965 with respect to the qualifications of foreign schools; proposed legislation authorizing funding for the Child Care and Development Block Grant; and the nomination of Richard H. Carmona, of Arizona, to be Medical Director in the Regular Corps of the Public Health Service, and to be Surgeon General of the Public Health Service, 10 a.m., SD–430.

Committee on Indian Affairs: July 17, to hold oversight hearings to examine the protection of Native American sacred places, 10 a.m., SR–485.

July 18, Full Committee, to hold hearings to examine proposed legislation to approve the settlement of water rights claims of the Zuni Indian Tribe in Apache County, Arizona, 10 a.m., SR–485.

July 18, Full Committee, to hold hearings on proposed legislation to ratify an agreement to regulate air quality on the Southern Ute Indian Reservation, 2 p.m., SR–485.

Select Committee on Intelligence: July 16, to hold a joint closed briefing with the House Permanent Select Committee on Intelligence to examine events surrounding September 11, 2001, 10 a.m., S–407, Capitol.

July 18, Full Committee, to hold joint closed hearings with the House Permanent Select Committee on Intelligence to examine events surrounding September 11, 2001, 10 a.m., S–407, Capitol.

July 19, Full Committee, to continue joint closed hearings with the House Permanent Select Committee on Intelligence to examine events surrounding September 11, 2001, 10 a.m., S–407, Capitol.

Committee on the Judiciary: July 16, with the Committee on Environment and Public Works, to hold joint hearings to examine new source review policy, regulations, and enforcement activities, with respect to clean air, 10 a.m., SD–106.

July 16, Subcommittee on Administrative Oversight and the Courts, to hold hearings to examine the Federal Bureau of Investigations computer hardware problems from 1992 to 2002, 2 p.m., SD–226.

July 17, Subcommittee on Constitution, to hold hearings on S.J. Res. 35, proposing an amendment to the Constitution of the United States to protect the rights of crime victims, 10 a.m., SD–226.

July 18, Full Committee, to hold hearings to examine pending nominations, 2 p.m., SD–226.

House Committees

Committee on Agriculture, July 18, Subcommittee on Department Operations, Oversight, Nutrition and Forestry, hearing on Stewardship Contracting, 10 a.m., 1300 Longworth.

Committee on Armed Services, July 16, Merchant Marine Panel, hearing on U.S. ownership and control of vessels operating in the Maritime Security Program, 2 p.m., 2212 Rayburn.

Committee on the Budget, July 16, hearing on Mid-Session Review, 10:30 a.m., 210 Cannon.


July 16, Subcommittee on Workforce Protections, hearing on “Can A Consensus Be Reached to Update OSHA’s Permissible Exposure Levels (PELs),” 2 p.m., 2175 Rayburn.

Committee on Energy and Commerce, July 16, Subcommittee on Environment and Hazardous Materials and the Subcommittee on Health, joint hearing on Recent Developments in the EPA Office of the Ombudsman, 10 a.m., 2123 Rayburn.

July 17, Subcommittee on Health, hearing on “Harming Patient Access to Care: The Impact of Excessive Litigation,” 10 a.m., 2123 Rayburn.

July 18, Subcommittee on Commerce, Trade and Consumer Protection, hearing titled “Are All Online Travel Sites Good for the Consumer: An Examination of Supplier-Owned Online Travel Sites,” 9:30 a.m., 2123 Rayburn.

July 19, Subcommittee on Oversight and Investigations, hearing titled “A Review of DOE’s Accelerated Cleanup Program and State-Based Compliance Agreements,” 9:30 a.m., 2123 Rayburn.

Committee on Financial Services, July 16, Subcommittee on Capital Markets, Insurance, and Government Sponsored Enterprises, hearing regarding the Department of the Treasury’s policy on the Government Sponsored Enterprises, 2 p.m., 2128 Rayburn.

July 17, full Committee, hearing on Monetary Policy and the State of the Economy, 10 a.m., 2128 Rayburn.


July 18, Subcommittee on Oversight and Investigations and the Subcommittee on Housing and Community Opportunity, joint hearing entitled “Mold: A Growing Problem,” 2 p.m., 2128 Rayburn.

July 19, Subcommittee on International Monetary Policy and Trade, hearing on the expected authorization request for the U.S. Participation in the World Bank-International Development Association, 9:30 a.m., 2128 Rayburn.

Committee on Government Reform, July 16, Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs, hearing on EPA Cabinet Elevation: Agency and Stakeholder Views, 3 p.m., 2154 Rayburn.

July 17, Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations, hearing on “Government Travel and Purchase Card Programs at the Department of the Army,” 10 a.m., 2154 Rayburn.

July 18, Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations, hearing on “The Department of Defense’s Telecommunications Policy for Service Personnel,” 10 a.m., 2247 Rayburn.

July 19, Subcommittee on the District of Columbia, hearing on Voting Representation in Congress, 12 p.m., 2154 Rayburn.

Committee on International Relations, July 18, Subcommittee on Middle East and South Asia, hearing on Recent Developments in South Asia, 2 p.m., 2172 Rayburn.

Committee on the Judiciary, July 17, to mark up the following measures: S.J. Res. 13, conferring honorary citizenship of the United States on Paul Yves Roch Gilbert du Motier, also known as the Marquis de Lafayette; H.R. 4558, to extend the Irish Peace Process Cultural and Training Program; S. 487, Technology, Education, and Copyright Harmonization Act of 2001; H. Res. 437, requesting that the President focus appropriate attention on neighborhood crime prevention and community policing, and coordinate certain Federal efforts to participate in “National Night Out,” including by supporting local efforts and neighborhood watches and by supporting local officials to provide homeland security; H.R. 4965, Partial-Birth Abortion Ban Act of 2002; H.R. 3951, Financial Services Regulatory Relief Act of 2002; and H.R. 1452, Family Reunification Act of 2001, 10 a.m., 2141 Rayburn.

July 18, Subcommittee on Courts, the Internet, and Intellectual Property, oversight hearing on “The U.S. Patent and Trademark Office: Fee Schedule Adjustment and Agency Reform,” 10 a.m., 2141 Rayburn.


July 16, Subcommittee on National Parks, Recreation and Public Lands, hearing on the following bills: H.R. 3434, McLoughlin House National Historic Site Act; H.R. 3449, to revise the boundaries of the George Washington Birthplace National Monument; and H.R. 4953, to direct the Secretary of the Interior to grant to Deschutes and Crook Counties in the State of Oregon a right-of-way to West Butt Road, 2 p.m., 1334 Longworth.

July 17, full Committee, oversight hearing on the Compacts of Free Association, followed by a hearing on the following bills: H.R. 2408, Yankton Sioux Tribe and Santee Sioux Tribe Equitable Compensation Act; H.R. 3407, Indian Financing Act Reform Amendment; and H.R. 4838, to provide that active duty members of the military be able to fully participate in Federal elections in American Samoa by providing that the office of the Delegate from American Samoa to the United States House of Representatives shall be elected by a plurality of the votes cast, 2 p.m., 1324 Longworth.

July 18, Subcommittee on Fisheries Conservation, Wildlife and Oceans, hearing on H.R. 4722, Lake Erie Western Basin International Wildlife Refuge Establishment Act, 10 a.m., 1324 Longworth.

Committee on Rules, July 15, to consider H.R. 5093, making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2003, 5:30 p.m., H–313 Capitol.

July 16, to consider a measure making appropriation for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 2003, 4 p.m., H–313 Capitol.

Committee on Science, July 18, Subcommittee on Space and Aeronautics, hearing on NASA Workforce and Management Challenges, 10 a.m., 2318 Rayburn.

Committee on Small Business, July 16, Subcommittee on Workforce, Empowerment and Government Programs, hearing on Restructuring SBA, 2 p.m., 2360 Rayburn.

Committee on Standards of Official Conduct, July 15, Adjudicatory Subcommittee, hearing in the Matter of Representative James A. Traficant, Jr., to determine whether any counts in the Statement of Alleged Violations have been proven by clear and convincing evidence, 10 a.m., 2118 Rayburn.

Committee on Transportation and Infrastructure, July 16, Subcommittee on Aviation, oversight hearing on Problems with the FAA Organizational Structure, 2 p.m., 2167 Rayburn.


Committee on Veterans’ Affairs, July 16, to mark up the following bills: H.R. 4940, Arlington National Cemetery Burial Eligibility Act; H.R. 5005, to authorize the placement in Arlington National Cemetery of a memorial honoring the World War II veterans who fought in the Battle of the Bulge; H.R. 3645, Veterans Health-Care and Procurement Improvement Act of 2002; 9:30 a.m., followed by a hearing on H.R. 4939, Veterans Medicare Payment Act of 2002, 10 a.m., 334 Cannon.

July 18, Subcommittee on Benefits, hearing on the Transition Assistance Program and the Disabled Transition Assistance Program, 10 a.m., 334 Cannon.

Committee on Ways and Means, July 18, Subcommittee on Trade, hearing on the Administration’s Waiver for Vietnam from the Jackson-Vanik Freedom of Emigration Requirements, 10 a.m., 1100 Longworth.

Select Committee on Homeland Security, July 15, 16, and 17, hearings on H.R. 5005, Homeland Security Act of
Joint Meetings

Joint Meetings: July 16, Senate Select Committee on Intelligence, to hold a joint closed briefing with the House Permanent Select Committee on Intelligence to examine events surrounding September 11, 2001, 10 a.m., S–407, Capitol.

Joint Meetings: July 18, Senate Select Committee on Intelligence, to hold joint closed hearings with the House Permanent Select Committee on Intelligence to examine events surrounding September 11, 2001, 10 a.m., S–407, Capitol.

Commission on Security and Cooperation in Europe: July 16, to hold hearings to examine the state of property restitution in Central and Eastern Europe for American claimants, 2 p.m., 334, Cannon Building.

Joint Economic Committee: July 17, to hold hearings to examine economic outlook issues, 10 a.m., Room to be announced.
Next Meeting of the Senate
12 noon, Monday, July 15

Senate Chamber

Program for Monday: After the transaction of any morning business (not to extend beyond 1 p.m.), Senate will continue consideration of S. 2675, to improve quality and transparency in financial reporting and independent audits and accounting services for public companies, to create a Public Company Accounting Oversight Board, to enhance the standard setting process for accounting practices, to strengthen the independence of firms that audit public companies, to increase corporate responsibility and the usefulness of corporate financial disclosure, to protect the objectivity and independence of securities analysts, to improve Securities and Exchange Commission resources and oversight.

Next Meeting of the HOUSE OF REPRESENTATIVES
12:30 p.m., Monday, July 15

House Chamber

Program for Monday: To be announced.

Extensions of Remarks, as inserted in this issue

HOUSE

Camp, Dave, Mich., E1251
Davis, Danny K., Ill., E1248
Delahunt, William D., Mass., E1251
Goodlatte, Bob, Va., E1250
Green, Mark, Wisc., E1251
Hilliard, Earl F., Ala., E1250
Hobson, David L., Ohio, E1249
Jones, Walter B., N.C., E1252
Lee, Barbara, Calif., E1247
Platts, Todd Russell, Pa., E1248
Schaffer, Bob, Colo., E1250
Schakowsky, Janice D., Ill., E1249
Serrano, José E., N.Y., E1248
Slaughter, Louise McIntosh, N.Y., E1247, E1249
Solis, Hilda L., Calif., E1248, E1250
Udall, Mark, Colo., E1250
Velaquez, Nydia M., N.Y., E1248
Waters, Maxine, Calif., E1247

The public proceedings of each House of Congress, as reported by the Official Reporters thereof, are printed pursuant to directions of the Joint Committee on Printing as authorized by appropriate provisions of Title 44, United States Code, and published for each day that one or both Houses are in session, excepting very infrequent instances when two or more unusually small consecutive issues are printed at one time. Public access to the Congressional Record is available online through GPO Access, a service of the Government Printing Office, free of charge to the user. The online database is updated each day the Congressional Record is published. The database includes both text and graphics from the beginning of the 103d Congress, 2d session (January 1994) forward. It is available through GPO Access at www.gpo.gov/gpoaccess. Customers can also access this information with WAIS client software, via telnet at swais.access.gpo.gov, or dial-in using communications software and a modem at (202) 512-1861. Questions or comments regarding this database or GPO Access can be directed to the GPO Access User Support Team at: E-Mail: gpoaccess@gpo.gov; Phone 1-888-293-6498 (toll-free), 202-512-1800 (D.C. area); Fax: 202-512-1262. The Team’s hours of availability are Monday through Friday, 7:00 a.m. to 5:30 p.m., Eastern Standard Time, except Federal holidays. The Congressional Record paper and 24x microfiche will be furnished by mail to subscribers, free of postage, at the following prices: paper edition, $211.00 for six months, $422.00 per year, or purchased for $5.00 per issue, payable in advance; microfiche edition, $341.00 per year, or purchased for $11.50 per issue payable in advance. The semimonthly Congressional Record Index may be purchased for the same per issue prices. To place an order for any of these products, visit the U.S. Government Online Bookstore at: bookstore.gpo.gov. Mail orders to: Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250-7954, or phone orders to (866) 512-1800 (toll-free), (202) 512-1800 (D.C. Area), or fax to (202) 512-2250. Remit check or money order, made payable to the Superintendent of Documents, or use VISA, MasterCard, Discover, American Express, or GPO Deposit Account. Following each session of Congress, the daily Congressional Record is revised, printed, permanently bound and sold by the Superintendent of Documents in individual parts or by sets. With the exception of copyrighted articles, there are no restrictions on the republication of material from the Congressional Record.